Exploration of cross-cultural assignment preparation activities of German small- and medium sized enterprises with overseas branches in Asia

by

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Abstract

The aim of this research work is the examining of the cross-cultural assignment preparation activities of German Mittelstand-SMEs with overseas branches in Asia and the influence of the general managers’ foreign experience on these activities in terms of methods used to prepare the assignments. The study was conducted as a quantitative dominant mixed-methods sequential explanatory design which started with the collection of the quantitative data via online questionnaire and was followed by semi-structured interviews as qualitative method in the second step.

In total the use of 62 methods for expatriates and 50 methods for expatriates’ families have been examined for the three predictors ‘time general managers spent in a foreign culture’, ‘size of the companies’ and ‘presence of HR department’. In total only little differences were found. The research revealed that companies with general managers who spent more than 12 months in a foreign culture use more likely trial periods on the job and evaluations of qualifications and experience as selection methods for expatriates compared to companies where the general manager spent less than 12 months in a foreign culture. For families of expatriates this is only the case for the evaluation of foreign experience as selection method.

In terms of differences related to the size of the organisations only unstructured interviews are more likely applied as selection methods for expatriates in larger organisations with 250 up to 499 employees, while in smaller organisations with less than 250 employees aptitude/ability tests, personality questionnaires, work sample tests and the provision of a mentor in the German headquarter are more likely offered for their expatriates. Structured interviews are more likely used for families of expatriates in companies with less than 250 employees compared to larger organisations.

Companies without HR department are more likely to apply for the preparation of expatriates drug tests/medical checks, aptitude/ability tests, assessment centres, providing of information on leisure activities, language training during the stay and provision of repatriation counselling to ease adjustment of repatriates compared to companies with HR department. It is the same for families of expatriates where criminal background checks, aptitude/ability tests, immersion and return incentive payments are more likely applied or offered by companies without HR department. Surprising was, that not a single method was applied more likely for expatriates or their families within companies with HR department. Moreover the research results suggest that the presence of an HR department has a hindering effect on the preparation of expatriates and their families. Companies without HR department apply more likely at least one cross-
cultural training method for expatriates compared to companies with HR department. The ex-
planation therefore is that in companies without HR department general managers can not rely
on their HR departments to manage the whole cross-cultural assignment preparation process.
That is why they are more likely aware that they need external support in order to ensure a
proper preparation and the use of external support professionalizes the process. However, the
results of the qualitative results furthermore suggest that general managers who spent more
than 12 months in a foreign culture and are aware that their HR departments are not capable
of managing the whole process also use external support and apply cross-cultural training for
expatriates and their families. Finally, the time general managers spent in a foreign culture has
also an effect on the overall involvement of the expatriates’ families in the process. In compa-
nies with general managers who spent more than 12 months in a foreign culture the families
of expatriates are more likely involved in the whole process compared to companies where the
general managers have less foreign experience.

This research also reveals that only a minority of about 28% of the surveyed companies applies
at least one cross-cultural training method for their expatriates and less than 12% of the sur-
veyed companies apply at least one cross-cultural training method for the families of expatri-
ates. This result suggests that there is a potential for trainers and consultants who offer cross-
cultural training programs.

All results of this research work are discussed in relation to their contribution to theory and
practice in chapter five.
Declaration of originality

I declare that my thesis entitled ‘Exploration of cross-cultural assignment preparation activities of German small- and medium sized enterprises with overseas branches in Asia’ and the work to which it refers are the results of my own efforts. Any ideas, data, images or text resulting from the work of others (whether published or unpublished) are fully identified as such within the work and attributed to their originator in the text or bibliography. This thesis has not been submitted in whole or in part for any other academic degree or professional qualification. I agree that the University has the right to submit my work to the plagiarism detection service TurnitinUK for originality checks. Whether or not drafts have been so-assessed, the University reserves the right to require an electronic version of the final document (as submitted) for assessment as above.

Signature:

Fabrice Gerdes

Date: 6th July 2017
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<th>Full Form</th>
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<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CV</td>
<td>curriculum vitae, abbreviation of Latin for ‘courses of life’</td>
</tr>
<tr>
<td>DBA</td>
<td>Doctor of Business Administration</td>
</tr>
<tr>
<td>e.g.</td>
<td>exempli gratia, abbreviation of Latin for ‘for example’</td>
</tr>
<tr>
<td>et al.</td>
<td>et alia, abbreviation of Latin for ‘and others’</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>HR</td>
<td>Human resources</td>
</tr>
<tr>
<td>i.e.</td>
<td>id est, abbreviation of Latin for ‘that means’</td>
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<tr>
<td>MBA</td>
<td>Master of Business Administration</td>
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<td>p.</td>
<td>Page, page</td>
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<td>pp.</td>
<td>Pages, pages</td>
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<td>SME</td>
<td>Small and medium-sized enterprise</td>
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<tr>
<td>SPSS</td>
<td>Statistical Package for the Social Sciences</td>
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<tr>
<td>UK</td>
<td>United Kingdom</td>
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<tr>
<td>USA</td>
<td>United States of America</td>
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<tr>
<td>US</td>
<td>United States</td>
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<tr>
<td>US$</td>
<td>United States Dollar</td>
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Chapter 1: Introduction

1.1 Introduction to the chapter

The purpose of this chapter is to provide a general introduction to this research work by providing an overview about the background and reasoning of this research as well as the contribution for theory and practice. This chapter provides furthermore an outline about the applied methodology, research design and the philosophical standpoint from which this research work is conducted.

This introductory chapter is divided into six sections and starts with an outline of the research background and its aim. It is followed by section 1.2 which explains in detail the background of this research. Section 1.3 justifies this research work and describes its aims and scopes. A short overview about the whole research design is provided in section 1.4 which is followed by a structure outline of this thesis in section 1.5. Chapter one closes with section 1.6 which contains a brief summary of the first chapter.

1.2 Background of this research study

Asian nations are after European nations the most important trading partners for Germany, where in particular China is with a trading volume of 163 billion Euro (imports and exports) behind the United States of America Germany’s second most important trading partner outside Europe and China is furthermore home to about 5,000 branch offices of German companies (Appendix A, Destatis, 2016). This inevitably leads to contact between German employees and their culture with employees from Asian background and their cultures. There is consensus in the literature that cultural differences matter, also in a business context (Boyacigiller et al., 2003, Hofstede et al., 2010, McSweeney, 2002). Especially expatriates and their families, as for example from Germany, who are on a cross-cultural assignment in Asia, are confronted on a daily basis with a foreign culture. All the problems related to the cultural differences and which, in the worst case, can result in a premature return, are described with the term expatriate failure (Oddou, 1991). Given that there is no common understanding for what the term expatriate stands for there is a need to develop a definition for this research which is done at the beginning of chapter two. In order to cope and master cultural differences the literature argues that cross-cultural training can help to lower the risk for expatriate failure but according to the literature there are with the selection, preparation, training which is not related to culture, support during the stay and the repatriation also other elements which are crucial for a proper preparation and success of foreign assignments, that is way this research uses the term cross-

This research is focused on the expatriate activities of German Mittelstand-SMEs (small and medium-sized enterprises) with a branch office in Asia, therefore the following sections will explain what SMEs are in general, why the German SME sector is different to other SME sectors in Europe and what is already known in terms of how German SMEs prepare expatriates for their assignments.

1.2.1 Small and medium-sized enterprises (SMEs)

Although small and medium-sized enterprises (SMEs) dominate with worldwide estimated 420 million up to 510 million enterprises the global economy and their numbers exceeds other forms of organisations there is no mutually agreed definition for the segment of SMEs across different countries. Common dimensions used for definition of SMEs are number of employees, annual turnover and balance sheet total (Association of Chartered Certified Accountants, 2012, European Union, 2010, IfM Bonn, 2016 a). Ayyagari et al. (2003) compared the official SME-country definitions of several countries from all over the world which shows, that the number of employees is a key factor to determine if a company is an SME or not. In the majority of countries the SME definition varies between 100 and 500 employees (Ayyagari et al., 2003). Although 500 employees are according to Ayyagari et al. (2003) the upper limit in the most definitions China is a major exception. In China, where SMEs are defined as companies with less than 2,000 employees with sales less than 300 million Yuan (about 38.6 million Euro), or assets lower than 400 million Yuan (about 51.5 million Euro) (Zhang et al., 2012). Under this definition China has about 37.7 million SMEs which account for 99.6% of the country’s total of enterprises (Cunningham, 2010). Also in the Americas SMEs are important economic factors. In Latin America SMEs account for more than 95% of the total corporate stock (Vives, 2005), and also in the USA, the 20 million SMEs represent more than 95% of all firms (Vasek, 2011, Kidalov and Snider, 2011).

1.2.2 SMEs in Europe

Because figures indicate that SMEs account for more than 95% of companies in China and the Americas it is not unexpected that in the EU-25 economies, under the European Commission definition, 23 million SMEs provide employment for more than 75 million employees and account with about 99% significant for the total of enterprises (European Commission, 2010).
As illustrated in figure 1.1, the European Commission defines SMEs as enterprises with less than 250 employees and 50 million Euro or less annual turnover or an annual balance sheet total with 43 million Euro or less and is thus in terms of the number of employees also in the area that has been identified by Ayyagari et al. (2003). By this definition SMEs are split up into medium-sized, small and micro enterprises, which represent with less than ten employees the smallest entity of companies. Although nations have different SME criteria as basis for their definitions one can say, that these data highlight that SMEs employ the vast majority of the world’s population, represent a major factor for their national economies and also for the global economy.

**Figure 1.1: SME demarcation criteria of the European Commission**

![SME demarcation criteria](image)

*Source: (European Commission, 2005, p. 14)*

The study ‘Internationalization of European SMEs’ which was conducted by the European Commission revealed, that 44% of the European SMEs are involved in any form in internationalization, what was defined in the study as ‘either exporting, importing, investing abroad, cooperating internationally, or having international subcontractor relationships’ (European Commission, 2010, p. 25). The study ‘Internationalization of European SMEs’ also reveals that with 44% European SMEs are more internationally active than their counterparts in the USA or Japan. Furthermore there is a direct correlation between the size of the SME and its level of internationalization which rises with the size of the SME. Figure 1.2 illustrates that the level of internationalization increases in general with the size of the company.
The larger the size of the company in terms of employees and turnover, the higher the level of internationalisation (European Commission, 2010).

**Figure 1.2:** Percentage of internationalised SMEs in 2006-2008

![Percentage of internationalised SMEs in 2006-2008](image)

*Source: (Internationalisation of European SMEs EIM/GDCC, 2009)*

The most international activities of European SMEs are done with or within Europe. However, the study European Commission (2010: 25) summarises that ‘even if only extra EU exports are considered they still perform better’ than US American or Japanese companies with regards on international activities. China is outside Europe one of the most important trading partner for European SMEs.

The figures also indicate that international orientated SMEs have with 7% versus 1% a significant higher average growth in employment and are more innovative than other SMEs (European Commission, 2010). These facts underline that a large proportion of European SMEs maintains business relationships with companies from other cultural backgrounds which might be a source for misunderstanding and conflict and underline again the relevance of this research. With about more than 4.8 million SMEs under the European Commission definition, representing 99.9% of all private companies, the United Kingdom has the highest number of SMEs within Europe. These SMEs account for 59.8 % employment and 49.0 % turnover in the UK (The Department for Business, Innovation and Skills, 2010). The United Kingdom has followed by Germany, which has with 3.6 million SMEs under the European Commission definition, which represent 99.6% of all private companies, the second largest number of SMEs in Europe (IfM Bonn, 2016 b).

However, a comparison of Europe’s strongest economies, the UK, France and Germany show that there are significant differences in their SME structures. In all three economies, SMEs are, with regards to employment and turnover, are very important contributors to economic wealth,
however, if these three SME country-sectors are compared there are on the one hand the UK with 95.4% and France with more than 92% of enterprises which have less than 10 employees and belong as illustrated in figure 1.1 to the group of micro enterprises. In Germany this proportion of micro enterprises is with 83% significantly smaller than in France and the UK (Department for Business, Innovation and Skills, 2011, Courrent and Gundolf, 2009, European Commission, 2011). These figures indicate that the German SME sector is different compared to the majority of SME sectors in Europe because the proportion of companies with 10-249 employees is significantly higher in Germany than in the UK, France and the European average, which is also the case for the proportion of companies up to 499 employees (Deutsche Bank, 2009). Thus, SMEs in Germany tend to be larger in terms of employees than SMEs from other European nations.

1.2.3 SMEs in Germany

SMEs are in Germany also known under the name of ‘Mittelstand’ (Institut für Mittelstandsfororschung, a, 2016) with the difficulty that there is no generally accepted definition for the term ‘Mittelstand’. More than 200 approaches for a definition are known, which is quite surprising since ‘the Mittelstand is both a distinctive feature and a pillar of Germany's economy’ (Berghoff, 2006, p. 270, Mugler, 1998, Kosmider, 1994, Krimphove and Tytko, 2002). Berghoff (2006: 264) claims that ‘the notion of Mittelstand is impossible to translate’ and that ‘semantically, it is much more than a neutral description of the owners of small and medium sized enterprises’. Factors such as close contact to customers, unity of ownership and management, regional closeness and long-term orientation characterize the German Mittelstand (Block and Spiegel, 2011, Reinemann, 2011). Homburg (1999) claims that the term Mittelstand does not refer to small or medium-sized firms. Instead Homburg (1999: 101) states that ‘Mittelstand is a sociological concept and means the class of people between the workers and the capitalists’.

For Bhaumik and Gregoriou (2010) factors such as size and turnover are of secondary importance for define German Mittelstand because for them it is crucial whether a company is family-owned and therefore ‘Mittelstand’ or not, with the consequence, that according to this definition large family owned enterprises such as C. H. Boehringer Sohn AG & Co. KG with 12.7 billion turnover and 44,000 employees or Vaillant, which also considers itself as Mittelstand, with its 12,400 employees and 2.3 billion Euro turnover belong to the group of Mittelstand companies (Boehringer Ingelheim, 2011, Vaillant, 2012). This contradicts the views of Deeg (1998) who says that in terms of demarcation criteria ‘Mittelstand’ refers to medium-sized companies with 100 up to 500 employees, what is congruent with the prior mentioned summary of SME definitions around the world (Ayyagari et al., 2003). However, Deeg recognizes that in Germany it is common to refer to both small- and medium-sized enterprises, i.e.
all firms with less than 500 employees as ‘Mittelstand’, which is with regards to the number of employees consistent with the SME definition of the Institut für Mittelstandsforschung Bonn, which is called by Berghoff (2006: 269) as a ‘restrictive definition’, says that companies with less than 500 employees and less than 50 million Euro turnover per year belong to the group of SMEs (Institut für Mittelstandsforschung, 2016 b). Table 1.1 illustrates the demarcation criteria of the ‘Institut für Mittelstandsforschung’ for SMEs in Germany in comparison with the SME criteria of the European Commission.

Table 1.1: Comparison of SME criteria

<table>
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<th>SME-definition of the EU Commission</th>
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<tr>
<td></td>
<td>Employees and turnover €/year</td>
<td>Employees and turnover €/year</td>
</tr>
<tr>
<td>micro</td>
<td>&lt; 10 &lt; 2 million</td>
<td>&lt; 10 &lt; 2 million</td>
</tr>
<tr>
<td>small</td>
<td>&lt; 50 &lt; 10 million</td>
<td>11-50 &lt; 10 million</td>
</tr>
<tr>
<td>medium</td>
<td>50–499 &lt; 50 million</td>
<td>51&lt;250 = or &lt; 50 million</td>
</tr>
<tr>
<td>SME</td>
<td>&lt; 500 &lt; 50 million</td>
<td>= or &lt; 250 = or &lt; 50 million</td>
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</table>

Source: (Institut für Mittelstandsforschung, b, 2016 and European Commission, 2005, p. 14)

Also the definitions of the IfM Bonn and the European Commission differ significantly with regards to the number of employees; table 1.2 illustrates that the difference in terms of per cent is not as big. According to IfM Bonn’s definition, 99.6% of German companies belong to the group of SME and compared to the European Commissions’ definition (99.5%) only 0.1% fewer companies belong to the group of SMEs. This comparison shows that in general it does
not really matter which definition is applied to underline the importance of SMEs for the German economy.

Table 1.2: Comparison of SME definitions of IfM Bonn and the European Commission

<table>
<thead>
<tr>
<th>3.68 million German companies</th>
<th>IfM Bonn</th>
<th>EU Commission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies belong to the group of SME</td>
<td>99.6 %</td>
<td>99.5 %</td>
</tr>
<tr>
<td>Employment</td>
<td>69.2 %</td>
<td>55.1 %</td>
</tr>
<tr>
<td>Contributed turnover</td>
<td>36.9 %</td>
<td>37.8 %</td>
</tr>
</tbody>
</table>

Source: (IfM Bonn, 2016 b and European Commission, 2005)

Taking the IfM Bonn definition as basis, the SME sector furthermore contributes over 80% of the net public finance (taxes and social contributions) in Germany and 85% of Germanys’ apprentices are being trained in the SME sector (Mittelstandsinstutit Niedersachsen e.V., 2016). In summary the majority of companies belong to the group of SMEs, which provide the majority of employment in the world and Europe. For these reasons SMEs are not only a very important economic factor in the world or in Europe but also for Germany, where SMEs are considered to be the reliable backbone of the economy (Deeg, 1998, Engelen et al., 2010, Krimphove and Tytko, 2002, Berghoff, 2006).

Also the IfM Bonn has a widely accepted SME definition it seems to be problematic to use only quantitative aspects to determine whether a company belongs to the Mittelstand or not (Wolter and Hauser, 2001), because this method would ignore that companies, which may be owned by a corporation are considered to be a Mittelstand company. A good example for a company which belongs with regards to the quantitative aspects to the group of SME is the Düsseldorf based company Ideenkapital GmbH. Although Ideenkapital GmbH is a SME, it is a wholly owned subsidiary of the ERGO Insurance Group, the second largest insurance group in Germany. Thus the management of Ideenkapital GmbH has no ownership over the company and the culture within the company and the management decisions are influenced by the corporate group. Therefore there are significant differences compared to a company with the same turnover and the same workforce which is managed and owned by the founder of the company. Therefore it is argued that in addition to the quantitative factors, also qualitative factors should be applied to determine whether a company belongs to the sector of Mittelstand or not (Wolter and Hauser, 2001).

Reinemann (2002) developed a matrix in order to simplify the distinction between different types of companies on the basis of quantitative but also qualitative criteria such as for example
owner structure or the level of freedom, which follows the argument of Wolter and Hauser (2001) that only quantitative factors are not enough to identify the type of a company.

**Figure 1.3: Typing of companies**

<table>
<thead>
<tr>
<th>Quantitative criteria</th>
<th>Large unit</th>
<th>SME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type I:</td>
<td>Large family enterprises</td>
<td>small and medium-sized enterprises</td>
</tr>
<tr>
<td>Type II:</td>
<td>big corporations</td>
<td>small and medium-sized enterprise which are group dependent or third party managed</td>
</tr>
</tbody>
</table>

*Source: (Reinemann, 2002, p. 14)*

Bhaumik and Gregoriou (2010: 706) estimate that ‘there are between 1.3 and 3.2 million family-owned businesses’ in Germany which they refer as Mittelstand. While Germany has about 3.64 million enterprises in total, their estimate with a spread of 1.9 million companies is very imprecise and not very helpful to determine the correct figure. Nevertheless, there are more precise figures available. Wolter and Hauser (2001) conducted a study in which they took the quantitative definition of the IfM Bonn as basis and complemented it by two qualitative aspects which where

- Up to two persons or their family members hold at least 50% of the company shares
- These persons belong to the executive board of the company

with the result that the difference between both definitions is only 4.9% which means that taking qualitative and quantitative factors into consideration 94.8 % of the companies belong to the group of Mittelstand, compared to 99.6% of companies which are with regards to quantitative aspects SMEs, which proves that the difference between the effects of qualitative and quantitative aspects is not large.

If one accepts the research of Wolter and Hauser (2001) and its qualitative aspects as a basis and combines it with Reinemann’s matrix of figure 1.3 one comes to the conclusion that type I enterprises meet all requirements to belong to the groups of SME and Mittelstand enterprises (less than 500 employees and less than 50 million Euro turnover by year (Institut für Mittelstandsforschung, b, 2016). Large family enterprises as described as type II enterprises are according to the qualitative criteria Mittelstand companies but do not belong under quantitative
aspects to the group of SMEs. Prior mention Vaillant GmbH is a type II company. Also type IV enterprises belong under quantitative aspects to the group of SMEs, however, they do not meet the qualitative requirements to be a part of the Mittelstand, like Ideenkapital GmbH from Düsseldorf. Type III enterprises belong neither under quantitative nor qualitative criteria to the Mittelstand or SME sector. Therefore only type I and type II companies can be considered as Mittelstand under qualitative aspects.

In summary one can say that although there is no common definition for Mittelstand in Germany with regards to the quantitative definitions of the IfM Bonn, the European Commission and SME definitions from other nations from all over the world (Ayyagari et al., 2003), that with regards to the number of employees the maximum limit of a company from the Mittelstand is less than 500 employees and taking into account China’s definition of a SME the maximum limit would be less than 2,000 employees.

Although Berghoff (2006: 270-271) claims that ‘a firm with a workforce of over a thousand can be considered as part of the Mittelstand if it is owned and run by a family and if its business culture has retained aspects of the original economic and cultural arrangements, such as family control and management, lean management structures, strong family values, a patriarchal culture, and an emphasis on continuity’ and that there are ‘good reasons to increase the cutoff point to one thousand or more employees’, this research will follow the IfM Bonn definition with regards to quantitative aspects because the definition and criteria of the ‘Institut für Mittelstandsforzung Bonn’ are widely adopted in German practice and research. The definition also includes the companies with more than 250 up to 499 employees which is important because as illustrated in figure 1.2 the larger the size of the company is, the higher the level of internationalisation and therefore it can be assumed that in relation companies with 250 to 499 employees are more international active than companies with less than 250 employees (Beeker, 2002, Berghoff, 2006, European Commission, 2010, Krimphove and Tytko, 2002).

However, for this research not only quantitative aspects will be regarded, in addition to the quantitative definition of the IfM Bonn with up to 500 employees, the research will also use the prior mentioned qualitative aspects in a modified form, because I know companies which have, beside the families holding the majority of the shares, also general managers who run the companies and hold shares of the companies but do not belong to the two families which hold at least 50% of the shares. Therefore the two qualitative aspects for the determination of Mittelstand companies are:

- Up to two persons or their family members hold at least 50% of the company shares
- The managing director is a shareholder of the company
because this ensures to obtain the most accurate delineation between classic Mittelstand (type I) and other types of enterprises in addition, these criteria have already been used successfully in the research of Wolter and Hauser (2001). The SME definition of the IfM Bonn includes beside the number of employees also the annual turnover of the companies and the definition of the EU has in addition to the annual turnover also the balance sheet total as criteria. However, the financials are not a component of this definition because it could easily exclude capital-intensive industries like chemicals and steel from the group of Mittelstand-SMEs, although they fit in all other proof points under the Mittelstand definition which was developed for this research (Kleindorfer and Wu, 2003).

Now that the criteria for the definition and identification of Mittelstand-companies are known, it seems to be important to analyse if there is already evidence in the literature how German SMEs and Mittelstand-companies in general prepare their expatriates for their expatriate assignments and what influence the general managers have, in order to provide more detail on the context of the study.

1.2.4 Situation in German SMEs

Although family owned SMEs are of such an importance they are compared to the research field of expatriation in multinational enterprises not very much explored, therefore there is a lack of empirical research on the internationalization strategies of SMEs (Kontinen and Ojala, 2012, Schmierl, 2011, Scullion and Brewster, 1997). However, the little available literature suggests, that although it is evident that the development of internationally oriented and usable technical and managerial personnel is an important competitive advantage and that cross-cultural training and cross-cultural assignment preparation are very important factors for the success of expatriates or foreign assignments, because inadequate quantity of and/or untrained personnel are major barriers for SMEs to succeed in foreign markets, the majority of German SMEs which are involved in international business do not prepare their employees for their foreign assignments nor they have developed internal guidelines on how to deal with foreign assignments (Festing, 2000, Stroh and Caligiuri, 1998b(a), Minssen and Schmidt, 2008, Stroppa and Spiess, 2010, Harvey et al., 2001, Schmierl, 2011).

Recent empirical studies and expatriate literature revealed that in large companies international personnel management is comparatively well regulated. However, in SMEs expatriates do not receive the support they need to succeed in a foreign assignment and furthermore, transparent rules for foreign assignments seem not to be existing, the duration of the foreign assignment is often not clear and also a standardized selection procedures is also not visible (Schmierl, 2011). Instead the motivation of the candidates to go abroad, language skills and
the compatibility with family demands seem to be the most important selection criterion for foreign assignments in German SMEs (Minssen and Schmidt, 2008). According to the ‘Institute for Intercultural Management’ (Institut für Interkulturelles Management, 2001) only 20% of the German expatriates do receive any form of cultural training prior to their assignment, what is supported by other research (Habedank, 2006). Neither the Delegations of German Industry & Commerce in China nor the Institute for Small and Medium Sized Enterprises have data about how many German SMEs prepare their expatriates for their cross-cultural assignments in Asia (Appendix A).

Mendelhall et al. (1987: 334-335) have summarised the reasons why large enterprises are not focusing efforts and resources to the cross-cultural training of expatriates. They are:

- The belief that cross-cultural training programs are not effective
- Trainee dissatisfaction with the training programs
- The lack of time between selection and relocation prohibits in-depth cross-cultural training because there is not enough time to expose the expatriate to "quality" training
- The perception that because the overseas assignment is relatively short (one - three years) it does not warrant budget expenditures on training
- The trend toward employing local nationals in management
- No perceived need for such programs on the part of top management

However, the reasons why the majority of German SMEs are not focusing efforts and resources to the preparation of cross-cultural assignments are not clear yet (Stroppa and Spiess, 2010). Their limited global mobility and lack of financial resources, which is illustrated in figure 1.4 where it is visible that smaller companies have a significant lower equity ratio than large enterprises and thus a limited financial flexibility, seem to be two factors why German SMEs cannot provide the support a large company can do (Stroppa and Spiess, 2010).
Figure 1.4: Equity ratio of German SMEs

Still, these seem not to be the main reasons why only a minority of about 20% invests in cross-cultural training for their expatriates. Gutmann and Kabst (2000: 253) claim that the topic of international personnel management in SMEs is so important, that it should always be in the hand of the general manager what also seems to be almost exclusively the case in German SMEs. Nevertheless, the reason why the general manager is responsible for the international personnel management seems not to be, because it is so important, moreover the reason seems to be more pragmatic because unlike large enterprises, the majority of German SMEs do not have their own departments for personnel development with their own budgets and therefore the general managers are in charge to decide about foreign assignments (Bergmann, 2006). This is supported by the research of Minssen and Schmidt (2008) which additionally says, that in firms with less than 50 employees exclusively the general manager decides about foreign assignments and all other related components, such as selection criteria and training. This is consistent with the results of a survey conducted by the Chamber of Commerce Koblenz (IHK Koblenz, 2011) which results indicate that the general managers of the majority of SMEs in the city Koblenz decide about any kind of personnel development, including the cross-cultural training activities of the companies. Thus, this indicates that in most cases it depends on the general managers whether expatriates receive any kind of cross-cultural assignment preparation or not.

Although there is evidence that general managers decide if expatriates are prepared or not these decisions can also be influenced by HR departments which presence increases the professionalization of the company’s personnel management (Kolster and Homann-Kania, 2011).
The functions of HR departments can be divided up according to Aswathappa (2013: 16) into three different categories:

1. HR generalists who carry out generic activities like payroll, leave and benefits.
2. HR specialists who assume responsibility for areas like hiring, training and development, compensation, performance assessment and employee relations
3. HR heads who either functions across locations or head HR for a division within an organisation.

According to Stone (2013) an HR department is not a substantial success factor for organisations when it is primarily concerned with 'picnic and payroll' functions what corresponds to Aswathappa’s (2013:16) ‘HR generalists who carries out generic activities like payroll, leave and benefits.’ One can assume that a HR generalist who is primarily concerned with administrative day by day work in an organisation is in general not an expert in expatriate affairs. On the other hand would HR specialists with focus on expatriate affairs be helpful counsellors to general managers. In most cases large companies and multinational enterprises have HR specialists or even special departments which are responsible for international or intercultural personal management affairs, because requirements for these employees are higher than for normal HR generalists. These requirements include for example an academic degree (e.g. in business or psychology and advanced knowledge in international human resource management) (Thomas et al., 2009). Research results suggest that only a minority of 20% of German SMEs have an HR department while the number of companies with HR department rises colossally with the size of the companies (Börstler and Steiner, 1982). Furthermore a recent survey of Kienbaum et al. (2013) among German SMEs reveals, that over 50% of the surveyed companies have less than three employees in their HR departments which suggests that these HR departments are too small to have HR specialists who are responsible and qualified for expatriate affairs and can therefore be categorised under the type of HR generalists which can not be regarded as key contributor to the success of the organisation.

In summary one can say that although the criteria which are predictive of acculturation and productivity in cross-cultural assignment are known for decades the literature indicates that German SMEs do not appear to follow these recommendations when it comes to foreign assignments. Instead it seems that the general managers of the SMEs are the major factor for cross-cultural preparation in SMEs. However, the answering of the research question is not possible with regards to the gaps literature, what justifies the relevance of this research and leads to the aims and scope of this research in the next section 1.3.
1.3 Aims and scope of this research

As mentioned in the previous section, the research focus is limited to German Mittelstand-SMEs which have branch offices in Asia. The reasoning why the scope is limited to Asia is explained in detail in section 3.5. Since it is unclear how German Mittelstand-SMEs prepare their expatriates for cross-cultural assignments in Asia this thesis aims to explore the cross-cultural assignment preparation activities of German Mittelstand-SMEs with overseas branches in Asia and the influence of the general managers’ foreign experience on these activities in order to fill this gap in the literature and to provide insights for consultants and trainers which offer cross-cultural preparation services and want to expand their activities to Mittelstand-SMEs. Thus, this research has relevance for theory and practice.

The core research question of this thesis is therefore:

‘How do German Mittelstand-SMEs which have overseas branch in Asia prepare their expatriates and their families for their cross-cultural assignments and what influence does the time the general managers spent in a foreign culture has on the cross-cultural assignment preparation process?’

In order to increase the quality of the answer to the research question three more subsequent research questions are required these are:

1. **What are the reasons why German Mittelstand SMEs do not provide sufficient cross-cultural training for their expatriates?**

2. **Does in German Mittelstand SMEs the general manager decides whether cross-cultural assignment preparation is offered to expatriates or not?**

3. **Are there other factors such as the size of the company or the presence of HR departments which influence the cross-cultural assignment preparation process?**

Because there is no information available about the number of German-Mittelstand SMEs in Asia and especially in China as Germany’s most important trading partner in Asia, this research also aims to fill this gap with a fourth subsequent research question:

4. **What proportion of the more than 5,000 German companies with a branch office in China belong to the group of Mittelstand-SMEs according to the definition which is developed for this research?**
1.4 Research design

Since this is a practice oriented DBA research work it aims to produce knowledge which has practical relevance in the first place but also wants to contribute to theory by filling some gaps in the literature. The research work is conducted from a pragmatist position and applies a quantitative dominant mixed-methods sequential explanatory design which starts with the collection of the quantitative data (Creswell et al., 2003, Ivankova et al., 2006). The applied data collection instruments are for the quantitative data collection an online questionnaire and for the qualitative data collection semi-structured interviews which are described in more detail in chapter three. The follow up semi-structured interviews are applied to support the validation of the quantitative results, to help to explain the results of the quantitative analysis and finally to eliminate ambiguities which can arise during the analysis of the quantitative data (Creswell et al. 2003, Saunders et al., 2009). A detailed reasoning for this approach is provided and discussed in chapter three.

1.5 Thesis structure

Figure 1.5 illustrates the structure of this research work which is divided up into six chapters

Figure 1.5: Thesis structure

1. Chapter one introduces the research work and provides the reasoning for this research work as well as an overview about the applied research design, the research question and closes with an outline of each chapter.

2. Chapter two explains what expatriates are, why companies should prepare them for their cross-cultural assignments and how expatriates can be prepared for their cross-
cultural assignments. Furthermore the reasoning and the development of the eleven research hypotheses which are based on the findings of the literature review are presented. Chapter two closes with the development of a conceptual model which shows the links between issues and the relationships being tested by the hypotheses.

3. Chapter three presents the underlying research paradigm and the applied research design. Furthermore the determination process for the region to be examined, the research population, the quantitative and the qualitative data collection process and are described.

4. Chapter four presents the results of the quantitative and qualitative data analysis and closes with a discussion of the findings.

5. Chapter five contains the conclusion about the research hypotheses and questions. Furthermore it explains the implications of this research work for theory and praxis.

6. Chapter six consists of my reflective diary where I give an overview how I experienced the DBA program and how I developed my practice skills by applying the learnt aspects.

1.6 Summary

This chapter outlined the background and the context of this research work as well as the aims, the scope and research questions which derive out of the brief literature review. Subsequently the applied methodology, research design and the philosophical standpoint from which this research work is conducted were elucidated. Finally, a brief overview about the structure and each chapter is provided in order to give an outlook about the following five chapters.
Chapter 2: Cross-cultural assignment preparation: a review of the literature

2.1 Introduction to the chapter

There is strong evidence that national culture exists and that it has influence on several aspects of life, as for example when people from different cultures meet, communicate or do business, especially when somebody lives and works in a foreign culture (Boyacigiller et al., 2003, Hofstede et al., 2010, McSweeney, 2002, Reisinger and Dimanche, 2010). As Mishler (1965: 517) already argued in 1965 ‘the greater the cultural differences, the more likely barriers to communication and misunderstanding become’ and Peterson and Shimada (1978) put into question if managers from different cultures understand each other totally even if they understand the spoken words what links to Ralston et al. (1993: 270) who claim that ‘understanding managers values is critical in a global economy, since the business philosophy of a given country depends, to a large degree, upon the values held by those in management. What is valued by managers in a given country influences how those individuals make business decisions’. But not only the communication and understanding are crucial points in international business, also the behaviour with partners and co-workers and, as Hofstede (2007: 413) says ‘a management technique or philosophy that is appropriate in one national culture is not necessarily appropriate in another’, what of course can become as the above mentioned factors a source of conflict in negotiation or cooperation, not to mention all other factors which concern for instance expatriate assignments and can lead to expatriate failure, which will be discussed in more depth in section 2.6. This all justifies this research because cultural differences are also in a business context crucial and as already outlined in chapter one it is unknown how German SMEs prepare their expatriates for their assignments in Asia. Therefore, with regards to the research question ‘how German small and medium-sized enterprises (SMEs) which have overseas branches in Asia prepare their expatriates for their foreign assignments and what influence the general managers have on the cross-cultural assignment preparation activities’ the following questions arise:

- What are expatriates?
- Why should companies prepare expatriates for their assignments?
- What is cross-cultural assignment preparation?

Thus the aim of chapter two is to answer these four questions and to give in section 2.2 an overview about what expatriates are and to provide a clear definition of what kind of expatriates and will be regarded in this research, in section 2.3 the reasons why expatriates are sent to
work in other countries are reviewed and furthermore the problems which can occur during their assignments, especially because of cultural differences are analysed in section 2.6. Once this is worked out, chapter three will give an overview about how companies can prepare their expatriates for their assignments in section 2.7. A summary of the first seven sections is presented in section 2.8 which ends with the development of the research hypotheses and the development of a conceptual model in section 2.9.

2.2 Definition of expatriates

International assignments have always played a major role in the operations and activities of multinational companies but also further and further for smaller organisations (Arthur and Bennett, 1995). Thus in a more and more globalized world, employees with international experience are increasingly becoming a competitive resource for organisations which are involved in international business and therefore, the demand for this kind of employees rises (Barney, 1991, Insch et al., 2008, Kraimer et al., 2009). This type of employees is generally referred to as expatriates but just as with the term ‘culture’, one can find different definitions for the term expatriates in the literature. Therefore it is helpful to compare the widely cited definitions of expatriates from table 2.1.

Table 2.1: Widely cited definitions of expatriates

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Edström and Galbraith, 1977</td>
<td>Expatriates are ‘individuals who, irrespective of their national origin, are transferred outside their native country to another country specifically for employment purposes’ (p. 12)</td>
</tr>
<tr>
<td>Aycan and Kanungo, 1997</td>
<td>Expatriates are ‘employees of business or government organisations who are sent by their organisation to a related unit in a country which is different from their own, to accomplish a job or organisation-related goal for a temporary time period’ (p. 250)</td>
</tr>
<tr>
<td>Phillips and Fox, 2003</td>
<td>Expatriates are defined as ‘citizens of the corporation’s headquarter country, but who are working in a foreign country’ (p. 466)</td>
</tr>
<tr>
<td>Dowling and Welch, 2004</td>
<td>An expatriate is an ‘employee who is working and temporarily residing in a foreign country’ (p. 5)</td>
</tr>
</tbody>
</table>
Expatriates are defined as those ‘employees of business organisations... who are sent overseas on a temporary basis to complete a time-based task or accomplish an organisational goal’ (p. 203)

Expatriates ‘are defined as individuals who relocate from one country to another for at least one year’ (p. 356)

Each of these definitions covers important aspects but some definitions leave room for interpretation as for example the expatriate definitions of Edström and Galbraith (1977) whereas Phillips and Fox’s (2003: 466) ignore the time frame component, therefore, their definitions could also include a permanent stay in the host country on the other, Littrell et al.’s (2006: 356) definition does not include the explicit mentioning of working as purpose for the relocating, thus in strict terms also a pensioner who moves in another country can also be referred as an expatriate and Harrison et al., (2004: 203) definition appears to be valid only from a Japanese perspective, where every other country is located overseas. However, comparing these definitions reveals that there seem to be with the type of the relocating employee, the length of time spent in a foreign country and the purpose of the assignment three different criteria, which are characteristic to identify an expatriate:

Only two out of the six definitions take into account these three factors; namely Dowling and Welch (2004) and Aycan and Kanunngo (1997). Nevertheless, with regards to the research question both definitions are not explicit enough to define later on the research population, because the literature suggests that there are different types of expatriate assignments which are also determined by the length of the assignment. Therefore all of these three components will be discussed later on in this chapter in order to identify clear criteria to define expatriates for this research in order to determine the research population. However, as a basic definition Dowling and Welch’s (2004: 5) definition seems to be well suited, because it covers as also Aycan and Kanunngo’s (1997: 250) all relevant aspects, but it is considerably shorter.

2.3 Number and reasons for expatriate assignments

The number of expatriate assignments has increased worldwide and not only the number but also the costs for such assignments (Mercer, 2012). Cost estimates for sending an expatriate vary, but there is consent in the literature that it is an expensive move because already in the 1990s the cost for an expatriate could exceed 220,000 US$ per year and in the mid 2000’s
the average expatriate assignment costs where $311,000 US$ per year (Birdseye and Hill, 1995, Copeland and Griggs, 1985, PricewaterhouseCoopers LLP, 2006). These direct costs include costs for housing, transportation, salaries, benefits and cost concerns for the family (Baker and Roberts, 2006). So if expatriates are so expensive, organisations must have good reasons to be willing to make such costly investments. In fact, research has shown that the reasons for sending expatriates on to foreign assignments are manifold but an analysis of the literature suggests that some reasons are more dominant than others. Edström and Galbraith (1977: 252) identifies three motives for companies to expatriate their employees.

- To fill positions when qualified local individuals are not available or easily trained
- to develop managers for positions of responsibility
- for organisational development

Reiche and Harzing (2008: 14) concluded after they conducted a literature review that ‘there seems to be a considerable consensus on the principal functions of international transfers, well represented by the original classification of Edström and Galbraith.’ However, an analysis of the relevant literature confirms Reiche and Harzing’s statement with regards to Edström and Galbraith’s points but also reveals that a major reason for expatriate assignments is missing. Several authors also name ‘control of the foreign subsidiary’ as one of the most important factors for expatriate assignments (Bonache et al., 2001, Insch and Daniels, 2002, Scullion, 1994, Torbiörn, 1982). Other reasons for expatriate assignments mentioned in the literature such as for example to transfer technical knowledge, to transfer company culture and policy or to coordinate and transfer knowledge (Bonache et al., 2001, Mercer, 2012, Torbiörn, 1982) are all valid but can be summarised under Edström and Galbraith’s (1977) point ‘organisational development’.

2.4 **Types of expatriate assignments**

As mentioned in section 2.1 an analysis of the literature suggests that beside the target or host country, expatriate assignments have two further distinctive features - the type of foreign assignment and the length of the foreign assignment. Relating to the types of foreign assignments Hays (1974: 29) says that an ‘assignment is to analyse and solve a specific operational problem. Assignment is to perform as an acting element in an existing operational structure.’ He distinguishes between four types of foreign assignment.
1. Structure Reproducer

2. Trouble-shooter

3. Operational Element

4. Chief Executive Officer Assignment is to build, in the foreign subsidiary, a structure similar to that which he knows in some other part of the firm.

So for Hays (1974) expatriates are only sent to existing structures. This view ignores the fact that a part of an expatriate assignment can also be to found a branch abroad, when there is no existing operational structure (Da-Cruz and Cappallo, 2008). This point is taken into account by Tarique and Caligiuri (2004: 286), who also distinguish between four different types of foreign assignments but their categories for expatriates are ‘Technical’, ‘Functional’, ‘Developmental’ and ‘Strategic’ where the third category ‘developmental’ covers the missing element of Hays. However, to determine for the expatriate definition of this research the type of foreign assignment it seems not really to be important or relevant if the expatriate is a ‘structure reproducer’ or a ‘technical employee’ what is much more important is, that it is an expatriate who is in a foreign country for work purposes and not on holiday or to spend his or her retirement in a foreign culture, just as one could interpret Littrell et al., (2006) prior in section definition 3.2 discussed definition. Therefore the type of foreign assignment will not be regarded in more depth in this research.

2.5 Length of the assignment

Because there is also no consensus in the literature relating to the timeframe of a foreign or expatriate assignment, it is important to narrow the scope of the research by determine which timeframe is regarded as expatriate assignment and what kind of assignments are out of scope and not relevant for this research. Depending on the definition, an expatriate assignment might start according to the Japanese Ministry of Foreign affairs (2005) with any duration longer than three months and has theoretically no upper limit (Littrell et al., 2006). With regards to the length of an assignment Wagner (2002: 264-267) distinguishes between four different types of foreign assignments.

1. Business trips are the shortest form of foreign assignments, which normally last from one up to several days.

2. A deployment is a medium-term assignment, which lasts between several weeks up to two years.
3. The employee dispatching is a long-term assignment, which last between two and four years.

4. Any longer assignment is regarded as a transfer and has a permanent character.

Thus the second and third types with an employee dispatching up to four years fall most likely into the category of expatriate assignments. Littrell et al. (2006: 356) have a different understanding of the length of foreign assignment than Wagner and differentiate only between three different types of foreign assignments.

1. An extended business travel which lasts from one day up to less than six months.

2. Assignments with six months stay up to one year stay are short-term assignments

3. Assignments with more than one year of stay are considered to be expatriate assignments.

However, this classification has a distinct disadvantage which is the missing of an upper limit for an expatriate assignment, but it clearly sets the bottom line for an expatriate assignment to one year, which differs significantly from Collings et al. (2007) view in which a traditional expatriate assignment lasts usually three to five years. Nevertheless the literature indicates that Littrell et al. (2006) opinion prevails that an expatriate assignment begins with one year of stay because others authors such as Firth (1981) and Westney (2001) also set the bottom line to one year.

Although the above listed definitions show up that there is no consensus about differentiators with distinctive characteristics in terms of the duration of the assignment, there are good reasons to claim that any assignment with less than one year of stay in the host country is a short-term assignment and does not belong to the category of expatriate assignments and any assignment with duration of more than five years is a permanent stay in the host country because this timeframe is also the timeframe which applied by the consulting firm ECA International in its well known expatriate study ’Managing Mobility 2012’ (ECA International, 2012). Based on Dowling and Welch’s (2004: 5) definition for expatriates from section 3.2 and the above described timeframe the expatriate definition for this research is an ‘employee who is working and temporarily residing in a foreign country for a period of one to maximal five years.’
2.6 Expatriate failure

The analysis of the expatriate literature suggests that the term expatriate is inextricably linked with the term expatriate failure which frequently encounters in the literature but although expatriate failure is a frequently used term in the expatriate literature and multiple articles have been written about it, a universal agreed definition of this term is not existent with the result, that authors often use it without a definition or clear description, what expatriate failure is (Hays, 1974). A clear definition seems to be important because the literature propound that the term can have different meanings, what can lead to misunderstandings. Harzing and Christensen (2004: 625) believe that ‘expatriate failure in itself can be regarded as an empty term, which can only be defined when specific outcomes are related to specific causes within the actual context’. Tung (1987: 117) describes expatriate failure in one of her surveys as ‘the inability of an expatriate to perform effectively in a foreign country and, hence, the need for the employee to be fired or recalled home’. This definition shows strong similarities with Harzing and Christensen’s (2004: 616 and 622) definition which is ‘the inability of the expatriate or repatriate to perform according to the expectations of the organisation’. Both definition cover only the expectations of the organisation and ignore the expatriate himself and therefore there seems to be the need for a more detailed distinction which is provided by Oddou (1991: 300). He divides expatriate failure up into three parts, the ‘premature return due to the employee’s or the employee’s family’s inability to adapt, and corporate-foreign site alienation or deteriorated relationships between company image and foreign governments, or other very expensive indirect costs due to the expatriate’s inability to manage his/her assignment adequately’. Combining Oddou’s and Harzing and Christensen’s definitions of expatriate failure seems to give a comprehensive definition but they do not consider that there is also as Naumann (1992) calls it, dysfunctional turnover which occurs, when a good performing expatriate leaves the company or requests a repatriation. Obviously that is not beneficial for the company and what is regarded as an expatriate failure from the company’s position is therefore not automatically an expatriate failure to the expatriate. In summary the literature indicates that expatriate failure is not always caused by a low performing expatriate instead it has to be regarded contextually with regards to the circumstances and is in most cases a loss for the company.

The US dominated research in the field of international human resource management suggest that a significant proportion of expatriates end their assignments early because of poor performance or their inability to adjust to the host country and its culture what can result in high costs for the companies and can also end with the permanent drop out of the expatriate (Child et al., 2005, Scullion and Brewster, 1997). There is no disagreement about the costs of expatriate failure in the literature, because research has shown, that the financial costs per expatriate failure ranged in the 1980s between 55,000 US$ and 150,000 US$ (Insch and Daniels, 2002,
Mendenhall et al., 1987). More recent studies show up that cultural adjustment is the strongest determinant of expatriate’s success in the host country or expatriate failure and that the costs per expatriate failure grew since the 1980s to the 21st century from less than 200,000 US$ to 1.2 million US$ (Benesh, 2000, Bhaskar-Shrinivas, et al., 2005, Lee, 2007, Tarique and Caligiuri, 2004). These costs include the prior mentioned direct costs such as training, relocation, compensation and indirect costs such as reduced service to customers, costs for a failed project, strained relations with home-country networks and damage to the expatriate’s career (Harvey et al., 2001, p.30). Mendenhall and Oddou (1985: 39) note that beside the already mentioned direct and indirect costs, expatriate failure also always results in how they call it, invisible costs. Invisible costs can be the loss of self-confidence and the loss of prestige among the expatriate’s peers. Thus these invisible costs can also cause that the employee and with him his knowledge and experience leave the company. In addition, it is also noteworthy that there is no real disagreement about the costs of expatriate failure in the literature (Insch and Daniels, 2002).

Those in the literature reported expatriate failure rates of Western managers in the past can be described as fairly high when it is claimed that the expatriate failure rate of US managers from 1965 to 1985 has fluctuated between 25 % and 40 % (Mendenhall and Oddou, 1985, Tung 1987). However, Harzing (1995 and 2002: 142) proved, that these reported high failure rates are incorrect and a result of poor referencing. She claims that a short article entitled ‘Return on Investment of Overseas Personnel’ published in the Financial Executive of the two management consultants Misa and Fabricatore (1979) seems to be, after a ‘long chain of inaccurate referencing, liberal rephrasing, and empty references’ the source for the 25-40% failure rate which was one of the most common cited figures of expatriate failure rates. The result that high expatriate failure rates are not existent is also supported by other research such as from Insch and Daniels (2002) who conducted a study among 74 US multinational companies with almost 3.6 million employees with the result of an annual premature departure rate of about 3.2% what is far below the prior reported failure rates. Nevertheless it is incomprehensible that even without mentioning Harzing’s article scholars keep on referencing to the high failure rates in order to underline their arguments (Okpara and Kabongo, 2011, Vögel and van Vuuren, 2008, Causin and Ayoun, 2011, Eastwood and Renard, 2008).

More recent literature on expatriate failure suggests that if at all, high expatriate failure rates are more a significant problem for US multinational enterprises and a less significant issue for European multinational enterprises (Harzing, 1995, Harris and Brewster, 1999, Suutari and Brewster, 1999, Tung, 1987). What is supported by a summary conducted by Shen and Edwards (2004: 819) who listed up several in the literature reported expatriate failure rates as shown in table 2.2.
Table 2.2: Expatriate failure as reported in the literature

<table>
<thead>
<tr>
<th>Expatriate failure rates</th>
<th>Studies conducted</th>
<th>Origin of MNEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>Henry, 1965, Robinson, 1984</td>
<td>American</td>
</tr>
<tr>
<td>Over 25%</td>
<td>Misa and Fabricatore, 1979</td>
<td>American</td>
</tr>
<tr>
<td>One third</td>
<td>Lannier, 1979, Kobrin, 1988</td>
<td>American</td>
</tr>
<tr>
<td>30–50%</td>
<td>Desatnick and Bennett, 1978</td>
<td>American</td>
</tr>
<tr>
<td>70%</td>
<td>Desatnick and Bennett, 1978</td>
<td>Developing countries</td>
</tr>
<tr>
<td>5%, 6–10%, 11–15%</td>
<td>Tung, 1982</td>
<td>European</td>
</tr>
<tr>
<td>10%, 10–20%, 30%</td>
<td>Tung, 1982</td>
<td>American</td>
</tr>
<tr>
<td>10–20%</td>
<td>Black and Gregersen, 1999</td>
<td>American</td>
</tr>
<tr>
<td>40.2%</td>
<td>Torbiörn, 1982</td>
<td>Swedish</td>
</tr>
<tr>
<td>25–40%</td>
<td>Mendenhall and Oddou, 1985</td>
<td>American</td>
</tr>
<tr>
<td>5–10%</td>
<td>Brewster, 1988; Brewster and Scullion, 1997</td>
<td>European</td>
</tr>
</tbody>
</table>

Source: (Shen and Edwards, 2004, p. 819)

The comparison shows up that with exception of the failure rate of 40.2% from Sweden the European expatriate failure rates of MNEs are significant lower than those figures reported from the US and vary between 5% and 15%.

Although Harzing (1995: 458) revealed that the failure rates of Western expatriates, especially of European expatriates, are not as dramatically high as it is described in the literature, she agrees, that ‘those expatriates who stay on their assignment but who fail to perform adequately
are (potentially) more damaging to the company than the ones who return prematurely’, what is backed up by Graham and Lam (2004) who report several incidents where western companies failed in China because their expatriates have been unprepared to deal with the Chinese culture. With regards to the potential high costs of a failed expatriate assignment it seems that companies should analyse the reasons and potential threats for expatriate assignments in order to minimize the risk for high losses due to expatriate failure.

2.6.1 Reasons for expatriate failure

When talking about different expatriate failure rates, the next question which must be answered is why expatriates fail at all during their assignments in order to get a better understanding how to reduce their risk of failing because the width of problems which may occur in expatriate assignments and possible lead to an expatriate failure is underestimated by many companies (Dowling et al., 1999). Tung (1987: 117) identified in her research seven dominant factors which lead to a premature return of expatriates what is generally referred to as expatriate failure.

1. ‘Inability of the manager's spouse to adjust to a different physical or cultural environment;
2. The manager's inability to adapt to a different physical or cultural environment;
3. Other family-related problems;
4. The manager's personality or emotional immaturity;
5. The manager's inability to cope with the responsibilities posed by overseas work;
6. The manager's lack of technical competence;
7. The manager's lack of motivation to work overseas'.

From a variety of possible reasons Tung's top three reasons, the inability of the expatriate or the spouse to adjust to the new culture or other family related problems, are according to several different studies the main reasons for expatriate failure (Chew, 2004, Insch and Daniels, 2002, Mendenhall and Oddou, 1985, Swaak, 1995) and regarding family related problems one get a better idea how distressing they can be when one knows that expatriates have a 40% higher divorce rate than average people and that also their children have a 50% higher high school dropout rate than students with no expatriate background (Harris and Moran, 2004).
A more recent study by the professional service firm Deloitte (2008) among 200 German companies shows, that in general Tung’s factors are still today the main reasons for expatriate failure in German companies, especially the integration problems of the family and the integration problems of the expatriate himself. Although these seven points are according to Tung relevant for expatriate failure, the literature indicates that two of these factors are dominant for the success or failure of expatriates’. On the one hand error in selection of an inappropriate candidate (Chew, 2004, Tung, 1981) and on the other hand the inability of the expatriate or his/her spouse to adjust to the host country what is often a consequence of cultural shock (Adler, 1990, Black and Gregersen, 1999, Forster, 2000a, Rippert-Davila,1985, Tung 1987). This underlines the need for a proper selection and preparation of the expatriates and also their family members.

2.6.2 Cultural Shock

The term culture shock was coined in 1951 by the anthropologist Du Bois and Oberg (1954) expanded this term to describe the problems faced by people who go from one culture to another. Oberg (1960: 177) says that culture shock is ‘an occupational disease of people who have been suddenly transplanted abroad, culture shock is precipitated by the anxiety that results from losing all our familiar signs and symbols of social intercourse’. Befus (1988: 387) describes it as ‘an adjustment reaction syndrome caused by cumulative, multiple, and interactive stress in the intellectual, behavioural, emotional, and physiological levels of a person recently relocated to an unfamiliar culture, and is characterized by a variety of symptoms of psychological shock’. One of the shortest definition comes from Pedersen (1995: 1) who says that ‘cultural shock applies to any situation where an individual is forced to adjust to an unfamiliar social system where previous learning no longer applies’.

All three definitions have in common that a cultural shock reaction occurs when someone comes in an unfamiliar environment. Culture is according to Trompenaars and Hampden-Turner (2000: 6) ‘the way in which a group of people solves problems and resolves dilemmas.’ If these rules to solve problems no longer apply in the new environment a cultural shock may occur and the a cultural shock is not only a theory or model in social science, it is also recognized by the World Health Organisation as disease under the codification Z60 (World Health Organization, 2015). Black and Mendenhall (1991) claim that when a cultural shock theoretical framework is imposed, Lysgaard’s (1955) U-curve theory of Adjustment has been the one most commonly used framework to illustrate the four phases honeymoon, cultural shock, adjustment and mastery phase, people have to go through when they move to another country or culture.
Oberg (1954: 5) assumed that spouses are more affected by a cultural shock than the expatriates, because ‘the husband has his professional duties to occupy him and his activities may not differ much from what he has been accustomed to. The wife, on the other hand, has to operate in an environment which differs much more from the milieu in which she grew up, consequently the strain on her is greater’. Mendelhall et al. (1987: 333) revealed that ‘a spouse or family member who is undergoing severe culture shock and/or selecting inappropriate behaviours to deal with the stress of relocation, affects the morale and performance of the expatriate manager’. However, there is strong evidence that speed of adjustment to a new cultural environment not only depends on the distance between the home and host culture but also on the corresponding expectations what underlines the need for companies, regardless their size, to integrate the families in the selection and cross-cultural preparation process in order to avoid a cultural shock (Martin, 1987, Wisemann et al., 1989).

Chapter two revealed so far that several definitions for expatriates are available and that they are based on the reasons for expatriate assignments, types of expatriate assignments and the length of these assignments. Since none of these definitions cover all identified relevant points it is necessary to develop an own definition for this work, based on the findings of the literature which is: ‘An expatriate is an employee who is working and temporarily residing in a foreign country for a period of one to maximal five years.’
Furthermore the literature review reveals that expatriates assignments are costly investments for companies and that expatriate failure can be caused by several factors where the most common reasons for expatriate failure are the inability of the manager or / and his or her spouse to adjust to a different physical or cultural environment (Tung, 1987, p. 117). Now that the difficulties and problems of cross-cultural-assignments are worked out it is important to identify in the literature the measures which minimize the likelihood of expatriate failure. These measures will support the development of the survey in chapter three.

2.7 Cross-Cultural-Assignment preparation

While the majority of literature focuses on cross-cultural training in any form and underlines the importance of training for the assignment success, research reveals that other factors such as selection of candidates and their families’ situation are not less critical for the success of a foreign assignment than training (Chew, 2004, Forster, 2000a, Tung, 1981). For the purpose of this research all activities and relevant aspects which help to ensure the success of expatriate assignments are grouped under the umbrella term cross-cultural assignment preparation. The cross-cultural-assignment preparation is based on the traditional expatriate cycle which is according to Scullion and Brewster (1997: 347) divided up into six stages: selection, preparation, transfer, adjustment, monitoring and repatriation. Selection, preparation and repatriation are central points in the cross-cultural-assignment preparation. A fast adjustment in the host country is not a stage of the cross-cultural-assignment preparation process but one of its major goals because as stated before, a failing of adjustment in the host country is likely to end with the premature return of the expatriate (Mendenhall and Oddou, 1985). Cross-cultural assignment preparation has with the support during the stay an additional seventh stage in comparison to the traditional expatriate cycle (Baumgarten, 1997, Selmer, 2000, Scherm, 1995). In summary, cross-cultural assignment preparation has the goal to increase the success of foreign assignments and to prevent expatriate failure. It consists of the selection, preparation, training, support during the stay and repatriation. Each of these elements will be discussed in the following sections.

2.7.1 Selection stage

The cross-cultural-assignment preparation starts with the selection of the candidate. This first stage is already a critical success factor for the assignment because Tung (1981) claimed that inadequate expatriate selection is strongly correlated to expatriate failure. Chew (2004: 3) goes one step further, claiming that ‘expatriate failure is primarily caused by error in selection’ what
is supported by other research (Forster, 2000a). Tung (1984: 129) argues, that ‘in the international arena, the quality of management seems to be even more critical than in domestic operations’. His view is also supported by a former statement of Duerr (1986: 43) who says that ‘virtually any type of international problem, in the final analysis, is either created by people or must be solved by people. Hence, having the right people in the right place at the right time emerges as the key to a company's international growth,’ what underlines the need for a proper selection process. However, as stated in section 2.4 family members who accompany the expatriates on their assignments have also influence on the success of the assignments. Thus one can argue that selection and staffing are more complex for international companies than for companies which do not use expatriates because they do not have the increased complexity with the employee’s family (Scullion, 1994). Because there seems to be according to the literature no doubt that a proper selection is important to reduce the risk of expatriate failure in the first step a company should develop a requirement profile for the candidate in which all the recommended experience and skills are included.

Criteria which are predictive of acculturation and productivity in foreign assignments are known since decades and have been delineated by several authors and essentially, these are the same criteria Mendenhall and Oddou (1985: 40-42) identified which are:

- reinforcement substitution
- stress reduction
- technical competence
- relationship development
- willingness to communicate

However, Bonache et al. (2001: 9) acknowledge that ‘despite the extraordinary amount of time and energy devoted to approaches such as the identification of relevant competencies; we are not much closer to establishing the criteria that makes good managers even in domestic settings. The added complexity of the international settings makes such criteria even more problematic.’ Nevertheless the literature suggests that a proper candidate selection decreases the chances for a premature return or an expatriate failure, thus companies should carefully select their candidates for foreign assignments to minimize the risk of expatriate failure and the associated negative consequences.
Although the literature is quite clear in terms of how important a proper selection is and which criteria have to be taken into account several studies suggest that the selection process is not as effective as it is recommended in the literature, especially in SMEs where the selection criteria are based primarily on technical competence and experience (Kealey and Protheroe, 1996).

2.7.2 Preparation stage

The second stage of the expatriate cycle and the cross-cultural-assignment preparation is the preparation stage. As the name already implies, at this stage the employee or expatriate and also his/her spouse and family are getting prepared for their assignment.

In general the preparation stage can be divided up into three parts which are: providing of information, cross-cultural training and organisational aspects. The boundaries are blurred between providing of information and cross-cultural training; this will become clear in section 2.7.5 where the different methods are listed up. Oddou (1991: 305) reveals in his research that companies with excellent expatriate success rates prepare their expatriates in five areas. They provide their expatriates detailed information about fiscal impacts and their compensation package. Furthermore they provide information about the host country and its culture and offer a pre visit to the host country for the expatriate and his family. Finally they provide an appropriate outlet to expand the expatriate’s energy.

Research suggests that other factors such as expatriate communities in host countries can also support the adjustment of the expatriate and his/her family. Therefore companies should support their expatriates by providing information about expatriate clubs in the host country and furthermore paying membership fees for the expatriate and his/her family (Marchant and Medway, 1987). The providing of detailed information also helps to shape the expectations of the expatriate and the family because Martin and Meyerson (1987: 103) claims ‘that it is not just the cultural difference or similarity between the host and home culture that influences how sojourns are experienced, but also corresponding expectations’.

That language skills are an advantage for employees on a foreign assignment is an intuitively appealing position, supported by common sense and also supported by research because Tung (1998: 128) claims based on her research that ‘there is a positive correlation between foreign language skills and successful performance’ of expatriates, what is supported by other research and underlines the need for language training (Selmera and Lauringa, 2011, Wang and Tran, 2012). However, language training was according to research conducted among UK expatriates not seen to be an important issue for almost all expatriates (Forster, 2000a).
2.7.3 Training

In general training is according to Kealey and Protheroe (1996: 145) ‘any intervention aimed at increasing the knowledge and skills of individuals’ and some studies suggest that it can be a source of competitive advantage for companies in numerous industries and the value of a whole organisation can be increased by the development of employee skills (Pfeffer, 1998, Luecke, 2007). Research in the field of training showed up that annually 50 billion US$ are spent for job training only in the United States and that revenues of companies and overall profitability are positively correlated to the amount of job training given to the employees (Snell and Bohlander, 2012). This suggests that training in general is a worthwhile investment for companies regardless of their size and it is after the employee’s selection according to Mendenhall et al. (1987) ‘the next critical step in attempting to ensure the expatriate’s effectiveness and success abroad’ this is supported by several authors (Black et al., 1999, Caligiuri et al., 2001; Van Vianen et al., 2004) and can furthermore be linked to Tung (1982) who says that the reason, why European companies have a lower expatriate failure rate than US companies (table 2.2) is because more European companies established training programs in order to prepare the expatriates for their tasks. Although Kealey and Protheroe (1996: 141) challenge the effect of training when they say that ‘most studies have methodological weaknesses which makes it impossible to take as definitive the general consensus of the literature that such training is effective’, this research will follow the prevailing opinion that training is effective because research has already demonstrated the effectiveness of cross-cultural training decades ago (Black and Mendenhall, 1990, Deshpande and Viswesvaran, 1992).

As Lingham et al. (2006: 335) say that ‘in order to cope with the rapid rate of change, organisations are increasingly challenged with developing meaningful training programs for its members as a way to compete and succeed in today’s volatile environment’ the developing of job training programs is not easy and it is a widely discussed area in the literature. It is closely related with training needs assessments because in order to create a training program first it needs to be started with understanding of the actual need for training, which can be done by collection and analysis of data. A proper training needs assessment is essential for organisations because ignoring to conduct one or conducting one not properly will increase the risk for costly mistakes (Cekada, 2010). Therefore the literature suggests that the first step in the development of a training programme is the assessment of organisational training needs with a so-called training needs assessment (Patton and Pratt, 2002, Sorenson, 2002).

There is no universal agreed definition of training needs assessments; however the existing definitions do not differ greatly from each other. Barbazette (2006: 5) for example defines a training needs assessment as the ‘process of collecting information about an expressed or
implied organisational need that could be met by conducting training’, while Brown (2002: 569) defines it as an ‘ongoing process of gathering data to determine what training needs exist, so that training can be developed to help the organisation accomplish its objectives’. Thus a training needs assessment answers the question of why training is needed, what kind of training is needed, what support for training programs is needed and provides sureness that the resources used for training will provide the desired output (Barbazette, 2006, Cekada, 2010, Patton and Pratt, 2002, Sorenson, 2002) or in other words, the selection of training methods depends on the goals of the assignment and the knowledge and abilities the trainee needs to be successful which are determined by a training needs assessment (Fowler and Blohm, 2004). Therefore the literature indicates that companies should conduct a training needs assessment after the selection and prior to the preparation stage in order to meet the selected employees training needs. Although training needs assessment is seldom discussed in the cross-cultural training literature and even less often applied in practice, Selmer (2000: 277) believes that it is necessary and enables the company to ‘determine the overall need for training for a group of expatriates with regard to a specific host culture’ what is also a central factor in Tarique and Caligiuri’s (2004: 286) five phases program for an effective cross-cultural training. The training starts with the identification of the type of foreign assignment, followed by phase two where the company has to conduct a cross-cultural training needs assessment in order to determine what kind and amount of training is needed. In order to control the success of the cross-cultural-training program goals and measures have to be established in the third phase. In the fourth phase the training program will be developed and delivered on the basis of the first three phases and finally it will be evaluated in the fifth phase.

As mentioned before, several studies underline that there is a positive impact of training in general on organisational performance and with regards on cross-cultural training it has also been proved to be invaluable to promote effectiveness and adjustment to host country culture and is therefore effective in facilitating success on expatriate assignments and cross-cultural interaction, because adjustment to the host country is one of the key determinants of expatriate performance in foreign assignments (Delaney and Huselid, 1996, Ezzedeen and Rao, 2000, Littrell et al., 2006, Osman-Gani and Rockstuhl, 2009, Selmer 2000, Tung, 1998, Zakaria, 2000).

Therefore, there is strong evidence that the need to train expatriates is unquestionable in order to reduce or prevent failure in expatriate assignments (Gannon and Poon, 1997, Zakaria, 2000). However, the literature also suggests that the right people need to be trained, as Kealey and Protheroe (1996: 144) put it, ‘trainable qualities or skills represent only one of the ingredients, along with inborn talents, personality characteristics, and prior motivations’ what again underlines the need for a proper selection of employees for foreign assignments.
2.7.4 Cross-cultural training for expatriate assignments

Training programs to prepare expatriates for their foreign assignments are usually referred to as cross-cultural training (Bhawuk and Brislin, 2000), what is defined by Brislin and Yoshida (1994: 3) as ‘formal efforts to prepare people for more effective interpersonal relations and for job success when they interact extensively with individuals from cultures other than their own’. The first part of Scullion and Collings’s (2006: 118) cross-cultural training definition is identical with Kealey and Protheroe’s (1996: 145) general training definition where he says that ‘any formalised intervention designed to increase the knowledge and skills of international assignees to live and work effectively in an unfamiliar environment’. Littrell et al. (2006: 356) define cross-cultural training as ‘the educative processes used to improve intercultural learning via the development of the cognitive, affective, and behavioural competencies needed for successful interactions in diverse cultures’. All those definitions do not differ significantly from each other and share that cross-cultural training is a formal process with the aim of preparing the expatriates to live and work in a different culture.

A differentiating between cross-cultural training and diversity training is not always easy (Mumford-Fowler, 2006) but despite the fact that both forms of training share the goal to prepare trainees for their special tasks, there are significant differences between both kinds of training (Ferdman and Brody, 1996). Herrera et al. (2011: 2645) define diversity training ‘as training for the purpose of increasing participants’ cultural awareness, knowledge, and skills, which is based on the assumption that the training will benefit an organisation by protecting against civil rights violations, increasing the inclusion of different identity groups, and promoting better teamwork’. The first part of this definition could also be a definition for cross-cultural training, nevertheless, also both forms of training share elements, the second part of the definition illustrates the differences because diversity training aims primarily to prepare people to work in multicultural workplaces with a focus on avoiding discrimination whereas Waxin and Panaccio (2005: 52) describe the objective of cross-cultural training as ‘to teach members of one culture to interact effectively with members of another culture, and to predispose them to a rapid adjustment to their new positions’ after moving into another culture.

Therefore it seems more likely that cross-cultural training than diversity training is useful for companies that want to prepare employees for foreign assignments because it better meets the need for organisations. Furthermore, cross-cultural training gets more and more popular for the purpose for which diversity training was originally designed, because Bhawuk and Brislin (2000: 162) argue that ‘in the last decades cross-cultural training has been expected to prepare expatriates for their foreign assignment but its scope has become broader over the time, including now the preparation of people who do not go on foreign assignments but are in
contact with people from other cultures’. On the one hand this suggests that not only expatriates should conduct cross-cultural training but also employees, who are in exchange with people from other countries or with different cultural backgrounds should be trained in order to increase their work success and on the other hand it suggests that cross cultural training is much more relevant for expatriate or foreign assignments than diversity training. Hence diversity training will not be regarded in this research.

2.7.5 Forms of training

Although it is clear, that nobody can learn only theoretically how to live in another culture literature suggests that cross-cultural training is an important factor for the success of a foreign assignment and for employees who are in contact with other cultures (Berrell et al., 1999). However, there is not only one single type or method of cross-cultural training; instead there are several methods, activities and programs which can be summarised under the term cross-cultural training. Training can be conducted on the one hand by in-house training programmes on the other hand by a broad variety of outside agencies which offer training programmes to their customers (Tung, 1987). In general only large companies can afford to have an own department for training and even if they do it is not certain that they are able to offer cross-cultural training to their employees, therefore it can be assumed that the majority of cross-cultural training is offered by outside agencies, this is especially the case when SMEs train their employees, because they do not have the financial capacities to employ permanent cross-cultural trainers.

The aim of this literature review is not to evaluate the different forms of trainings preparation options but to show the wide range of training services and training forms which are available on the market and can be found by an online search via google.com or yahoo.com. Lectures, written materials, computer-based training, films, case studies, self-assessment and critical incidents have been identified by Fowler and Blohm (2004: 47-60) as the most popular training methods for general knowledge acquisition of employees.

As cross-cultural training fulfils a specific purpose, thus it includes methods which have been designed for it and an analysis of the relevant literature reveals the most popular methods for it (Fowler and Blohm, 2004, Oddou, 1991, Tung, 1981, Tung, 1987).

- Contrast culture training
- Culture assimilator
- Cross-cultural analysis
- Cross-cultural dialogues
- Immersion
- Field experience
- Discussions with former expatriates
- Language training
- Area Studies (information giving)

These methods are equally useful for cross-cultural and also for the prior mentioned diversity training and the literature suggests that each of these training methods has its strength and weaknesses but even though there seems to be general agreement that cross-cultural training can be beneficial, there is no consensus what kind or which method of training is most appropriate or effective to prepare expatriates for their tasks (Gannon and Poon, 1997). Therefore it is recommended to use a combination of methods or a kind of triangulation to strengthen the positive training effect (Fowler and Blohm, 2004). Hence companies should not only use one single method to train their future expatriates instead they should combine the methods in order to increase the output.

Since it is now clear what forms of training are according to the literature useful to train expatriates for their assignments, the next question is the amount of time which is needed or recommended for an effective cross-cultural training because the effectiveness of cross-cultural training depends also on the time and financial resources and companies have to regard that a too short training cannot prepare inappropriate employees into successful expatriates what underlines the importance of a proper candidate selection for the assignment (Fowler and Blohm, 2004, Kealey and Protheroe, 1996). As can be seen hereinafter in figure 2.2, Mendenhall et al. (1987: 340) claim that the amount of cross-cultural training should depend on the length of the stay and the level of rigor and also Tung (1998) claims that the longer the foreign assignment takes the more training is required, with the consequence, that the recommended preparation time in this research for expatriates is at least one year, because according to the definition in section 2.2 expatriates spend the minimum of one year on their assignment.
Figure 2.2: Relationship between degree of interaction into the host culture and rigor of cross-cultural training

Source: (Mendenhall et al., 1987, p. 340)

2.7.6 Support during the stay

The literature suggests that training and support should not end with the begin of the expatriate assignment because research has also shown that expatriates who had active administrative duty in the first six months of their foreign assignment have fewer difficulties in their adjustment (Tung, 1998), what is also supported by Eschbach et al. (2001: 272) who say that culture shock and culture fatigue literature ‘indicates that a manager is not functioning effectively during the period of cross-cultural adjustment’ and therefore needs more support. Research indicates furthermore that there is not only the need for cross-cultural training prior to an assignment but also during the assignment in the host country because the assistance of expatriates during their foreign assignment and training and development throughout the assignment supports its success (Baumgarten, 1997, Scherm, 1995, Selmer, 2000). A good example for support during they stay would be a formal regular exchange between the expatriate and his/her colleagues and superiors in the head office and regular information from the headquarters to avoid that the expatriate feels excluded (Mendenhall et al., 1987, Oddou, 1991).
However, despite the fact that the literature indicates that with training activities during the assignment and tools like newsletters the success of foreign assignments can be supported, research suggests that training during the assignment is relatively rare and also the support during the assignment is not optimal (Tarique and Caligiuri, 2004). Insch et al. (2008: 19) summarise this under the category of ‘On-assignment strategies’ for expatriates continued training and mentoring while on assignment are critical to the continued success of expatriates and their eventual return to the organisation.

2.7.7 Repatriation planning

The literature suggests that the last but not least important stage in the cross-cultural preparation process is for two reasons the repatriation planning. The first reason is that anxiety over re-entry after the finish of the foreign assignment is a significant reason influencing negatively the expatriate performance by demoralization of the expatriate and the reduction of the expatriate’s commitment to the company (Forster, 2000b, Stahl, 1998, Stroh and Caligiuri, 1998 a). The second reason does not affect the success of the foreign assignment but even so it has a negative impact on the company. Research reveals that a significant number of about 44% of the expatriates leave their companies within the first two years of returning with the consequent for the companies of loss of the investment and the expatriate’s expertise (Scullion and Brewster, 1997, Kraimer et al., 2009). Research conducted among German expatriates indicates that this is also the case in Germany, especially when no adequate position is offered to the returning expatriate (Stahl et al., 2000).

In summary, the literature suggests that companies regardless of their size should carefully prepare their foreign assignments with special regards to repatriation plans in order to avoid negative influences on the foreign assignment and to avoid the risk of losing former expatriates to other companies after their return from foreign assignments.

2.8 Summary

In order to build a foundation for the answering of the research question ‘how do German Mittelstand-SMEs which have overseas branch in Asia prepare their expatriates and their families for their cross-cultural assignments and what influence does the time the general managers spent in a foreign culture has on the cross-cultural assignment preparation process?’ the purpose of the previous sections of chapter three was to answer the four questions which derive out of the research question.
1. What are expatriates?

2. Why should companies prepare expatriates for their assignments?

3. What is cross-cultural assignment preparation?

Question 1: What are expatriates?

The literature review reveals that there are several definitions for expatriates and that factors such as the purpose of the stay in a foreign country and the duration of the stay are relevant to identify whether somebody can be classed as an expatriate or not. The output of the first five sections is therefore an expatriate definition for this research which is an ‘employee who is working and temporarily residing in a foreign country for a period of one to maximal five years.’

Question 2: Why should companies prepare expatriates for their assignments?

Section 2.6 revealed that expatriate assignments are relatively costly for organisations and that the costs can dramatically increase when expatriates fail their assignments what is the case with premature return or low performing in the host country. Furthermore section 2.6 revealed that according to the literature the inability of the expatriate or the spouse to adjust to the new culture or other family related problems are according to several different studies the main reasons for expatriate failure.

Question 3: What is cross-cultural assignment preparation?

Thus the inability to adjust to the new culture is the main reason for expatriate failure; organisations should take measures to prevent their expatriates from failing. As discussed in section 2.7 the literature suggests, that cross-cultural assignment preparation which consists of preparation, training, support and repatriation has a positive effect on the adjustment process and minimizes the risk for expatriate failure. Following the literature, expatriates which will be examined in this research should minimum receive a preparation of one month inclusive training which is composed of different methods, which are listed up in sections 2.7.1 – 2.7.6.

In addition, the introductory chapter one already underlined that there seems to be gaps in the literature regarding how German SMEs prepare their expatriates for their foreign assignments and what influence the general managers have, but the little available information suggests that only the minority of expatriates is prepared for their assignments and that especially in smaller organisations the general manager decides about any kind of investments in training for expatriates. Thus one can assume that it depends on the foreign experience of the general
manager and his awareness of the potential threats and risks due to cultural differences for foreign assignments, if he is willing to invest in cross-cultural assignment preparation or not. Therefore there are good reasons to justify this research what leads to the following research question for this thesis which aim to fill the existing gaps in the literature.

“How do German Mittelstand-SMEs which have overseas branch in Asia prepare their expatriates and their families for their cross-cultural assignments and what influence does the time the general managers spent in a foreign culture has on the cross-cultural assignment preparation process?’

In every company or organisation the decision whether employees receive any form of advanced training or special training such as for example cross-cultural training has to be made by someone who is responsible for this. In larger organisations these decisions are made in general by the human resources department without direct involvement of the CEO. Although the literature suggests that in German SMEs the general managers are usually in charge of all advanced training related decisions there is still the possibility that somebody else is responsible. Furthermore the literature suggests that only the minority of companies receive cross-cultural training but the reasons why only the minority offers cross-cultural training for expatriates are still not clear (Gutmann and Kabst, 2000, IHK Koblenz, 2011).

This leads to the following three questions in order to increase the quality of the answer to the research question which are:

1. What are the reasons why German Mittelstand SMEs do not provide sufficient cross-cultural training for their expatriates?

2. Does in German Mittelstand SMEs the general manager decide whether cross-cultural assignment preparation is offered to expatriates or not?

3. Are there other factors such as the size of the company or the presence of HR departments which influence the cross-cultural assignment preparation process?

2.9 Development of hypotheses

The purpose of this section is the developing of hypotheses which are based on the findings of the literature review. Guided by the research questions, the underpinning of the hypotheses for the present research study can be deduced. These eleven hypotheses as well as the additional findings will depict the detailed scope of this research and will furthermore be transformed to hypotheses later on in this chapter. A hypothesis is according to Forzano and Gravetter (2008: 19) ‘a statement that describes or explains a relationship between or among
variables’ and are a kind of pre-stage of a theory which have to be explicit formulated and empirical testable. After their verification, hypotheses can turn into a theory or can be refuted if they are not confirmed (Saunders et al., 2009). The focus of the eleven hypotheses lies on three in the literature review identified possible predictor variables: the time a general manager spent in a foreign culture, the size of the company and the presence of an HR department.

There is some evidence that in German Mittelstand-SMEs the general managers are generally in charge of any advanced training activities and since expatriate training belongs to the category of training hypothesis one is:

**H1:** In German Mittelstand-SMEs the general managers are in charge of all expatriate preparation activities (Gutmann and Kabst, 2000, IHK Koblenz, 2011, Kienbaum et al., 2013).

The findings in section 2.6.2 provide strong evidence that expatriates are faced with some challenges until they adjust to a new environment what suggests that somebody who went through this process of adjustment and lived more than one year in a foreign culture has experienced at least three out of four stages of adjustment of Lysgaard’s (1955) U-curve theory of adjustment and is therefore more aware of the difficulties which can occur by cultural differences than somebody who has never gone through an adjustment process to a new culture. Since there is some evidence that in general the general managers of German SMEs are in charge of deciding whether training should be provided to expatriates or not, in accordance with this finding the corresponding hypothesis two is:

**H2:** German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates than companies with general managers who have spent less than 12 months in a foreign culture.

Since the literature review not only revealed that preparation and training are important to ease the adjustment of expatriates, it furthermore indicates that the families of expatriates are also a main reason for expatriate failure when they do not adjust into the new culture of the host country. For the same reason as in hypothesis one it can be assumed that general managers who lived more than one year in a foreign culture and experienced the adjustment process are more likely to provide preparation measures for the expatriates families than general managers who did not spend at least one year in a foreign culture which leads to hypothesis three.
**H3:** German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates’ families than companies with general managers who have spent less than 12 months in a foreign culture.

A proper preparation and training are according to the findings of the literature review essential for the prevention of expatriate failure. As stated previously in the derivation of the hypotheses two and three it can be assumed that general managers who lived more than one year in a foreign culture and experienced the adjustment process themselves are more likely to provide preparation measures for the expatriates. Therefore, it is to be expected that that these general managers will also provide more paid days off for the preparation of their expatriates than general managers who spent less than 12 months in a foreign culture.

**H4:** German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture offer more paid days off for preparation and training of expatriates, than German Mittelstand-SMEs with general managers who spent less than 12 months in a foreign culture.

The literature review revealed that there is a direct correlation between the size of an SME and its level of internationalization which rises with the size of the SME (European Commission, 2010). This leads to the conclusion that larger SMEs have greater experience in the preparation of expatriates than smaller SMEs do, what leads to hypothesis five

**H5:** In companies with 250 up to 499 employees expatriates receive more cross-cultural assignment preparation than expatriates in companies with less than 250 employees.

As with hypothesis five one can assume that larger SMEs have a greater experience in the preparation of expatriates on basis on their higher level of internationalization than smaller SMEs and involve therefore more likely the expatriate’s families in the preparation process compared to smaller SMEs with a generally lower level of internationalization. Therefore hypothesis six is:

**H6:** In companies with 250 up to 499 employees families of expatriates receive more cross-cultural assignment preparation than families of expatriates in companies with less than 250 employees.
Since larger companies have according to the literature review more likely a higher degree of financial flexibility and moreover a higher level of internationalization than smaller organisations it can be assumed that companies with 250 up to 499 offer more paid days off for the preparation of the expatriates than smaller organisations what leads to hypothesis seven:

**H7:** Companies with 250 up to 499 offer more paid days off for the preparation and training of expatriates, than German Mittelstand-SMEs with less than 250 employees.

The literature review suggests that the reasons why large companies are not investing in cross-cultural assignment preparation are known and that these reasons are relatively transparent but on the other hand there is only limited knowledge available why German SMEs do not invest more resources in cross-cultural assignment preparation with hints that the lack of financial resources is a significant factor. Since smaller companies have a significant lower equity ratio than large companies and consequently less financial flexibility it leads to the eight hypothesis:

**H8:** The lack of financial resources is for German Mittelstand-SMEs with up to 249 employees more likely a prime reason for not investing more resources in cross-cultural assignment preparation than for companies with 250 up to 499 employees.

The literature suggests that companies with HR department are more likely to have a professional personnel management than companies without HR department. Since it can be assumed that professionals in an HR department are aware of the importance of expatriate preparation or at least search for a recommended procedure, once the issue of an expatriate assignment is under discussion, it can be assumed that expatriates receive more cross-cultural assignment preparation in German Mittelstand-SMEs with HR departments than in organisations without HR departments. Consequently hypothesis nine is:

**H9:** Expatriates receive more cross-cultural assignment preparation in German Mittelstand-SMEs with HR department than expatriates in German Mittelstand-SMEs without HR department.

Hypothesis ten is based on the same assumptions as hypothesis nine and regards the correlation of family involvement in the cross-cultural assignment preparation process and the presence of HR departments.
**H10:** Families of expatriates receive more cross-cultural assignment preparation in companies with HR department than families of expatriates in companies without HR department.

Since the literature recommends that training and continuing professional education for employees should be conducted during work time respectively during paid days off and that this also expected from a majority of employees in Germany one can expect that HR professionals are aware of these facts (Schiersmann, 2007). This leads to hypothesis eleven which is:

**H11:** Companies with HR department provide more paid days off for preparation and training for expatriates than companies without HR department.

Table 2.3 illustrates the deduced eleven hypotheses and their underpinning in the literature review.

**Table 2.3:** Research hypotheses

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Underpinning</th>
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<tbody>
<tr>
<td><strong>H1:</strong> In German Mittelstand-SMEs the general managers are in charge of all expatriate preparation activities.</td>
<td>Gutmann and Kabst, 2000</td>
</tr>
<tr>
<td></td>
<td>IHK Koblenz, 2011</td>
</tr>
<tr>
<td><strong>H2:</strong> German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates than companies with general managers who have spent less than 12 months in a foreign culture.</td>
<td>Findings of chapter two Lysgaard,1955</td>
</tr>
<tr>
<td><strong>H3:</strong> German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates’ families than companies with general managers who have spent less than 12 months in a foreign culture.</td>
<td>Findings of chapter two Lysgaard,1955</td>
</tr>
<tr>
<td><strong>H4:</strong> German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture offer more paid days off for preparation and training of expatriates, than German Mittelstand-SMEs with general managers who spent less than 12 months in a foreign culture.</td>
<td>Findings of chapter two Lysgaard,1955</td>
</tr>
<tr>
<td><strong>H5:</strong> In companies with 250 up to 499 employees expatriates receive more cross-cultural assignment preparation than expatriates in companies with less than 250 employees.</td>
<td>European Commission, 2010</td>
</tr>
<tr>
<td>Hypothesis (H)</td>
<td>Description</td>
</tr>
<tr>
<td>----------------</td>
<td>-------------</td>
</tr>
<tr>
<td><strong>H6</strong>:</td>
<td>In companies with 250 up to 499 employees families of expatriates receive more cross-cultural assignment preparation than families of expatriates in companies with less than 250 employees.</td>
</tr>
<tr>
<td><strong>H7</strong>:</td>
<td>Companies with 250 up to 499 offer more paid days off for the preparation and training of expatriates, than German Mittelstand-SMEs with less than 250 employees.</td>
</tr>
<tr>
<td><strong>H8</strong>:</td>
<td>The lack of financial resources is for German Mittelstand-SMEs with up to 249 employees more likely a prime reason for not investing more resources in cross-cultural assignment preparation than for companies with 250 up to 499 employees.</td>
</tr>
<tr>
<td><strong>H9</strong>:</td>
<td>Expatriates receive more cross-cultural assignment preparation in German Mittelstand-SMEs with HR department than expatriates in German Mittelstand-SMEs without HR department.</td>
</tr>
<tr>
<td><strong>H10</strong>:</td>
<td>Families of expatriates receive more cross-cultural assignment preparation in companies with HR department than families of expatriates in companies without HR department.</td>
</tr>
<tr>
<td><strong>H11</strong>:</td>
<td>Companies with HR department provide more paid days off for preparation and training for expatriates than companies without HR department.</td>
</tr>
</tbody>
</table>

*Source: developed for this research*

The following conceptual model in figure 2.3 is based on the eleven hypotheses which have been developed in this section and shows the links between issues and the relationships being tested by the hypotheses.
This set of eleven hypotheses comprises all relevant aspects of the present research topic and constitutes the research frame for subsequent testing. The subsequent chapter three describes in detail the research methodology that is applied in this thesis.
Chapter 3: Research methodology

The previous chapter two explained what expatriates are, why companies should prepare them for their assignments and how expatriates can be prepared for their cross-cultural assignments. Finally, guided by the research questions, the chapter led to eleven research hypotheses to investigate. In this chapter the research design, the methodology and the applied research methods are described. Furthermore this chapter covers the procedure which has been applied to determine the research focus in terms of the region, as well as the description of the whole quantitative data and qualitative data collection processes and analysis.

Chapter three is structured in 13 sections and starts with an outline of the research background and its aim. It is followed by section 3.2 with a discussion about the suitable research paradigm for this research and justification. Section 3.3 explains the research design and the research approach. The applied research methods and strategies are described in section 3.4 which is followed by section 3.5 where the determination of the research population is explained. Section 3.6 explains the reasoning for applying questionnaires in this research work, including the development of the questionnaire, which is followed by section 3.7 which describes the quantitative data collection process. The statistical methods which are applied in this research to analyse the data are described in section 3.8. Section 3.9 explains the reasoning for choosing semi-structured interviews as qualitative research methods and outlines the planning and preparation of the semi-structured interviews. It is followed by section 3.10 where it is explained how data quality issues in qualitative research have been handled in this research. The analysis approach for the qualitative data is explained in section 3.11 which is followed by the ethical considerations which have been made for this research in section 3.12. The chapter and closes with the summary in section 3.13.

3.1 Aim of the research

As outlined in chapter two, there is strong evidence that national culture exists and that it influences almost every facet of life, be it the way people negotiate, greet each other or discuss problems. Chapter two revealed that expatriates should be prepared for their assignments in order to prevent them from failing their assignments and furthermore it revealed that in German Mittelstand-SMEs the general managers have the decisive influence on the expatriate preparation, what led to eleven research hypotheses to investigate.

The aim of the research is to answer the research question 'how do German Mittelstand-SMEs which have overseas branches in Asia prepare their expatriates and their families for their cross-cultural assignments and what influence does the time the general managers have spent
in foreign cultures has on the cross-cultural assignment preparation process?’ and therefore to generate new knowledge. The reasons for choosing Asia as region of examination are represented in section 3.6. Plato described the concept of knowledge as ‘justified true belief’ (Crumley, 2009). Knowledge is produced through a process of selective abstraction, identification and recombination and in this context the process of knowledge creation can be compared with any other manufacturing process (Partington, 2002). The knowledge production process depends largely on the epistemological positioning of the researcher. For example on the one hand, in order to create new knowledge a positivist would try to find a universal law that explains reality and on the other hand, in order to create new knowledge an interpretativist would try to understand the meaning actors give to reality (Thiétart et al., 2001). What is important to underline is that there is no single real or true process of knowledge creation instead the process depends on the researcher and his or her vision of the social world (Thiétart et al., 2001). Gibbons et al. (2004) distinguish between two modes of knowledge production, a pure academic approach without a focus on practical relevance and the second mode which aims to create knowledge for the world of practice. Since this is a practice oriented DBA research work it clearly aims to produce knowledge which has practical relevance. Given that the literature review revealed that there seem to be gaps in terms of research results regarding the research question, the results of this research will also help to close these gaps.

The philosophical standpoint of the researcher shapes the aim and the objective of every research work and the literature suggests that researchers should make their epistemology beliefs clear at the beginning of the research so that the basic assumptions that underpin the research can be easily understood by the reader without that the reader has to guess from which standpoint the author operates (Miles and Huberman, 1984, Thiétart et al., 2001, Walliman, 2005). To follow this suggestion at this point, I conduct this research from the standpoint of a pragmatist and the following paragraphs in chapter three will therefore argue the philosophical standpoint of a pragmatist, as this was adopted in this research. Furthermore the research design and method which are applied to accomplish the research objectives are described and also the justification why this particular design is chosen.

3.2 Research Paradigms

Paradigms are models, intellectual frameworks which organizes the view of a researcher on something. They organise the researcher’s observations and influence how he or she conducts the research. Paradigms distinguish themselves by the way they explain the status of knowledge, the nature of reality, how knowledge is generated and the validity criteria, what type of questions are asked, the nature of the questions and how they are structured and how the answers or data gained in the research are interpreted. A research paradigm consists of
the four components: ontology, epistemology, methodology, and axiology (Babbie and Rubin, 2012, Thiétart et al., 2001).

### Table 3.1: Components of research paradigms

<table>
<thead>
<tr>
<th>Components of research paradigms</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>Ontological level</strong></td>
<td>Ontology refers to the assumptions researchers makes about the nature of reality (Easterby-Smith et al., 2008). The two positions on the ontological level are the relativist approach with the underlying assumption that multiple realities exist as subjective constructs of the mind and the realist approach which is based on the assumption that 'the external world consists of pre-existing hard tangible structures which exist independently of an individual's cognition' (Fitzgerald and Howcroft, 1998, p. 11).</td>
</tr>
<tr>
<td><strong>Epistemological level</strong></td>
<td>Epistemology is the study of knowledge and is concerned with the questions, how knowledge is generated, what knowledge is, what can be known and what the validity criteria of knowledge are (Cohen et al., 2007, Easterby-Smith et al., 2008, Saunders et al., 2009).</td>
</tr>
<tr>
<td><strong>Methodological level</strong></td>
<td>The methodological level is concerned with the finding of the most appropriate method for the research where the researcher can choose between quantitative, qualitative or mixed methods approach (Bartezzaghi, 2007).</td>
</tr>
<tr>
<td><strong>The axiological level</strong></td>
<td>Axiology refers to the philosophical study of value and the researcher's view about the role of values in research. The choice of a philosophical approach and the choice of data collection techniques are a reflexion of the researcher's values and will therefore influence the research design (Saunders et al., 2009).</td>
</tr>
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</table>

*Source: developed for this research*

Each of these four components is crucial for the research design because taking the axiology level as an example how one part of the research paradigm can influence the research design.
in the case of data collection. Lichtman (2009: 22) argues that it is not possible for a researcher to keep his research free from influences of his values. Following this opinion a researcher would not have to take care in his research design whether his way of data collection will alter the nature of his research object or not. On the opposite side a positivist researcher strongly believes that it is possible to collect data in an objective way without altering the nature of his research object.

3.2.1 Positivism

Positivism is beside post positivism, constructivism, interpretativism, postmodernism and critical theory one of the main epistemological streams in organizational science (Graubner, 2006, Thiétart et al., 2001). There are several directions within positivism in research but they share the basic ideas about how knowledge is produced (Eriksson and Kovalainen, 2008). Positivists put emphasis on theory testing and aim to discover causality between variables in an objective and value free way (Carson, 2001, Eriksson and Kovalainen, 2008).

Positivists believe that a reality exists independently of the knowing subject, that only observable phenomena can provide reliable data and are very much concerned with objectivity which is given, when a subject’s observation of an external object does not alter the nature of that object (Carson, 2001, Feather and Sturges, 2003, Lincoln and Guba, 2000, Thiétart et al., 2001). Positivists aim to identify universal laws which explain the reality and reveal objective truth by only accepting deductive logic, which starts with the development of hypotheses, followed by testing if these hypotheses can be confirmed or have to be refuted (Comet, 1988, Lincoln and Guba, 2000, Saunders et al., 2009). It is argued that on the one hand it is a strength of positivism that mostly quantitative methods with bigger sample sizes are applied than in pure qualitative research on the other hand. Feather and Sturges (2003: 180) claim that the methodology for considering theoretical and conceptual aspects concerning what data to consider in the first place is a weakness of this paradigm (Shekedi, 2005). Although qualitative approaches are not considered to be the first choice approaches of positivists, it does not exclude them to fit into a positivistic approach when it can be applied to test a theory (Van Maanen, 1983, Yin, 2013). Although it is possible, it seems not to be without complication, as Babbie and Rubin (2012: 37) argue that a positivist researcher will be much more concerned with assessing the objectivity of the qualitative approach than an interpretivist or social constructivist researcher.

For this research I apply a deductive reasoning approach, which starts with the development of a theory and hypothesis, followed by the design of a research strategy to test the prior
developed hypothesis (Saunders et al., 2009). However, also positivism has its strength, following this paradigm word for word would limit this research because on the one hand it is too rigid on the other hand this from positivist desired universal law which explains the reality and reveals objective truth can only be found in natural sciences as physics and chemistry but still remains unachievable in management which involves human beings (Comet, 1988).

3.2.2 Pragmatism

Leech et al. (2010: 18) define pragmatism ‘as research using both qualitative and quantitative methods and mixing the two methods when beneficial’ which can be confused with definitions of mixed-methods research (Johnson et al., 2007, Saunders et al., 2009). A more detailed definition comes from Saunders et al. (2009: 598) who defines pragmatism as ‘a position that argues that the most important determinant of the research philosophy adopted is the research question, arguing that it is possible to work within both positivist as well as interpretivist positions. It applies a practical approach, integrating different perspectives to collect and interpret data’.

This paradigm contradicts Howe’s (1988) ‘Incompatibility Thesis’ which says that quantitative and qualitative research paradigms and methodologies cannot be mixed and seems therefore to be the best choice because this pragmatic oriented research methodology allows focusing on answering of the research question instead of discussions about the underlying paradigm or approach (Saunders et al., 2009, p. 109). Table 3.2 illustrates that pragmatism is by far more flexible than positivism and allows on each level to choose the most appropriate way to answer the research question what could also be the approach a positivist would apply. However, a purist positivist approach can stalled during the research process whereas the pragmatist has all the options to answer the research question.
Table 3.2: Comparison of positivism and pragmatism

<table>
<thead>
<tr>
<th></th>
<th>Positivism</th>
<th>Pragmatism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontology</strong></td>
<td>External, objective and independent of social actors</td>
<td>External, multiple, view chosen to best enable answering of research question</td>
</tr>
<tr>
<td><strong>Epistemology</strong></td>
<td>Only observable phenomena can provide credible data and facts. Focus on causality and law like generalisations, reducing phenomena to simplest elements</td>
<td>Either or both observable phenomena and subjective meanings can provide acceptable knowledge dependent upon research question. Focus on practical applied research, integrating different perspectives to help interpret the data</td>
</tr>
<tr>
<td><strong>Axiology</strong></td>
<td>Research is undertaken in a value-free way, the researcher is independent of the data and maintains an objective stance</td>
<td>Values play a large role in interpreting results, the researcher adopting both objective and subjective points of view</td>
</tr>
<tr>
<td><strong>Data collection techniques most often used</strong></td>
<td>Highly structured, large samples, measurement is quantitative but can use qualitative</td>
<td>Mixed or multiple method designs, quantitative and qualitative</td>
</tr>
</tbody>
</table>

Source: (Saunders et al., 2009, p. 119)

As described in section 3.1 this thesis is a practice oriented research work which aims to produce knowledge which has practical relevance and precisely for this reason pragmatism seems to be the best choice to the present research goal and provides the necessary degree of freedom for an appropriate data collecting method. Nevertheless, the quantitative – deductive part of the thesis is based mainly on the positivistic paradigm in order to limit critics concerning validity of the data basis.
3.3 Research design

A research design is the conceptual core of each research and the framework in which the different elements of a research project (research question, literature review, data collection, data analysis and results) are brought together. It explains how the researcher will conduct the research, how the data will be collected and how the collected data will be analysed (Kerlinger and Lee, 1999).

There exist several research designs and approaches from which a researcher can choose and which are all based on ontological, epistemological, methodological and axiological position. It is argued that for a research problem there is not only one matching design, but the choice of a particular paradigm will determine the researcher’s approach and therefore influence also the research design (Babbie and Rubin, 2012, Klenke, 2008, Thiétart et al., 2001). For instance it is very likely that a positivist researcher would begin his research work with a deductive approach by developing a hypothesis, followed by an experiment to verify or refute this hypothesis whereas the interpretive research approach would probably end with a hypothesis as research result. On the philosophical level there is an ongoing discussion if a quantitative or qualitative setup is the appropriate research design (Bartezzaghi, 2007, Thiétart et al., 2001) and there is also no consensus whether the choice of the research design is predeter- mined by the epistemological positioning of a researcher or not. Graubner (2006: 16) claims that traditionally ‘the quantitative – deductive research is associated with positivism, whereas qualitative – inductive research relates to interpretivism’, but although quantitative approaches are often linked with deductive research designs which are traditionally associated with positivism, whereas qualitative – inductive research relates to interpretivism, it has to be highlighted that these relationships are not exclusive although there is a trend by whom quantitative and qualitative methods are used in the research design (Thiétart et al., 2001). According to De Vaus (2001: 11) it is ‘erroneous to equate a particular research design with either quantitative or qualitative methods.’ Therefore it is quite possible that interpretivists can use quantitative methods and positivists can use qualitative research methods in their research work (Balnaves and Caputi, 2001, Graubner, 2006, Thiétart et al., 2001). As described above research designs are not attached to a specific paradigm and just as De Vaus (2001) claims that the research design is also not related to any particular method of collecting data or any particular type of data. Not only that research designs are not related to any particular method of data collection, but it is also recommended within management research to apply multiple method approaches to increase the validity of the study (Curran and Blackburn, 2001).
3.4 Research method and strategy

Research methods in this context can be defined as ‘techniques and procedures used to obtain and analyse research data’ (Saunders et al., 2009, p. 595). With regards to the methods, researchers can choose between several different data collection methods as for example questionnaires, structured interviews, semi-structured interviews or observations. These methods are often divided up into two main types, the qualitative and the quantitative methods (Curran and Blackburn, 2001, Muijs, 2004). However, a strict subdivision of methods into quantitative and qualitative methods seems to be ‘outdated’ according to Thiétart et al. (2001: 115). Ivankova et al. (2006: 3) argues ‘that neither quantitative nor qualitative methods are sufficient, by themselves, to capture the trends and details of a situation’. That is why I do not limit this research to either quantitative or qualitative research methods, instead I follow the recommendations of the literature by applying a mixed-methods approach (Curran and Blackburn, 2001, Ivankova et al., 2006, Saunders et al., 2009). There is no universal agreed definition for this term but Johnson et al., (2007) analysed several definitions and come to the conclusion that the majority of definitions refer to the term mixed-methods research to the combing of quantitative and qualitative research methods. As mentioned above there exist several research designs and approaches and according to Tashakkori and Teddlie (2003) there are more than forty mixed-methods research designs described in the literature. Figure 3.1 illustrates the frame of mixed-methods types.

Figure 3.1: Types of mixed methods research designs

![Diagram of mixed methods research designs]

Source: (Onwuegbuzie and Turner, 2007, p. 124)

According to Ivankova et al. (2006: 4) the mixed-methods sequential explanatory design is one of the most often used designs among mixed-methods research designs. However, although
this design is frequently applied in research Ivankova et al., (2006: 4) argue that is ‘not easy to implement’ and say further that certain methodological issues as for example which priority the quantitative data collection and analysis has compared to the qualitative data collection and analysis or if the quantitative or qualitative data is collected in the first place have to be considered.

In this research a quantitative dominant mixed-methods approach is applied which is defined as ‘the type of mixed research in which one relies on a quantitative, postpositivist view of the research process, while concurrently recognizing that the addition of qualitative data and approaches are likely to benefit most research projects’ (Johnson et al., 2007, p. 124). The mixed-methods sequential explanatory design is divided up into two phases, the quantitative and the qualitative ones, and the approach which is applied in this research is based on Ivankova et al., (2006) has in total six stages. This research is conducted as cross-sectional research which means according to Saunders et al. (2009: 155) that ‘a particular phenomenon at a particular time’ is surveyed as kind of a snapshot and not over time. It starts with the quantitative data collection via online-questionnaire in the first stage and is followed in the second stage by the analysis of the collected quantitative data. The quantitative and the qualitative phases of this research are ‘connected in the intermediate stage in the study’, which is the third stage, as it is recommended by Creswell and Plano Clark (2011: 87). The fourth stage includes the qualitative data collection by semi-structured interviews as qualitative methods which are based on the results of the quantitative data analysis, to crosscheck the findings, to help explain the results of the quantitative analysis and to eliminate ambiguities which arise during the analysis of the quantitative data (Creswell et al. 2003, Saunders et al., 2009). The fifth stage covers the analysis of the qualitative data and is followed by the last stage, where the results of the quantitative and qualitative analyses are brought together. The different six stages of the applied Ivankova et al. (2006) design are illustrated in figure 3.2
The mixed method approach is applied because it is a comprehensive strategy to conduct research which provides more evidence for studying a research problem and increases the validity of the research results by offsetting the weaknesses of a pure quantitative or pure qualitative research approach because it is possible to use all available data collection methods instead of being limited to specific methods (Creswell and Plano Clark, 2011, Thiétart et al., 2001). The literature recommends to evaluate different data collection methods in order to apply the most suitable to answer the research question. The reasons for using a questionnaire and semi structured interviews are given explained in depth in sections 3.7 and 3.10 (Saunders et al., 2009).

3.5 Determination of the region to be examined and the research population

To investigate which countries or regions may come into question to be examined each German embassy and each German Chamber of Commerce in the world had been contacted via email to get a clear picture where German companies have branch offices and where not. According to the United Nations (2016) there are 193 national states in the world but far less
German embassies. The reason for this is because some countries as for example the Marshall Islands where the German embassy in Manila is the diplomatic contact or Antigua and Barbuda where the German embassy in Port of Spain, Trinidad is the diplomatic contact have no German embassy. Although the Vatican City State is not a member of the United Nations there is a German embassy. However, this embassy has not been contacted, because there are no companies located. Overall, 155 German embassies have been contacted in order to ask for lists of German companies in their area of responsibility. In addition, every foreign German Chamber of Commerce was contacted, which are located in 90 countries worldwide. The result was not surprising in terms of the region with the highest number of German branch offices, which is Europe. In France for example, Germany's second most important trading partner in the world, are about 4,500 German companies with their own branch offices located, in the Netherlands there are about 3,400 German companies with own branch offices, in England there are about 1,800 German companies with own branch offices and in Italy and Spain there are in each about 1,000 German companies with own branch offices located.

Nevertheless Europe seems to be unsuitable as a region for this research because expatriates have the possibility to fly on a regular basis with a low-cost carrier back to their home towns or countries whenever they feel homesick or need to spend time in a familiar cultural environment, whereas German expatriates in Asia, Africa or America do not have such possibilities to fly within about three hours from any point in Europe back home to Germany. Furthermore it is argued that the cultural distance between countries depends also on the physical distance of the countries (Scullion and Brewester, 2001). However, the physical distance between countries is not automatically an indicator for the culturally distance between nations because from a UK perspective Australia and the USA are in terms of physical distance further away from the UK than North Africa or the Arab world, but with exception of the dimension ‘Long Term’ orientation the UK, Australia and the USA have comparable scores in Hofstede’s cultural dimensions model while with the exception of the dimension ‘Masculinity’ Arabian nations as for example Saudi Arabia, Morocco or Libya differ significantly (Hofstede et al., 2010).
This is because over the last 300 years millions of Europeans emigrated to America and Australia with the effect that they imported the European cultures and kept close ties to Europe (Hoerder, 2010). Since the distance between Germany and other European countries is significantly shorter than for example the distance between Germany and Argentina or China, it seems that a region outside of Europe would be better suited for this research (Scullion and Brewster, 2001).

The highest number of German branch offices outside Germany is according to my research located in China, where more than 5,000 German companies have a physical branch. Some of the embassies’ responses were very surprising. It turned out that there are several countries around the world with none or just a few German companies with own branch offices present in the market. According to the answers of the local embassies there are for example:

- no Germans working in North Korea and Liberia
- in total only a few expats of multinational corporations in Pakistan
- no German SMEs in several countries as for example Cambodia, Benin, Botswana, Guinea, Ethiopia, Equatorial Guinea, Honduras, Jordan, Lebanon or Zimbabwe.

Source: (Hofstede et al., 2010)
• only 28 German companies in Uganda and two in Niger, both without German personnel

• only a few Germans working in North Africa where European companies prefer to employ personnel with North African roots and native French speaking Europeans as expatriates

In America only in the United States of America there is the significant number of 3,500 German companies with own branch offices located. Therefore Asia seems to be far more interesting in terms of the number of German companies, because beside China with its more than 5,000 German companies, there is also India with at least 1,800 branch offices of German companies and as well Japan and Russia with together more than 1,000 German branch offices in the market. Asian countries are in terms of trade after European nations Germany's most important trading partners and from a cultural perspective there was no mass emigration from Germany to Asia which could have possibly influenced the Asian cultures and ‘shortens’ the cultural distance. In particular, China is the most important trading partner in Asia for Germany as it is with imports from Germany with over 71 billion Euro in 2015 the fifth largest importer of German goods and with exports worth over 90 billion Euro the largest exporter to Germany in 2015 (Destatis, 2016).

In total I was able to collect from the German embassies and the chambers of industry and commerce about 9,000 web addresses of German companies in Afghanistan, Azerbaijan, China, Hong Kong, India, Israel, Indonesia, Japan, Malaysia, Philippines, Russia, Singapore, South Korea, Taiwan, Thailand, Turkey, United Arab Emirates and Vietnam. Because no information is available about the number of German-Mittelstand SMEs in Asia, this research sets beside Asia a special focus on China to explore, how many of the more than 5,000 German companies with a branch office in China belong to the group of Mittelstand-SMEs according to the definition which was developed for this research. China is on the one hand particularly relevant because it is one of Germany’s most important trading partners and has one of the highest numbers of German branch offices worldwide. On the other hand the data availability is very good, because the delegation of German industry and commerce Greater China offers a free access on its website to the ‘German Company Directory’ which is the official directory of German companies in China, Taiwan, Hong Kong and Macao. It claims to be ‘the most comprehensive and up-to-date directory of German companies in Greater China’ (AHK Greater China, 2012). For this reason the quantitative data collection process is divided up into two stages.
• In the first stage, in section 3.6.1, the population of German Mittelstand-SMEs out of the 5,000 German companies has to be determined and furthermore the email addresses of the general managers have to be searched in order to be able to collect as accurate data as possible.

• In the second stage of the quantitative data collection phase the data of the German companies in the other in-scope countries from Asia has to be collected without first examining how many German Mittelstand-SMEs have branch offices in these markets.

3.5.1 Determination of the German Mittelstand-SMEs in China

Provided that a clear definition with regards to quantitative and qualitative aspects has already been developed in section 1.2.3 for German Mittelstand-SMEs the total population for this research has to be determined to obtain as accurate data as possible for this research. Since only general managers from German Mittelstand-SMEs with a branch office in China are targeted in this first phase of the data collection, the determination of the research population must be carried out in two steps. In the first step the German Mittelstand-SMEs with a branch office in China have to be identified and in the second step the names and email addresses of the general managers have to be found in order to invite them to participate in the research.

In order to reach this target, the German Company Directory was a helpful tool. For this reason the list with 7,952 (November 2012) entries was the used to determine the population for the research. The list from 2012 is applied as foundation for the research to ensure that only companies with at least three years of experience in China will be part of the research. In the next step, every entry was proved whether it belongs to the group of Mittelstand-companies which is part of this work or not. Here for the websites of every single entry has been visited to proof whether the company belongs under qualitative and quantitative criteria to the group of German Mittelstand SMEs. Beside company websites also business directories such as wer-zu-wem.de or Statista.com were used to obtain the required data and information.

More than 7,500 entries have been excluded from the list, because they did not fit into the underlying definition of Mittelstand-SME as described in section 1.2.3. The following types of companies have been excluded from the population.

• Multinational enterprise and groups such as Allianz group because these kind of companies do not fit under qualitative and quantitative aspects into the population. These companies have often more than 500 employees and are operated by managers who have no ownership of the company.
- Joint ventures, because they are influenced by at least two companies.

- Companies which fit into the population under quantitative aspects, but have not the qualitative characteristics of a Mittelstand-company as for example Ideenkapital GmbH which is owned by the ERGO Insurance group and therefore not an independent company.

- Double entries, where one company had an own entry for every branch office.

- Companies with their headquarters outside of Germany such as for example the Austrian company BWT AG. These kinds of companies may belong under qualitative and quantitative aspects to the group of SMEs and Mittelstand-SMEs but cannot be considered in this research because they do not belong to the German Mittelstand.

- Companies, owned and operated by a foundation or a charitable foundation such as for example Dr. Johannes Heidenhain GmbH. These companies may fit according to quantitative aspects, but not under qualitative aspects because the management as no ownership and they are not family owned.

- Insolvent companies such as Rohwedder AG because these companies are no longer on the market.

- Institutions such as the German-Australian Chamber of Industry and Commerce because they are not companies.

Excluding all former listed types of companies led to the first finding of this research, because from the originally 7,952 entries only 450 companies remained in the population list and these 450 companies set in this point in time the upper limit of the research population.

3.5.2 Determination of the participants

Since the list of potential target companies was completed, the names and email addresses of the general managers had to be found in the next step. That was not difficult with regards to the names of the general managers because by German law websites from German companies and organisations must include an imprint with information about the publisher and also the names of the general managers (§ 5 Telemediengesetz and § 55 Rundfunkstaatsvertrag). As simple as it was to identify the names of the general managers the more difficult it was to find their personal email addresses. In order to avoid spam emails, the majority of companies
do not have the email addresses of their general managers available on their websites. Therefore the majority of email addresses had to be searched manually with the help of search engines such as google.com and yahoo.com. As for example the email address of a general manager named John Smith from ACME Inc. was searched, the search terms where John.Smith@acme.com, J.Smith@acme.com, JSmith@acme.com, Smith@acme.com, JS@acme.com. If none of these combinations was successful it was searched for "*@acme.com" in order to find any personal email address from a co-worker of ACME Inc. and when for example an email address from a co-worker named John Doe was found to be JoDoe@acme.com it was assumed that the correct general managers email address is JoSmith@acme.com.

In the case that company had more than one general manager; it was searched for the email address of the chairman or chairwoman. If this was not clear from the available information who was the chairman or chairwoman the email address from the first-mentioned general manager was taken. The result of this process was an excel-file with 450 entries of companies which belong according to the pre-selection to the group of Mittelstand-SMEs and each company entry included one name and email address of a general manager. In the next step the decision had to be made if the whole population or a sample is surveyed.

A sample is defined as 'a limited number taken from a large group for testing and analysis, on the assumption that the sample can be taken as representative of the whole group' (Crouch and Housden, 2003, p. 149). Sampling is recommended as a valid option to a census in cases where it is not possible to survey the entire population (Saunders et al., 2009, p. 212). Since the research population does not include the entire 7,500 companies from the German Company Directory but only 450 companies, which fall under the underlying Mittelstand-SME definition, it is suitable to collect data from the entire population what makes sampling redundant.

The purpose of the first six sections of chapter three is to explain the research design and the research approach. For this research a mixed-methods sequential explanatory design was chosen because it is a comprehensive strategy to conduct research which provides more evidence for studying a research problem and increases the validity of the research results by offsetting the weaknesses of a pure quantitative or pure qualitative research approach. Furthermore this chapter covers the reasoning for choosing Asia as research region and explains in detail the determination of the research population and the determination of the email addresses of the general managers and companies which are required to conduct the quantitative data collection in the following chapter.
3.6 Selection of the quantitative data collection method

The following sections describe the whole quantitative data collection process and data analysis process. In particular the reasoning for applying questionnaires in this research work is explained as well as the detailed description of the questionnaire development.

3.6.1 Survey

A survey can be defined as ‘a research method used by social scientists to empirically and scientifically study and provide information about people and social phenomena’ (Lavrakas, 2008, p. 860). It is a very effective method for collecting primary data and is applied very frequently in management research (Saunders et al., 2009, Schnell et al., 2011, Thietart et al., 2001). With regards to the research objective the study is targeted to all general managers of German Mittelstand-SMEs with a branch in Asia, a survey is the most fitting method to collect the required statistical data for the deductive reasoning approach in order to test the hypotheses and to answer the research questions. To explain the results of the quantitative data and to eliminate ambiguities which can occur after the analysis of the quantitative data it is important to apply semi-structured interviews as qualitative method which will be explained in more detail in section 3.9.1 (Saunders et al., 2009).

3.6.2 Questionnaire

A questionnaire is the effective standard instrument of empirical social research and widely used to gather large amount of primary data in business research (Gray, 2013, Saunders et al., 2009). The term questionnaire is also an umbrella term for several data collection techniques which can be defined as ‘general term including all data collection techniques in which each person is asked to respond to the same set of questions in a predetermined order’ (Saunders et al., 2009, p. 599, Schnell et al., 2011). It covers, on the one hand, the self-administered questionnaires as for example internet and intranet-mediated questionnaires, postal questionnaires, delivery and collection questionnaires and the interviewer-administered as telephone questionnaires and structured interviews (Saunders et al., 2009, p. 363). Although it is not possible when human beings are involved in the research to eliminate subject bias, questionnaires are considered to be very effective in gathering data in an objective way and in minimizing the risk of interviewer and observer bias (Gail and Bénichou, 2000, Saunders et al., 2009). But beside all those advantages this method also has its weaknesses. A major disadvantage of questionnaires is the inflexibility because once the data collection phases is under way, it is impossible to edit the questionnaire and even though questionnaires eliminate several kind of
biases, they fail to explain the reasons for the outcome of the research and there is still the risk that people misinterpret the questions what requires a very careful development and testing of the questions (Saunders et al., 2009, Thiétart et al., 2001). Although this method has its weaknesses it seems to be the most appropriate one for this research to collect quantitative data from a bigger population in an objective way and the weaknesses of this method are offset due the combination with semi-structured interviews as qualitative method (Creswell and Plano Clark, 2011).

Thus this research applies a questionnaire to collect quantitative data a decision has to be made, what kind of questionnaire will be selected. Since the research population covers as described in section 3.6.2 about 450 general managers, the interviewer-administered questionnaires does not come into consideration for practical reasons because it would be too time consuming to coordinate and to conduct structured phone-interviews with 450 general managers. From the self-administered questionnaires the delivery and collection questionnaires also cannot be regarded as a suitable method because the participants of the research are not located in one place, instead they are spread all over Germany. For these reasons the internet and postal questionnaires seem to be the most appropriate methods to collect the quantitative data for this research.

With regards to the response rate, one often quoted study among students concerning the differences between online and hard copy survey response rates showed up, that online surveys and mail hard copy survey have comparable response rates (Kaplowitz et al., 2004). Nevertheless, the study result is only partially transferable because the average age of students lies far below the average age of German general managers which lies over 50 years (Bürgel, 2010). Online surveys have several advantages compared to mail surveys as for example lower costs because no printing and postage is required, the data does not have to be entered by hand to evaluate it and furthermore an email bypasses the control or pre-screening of regular mail by secretariat and usually goes directly to the recipient. Nevertheless there is still the risk that the recipients consider the email as spam and delete it (Dillman, 2007, Kaplowitz et al., 2004, Schaefer and Dillman, 1998, Sills and Song, 2002). Also it is not totally clear if the response rate of general managers of German Mittelstand-SMEs is higher for postal or online-questionnaires, the benefits of online questionnaires seem to outweigh and therefore this method is applied in this research. Thiétart et al. (2001: 173) identifies three main steps which have to be regarded when it is planned to collect data via a questionnaire.

1. ‘Initial crafting of the questionnaire and choosing scales’ what is explained in the following section 3.6.3
2. ‘Pre-tests to check the validity and reliability of the questionnaire’ which process for this research is described in section 3.6.5

3. ‘Administering of the final questionnaire’ which is described in section 3.7.1

3.6.3 The questionnaire

The questionnaire which is developed for this research is based on the framework of Zibarras and Woods (2010) who conducted a frequently cited survey of UK selection practices and has been adapted for this research purpose. Since this research work aims to explore how German-Mittelstand SMEs with a branch office in Asia prepare their expatriates for their assignments and furthermore to check what influence the general manager and other factors have on the process. The framework of Zibarras and Woods (2010) was chosen because the article aims to answer the question ‘what are the methods that organizations use to select their employees?’ and furthermore it examines if ‘some kinds of organisations use them more frequently than others?’ and is therefore very similar to this research purpose (Zibarras and Woods, 2010, p. 499).

The online questionnaire consists of 25 questions which are divided up into three parts and a final question if the participants are willing to leave their email addresses in order to be contacted for further questions. The reason for only having 25 questions is to lower the abandon rates and is explained in more detail in section 3.6.4. The complete German questionnaire with all answer options as well as the English translation are provided in appendix B.

- **Part 1**: questions regarding the respondents 1 to 3
- **Part 2**: questions regarding the company 4 to 9
- **Part 3**: questions regarding the cross-cultural assignment preparation process 10 to 25
- **Final question 26**: asking for the email addresses
**Questionnaire part 1: questions regarding the respondent – questions 1 – 3**

The first question asks for the position of the participant in the organization and will become especially relevant in the qualitative part of the data collection phase where only the general managers of German Mittelstand-SMEs are interviewed. The second question is one of the most important questions in the survey because it asks for the period of time the general manager has spent in a foreign culture and is therefore relevant for H2, H3 and H4. Since only general managers who own company shares are interviewed in the qualitative data collection phase, question three asks for the company shares which are in possession of the respondent in order to check if the respondent can be interviewed later on or not.

**Table 3.3: List of questions 1 to 3**

<table>
<thead>
<tr>
<th>Question number</th>
<th>Questions</th>
<th>Type of question</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What is your role within your organization?</td>
<td>Single choice and open answer field</td>
</tr>
<tr>
<td>2</td>
<td>How much time did the general manager spend in a foreign culture?</td>
<td>Single choice</td>
</tr>
<tr>
<td>3</td>
<td>How many shares of the company do you own?</td>
<td>Single choice</td>
</tr>
</tbody>
</table>

*Source: developed for this research*

**Questionnaire part 2: questions regarding the company – questions 4 – 9.**

Questions four to six are designed in order to verify whether the company belongs to the group of German Mittelstands-SMEs according to the definition which was developed for this research work in section 1.2.3 or not. Question four asks for the person which holds the majority of company share in order to ensure that the company does not belong to a corporation or other type of organisation as for example a foundation which will not be regarded in this research. The fifth question asks for the management board of the company. Companies which are only managed by general managers who do not own shares of the company are excluded from the research because they do not fit into the Mittelstand-SME definition for this research. The company size categories in question six are based on the SME-company size cluster of the IfM Bonn (2016 a) and help on the one hand to check the company's number of employees which for a SME should not exceed the maximum of 499 employees otherwise it cannot be considered in this research. The seventh question asks for the region where the company
sends its expatriates. Since the research focus of this thesis is Asia, only companies are regarded which indicate that they send expatriates on assignments to Asia which fit into the foreign assignment definition which was developed for this work in section 1.2.3. Question number eight aims to explore if the companies have HR departments or not. This information will help in the analysis phase to check if HR departments have an influence on the expatriate preparation of Mittelstand-SMEs or not and covers therefore H9, H10 and H11. In order to confirm or refute hypothesis one which states that in German Mittelstand-SMEs the general managers are in general in charge of all expatriate preparation activities, question nine asks for the person who is responsible within the organisation for the expatriate preparation activities.

Table 3.4: List of questions 4 to 9

<table>
<thead>
<tr>
<th>Question number</th>
<th>Questions</th>
<th>Type of question</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Who owns the majority of the company?</td>
<td>Single choice and open answer field</td>
</tr>
<tr>
<td>5</td>
<td>Who manages the company?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>6</td>
<td>Currently how many employees (heads) do you have on the payroll in your organization?</td>
<td>Single choice</td>
</tr>
<tr>
<td>7</td>
<td>Does your company send expatriates to Asia for at least one year and maximal five years</td>
<td>Single choice</td>
</tr>
<tr>
<td>8</td>
<td>Does your company have an HR department?</td>
<td>Single choice</td>
</tr>
<tr>
<td>9</td>
<td>Who is finally responsible within your company whether expatriates are prepared for their assignments or not?</td>
<td>Single choice and open answer field</td>
</tr>
</tbody>
</table>

Source: developed for this research

Questions 10 to 25 are concerned with the foreign assignment preparation process for the expatriates and their families and also with the reasons why companies do not invest more resources in this preparation process. The block of questions is based on the cross-cultural assignment preparation process which is described in section 2.7 and is divided up into the five stages of cross-cultural assignment preparation: selection, preparation, training, support during the stay and repatriation.
For each of these five stages of the cross-cultural assignment preparation process three questions are posed:

1. What methods are applied for the expatriates?
2. What prevents the company to invest more resources in the process?
3. What methods are applied for the expatriate’s families?

For each of these 15 questions the respondents are offered a list of response options, which are grounded on the literature review. The questions are multiple choice questions and the respondents can tick all appropriate answer options and in addition they have the possibility to write additional answers if they miss answer options (Saunders et al., 2009). Question 19 is embedded in the question block and asks for the number of paid days off which the expatriates receive for training and preparation. This question covers H4, H7 and H11 and its answer options are based on Mendenhall et al.’s (1987: 340) model of the ‘relationship between degree of interaction into the host culture and rigor of cross-cultural training’.

As described in section 1.2.4 the reasons why German SMEs are not focusing efforts and resources for the preparation of cross-cultural assignments are not clear yet (Stroppa and Spiess, 2010). Mendelhall et al. (1987) identified identifies several reasons for large enterprises not focusing on efforts and resources to the cross-cultural training of expatriates which built together with Stroppa and Spiess’s (2010) conjecture, that the lack of financial resources is also a main reason, the answer options for the questions 11, 14, 17, 21 and 24.
<table>
<thead>
<tr>
<th>Question number</th>
<th>Questions</th>
<th>Type of question</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Which criteria and methods are applied for the selection of expatriates in your company?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>11</td>
<td>What prevents the company from investing more resources in the selection process?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>12</td>
<td>Is the expatriate’s family involved in the selection process? If so, what measures are applied?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>13</td>
<td>How are the expatriates prepared for their assignments (without training)?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>14</td>
<td>What prevents the company from investing more resources in the preparation process?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>15</td>
<td>Is the expatriate’s family involved in the preparation process? If so, what measures are applied?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>16</td>
<td>What kind of training is offered for expatriates?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>17</td>
<td>What prevents the company from investing more resources in training for the expatriates?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>18</td>
<td>Is the expatriate’s family involved in the training process? If so, what measures are applied?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>19</td>
<td>How many working days is the expatriate off work (paid) for preparation and training?</td>
<td>Single choice</td>
</tr>
<tr>
<td>20</td>
<td>What kind of support is offered during the stay for the expatriate?</td>
<td>Multiply choice and open answer field</td>
</tr>
<tr>
<td>21</td>
<td>What prevents the company from investing more resources in the support of the expatriates?</td>
<td>Multiply choice and open answer field</td>
</tr>
</tbody>
</table>
Does the family receive support during the stay? If so, what measures are applied?

What kind of measures is offered to repatriates which you want to keep in the organisation?

What prevents the company to invest more resources in the repatriation of expatriates?

What kind of measures are offered to the families of repatriates?

Source: developed for this research

The final question 26 is not linked to the data analysis but is essential in order to determine if the participants are willing to be interviewed in the quantitative data selection phase.

Table 3.6: Question 26

<table>
<thead>
<tr>
<th>Question number</th>
<th>Question</th>
<th>Type of question</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>Do you agree to be contacted for further questions? If you do so, please leave your email address.</td>
<td>Single choice and open answer field</td>
</tr>
</tbody>
</table>

Source: developed for this research

3.6.4 Questionnaire participation and abandon rates

In order to increase the participation rate and to lower the abandon rate of the questionnaire the literature and the practical experience from survey provider offer helpful information. An analysis out of a random sample of about 100,000 surveys conducted by the online survey provider SurveyMonkey (2011a) shows up that in general the abandon rates increase after eight minutes but also that for research purposes the tolerance for longer surveys is greater, what is consistent with the research result of another study. This shows that about 79% of participants would have been willing to invest at least 10 minutes of their time for academic online surveys (Gräf, 1999). Furthermore there is evidence that surveys with more than 25 questions are too long and that is why with the length of the questionnaire the dropout rate increases and the quality of responses decreases which is reflected in the fact that the longer a questionnaire is, the less time respondents spend answering each question (Gräf, 1999,
Hughes, 2012, SurveyMonkey, 2011a). Research also indicates that if the length of the questionnaire is announced in advance the participation quote is lower as if would not be announced upfront. On the other hand the dropout rates are lower when the length of the questionnaire is announced compared to the dropout rates where the length is not announced (Crawford et al., 2001). Therefore for longer surveys researchers have to decide if they want a high participation rate and accept a higher abandon rate or if they announce the length of the questionnaire and receive a lower participation rate but also a lower abandon rate. Although a high number of participants is desirable for this research, the quality of the data is even more important. Therefore the length of the questionnaire is announced upfront to make sure the participants will take their time to complete the questionnaire. The applied questionnaire consists of 26 questions (25 content questions and one question for the email address for later requests) and it takes about seven to ten minutes to complete it, what lies, as described earlier in the accepted timeframe and number of questions. Research also indicates that incentives have no impact on the quality of the answers and dropout rate (Göritz, 2004) but experience from SurveyMonkey is, that offering incentives for participants increases the response rate of questionnaires by 50% on average, what is relatively high in comparison to other research results, which nevertheless also indicate that incentives have a positive impact and if they have no positive impact, at least they have no negative impact on response rates (Göritz, 2004 and 2006, SurveyMonkey, 2012).

In terms of pilot testing for questionnaires it is recommended that ‘a group as similar as possible to the final population’ should be involved to increase the quality of the questionnaire (Saunders et al., 2009, p. 394). This recommendation is transmitted to clarify how to increase the participation rate of the questionnaire by asking four professionals from German companies what would encourage them to participate in a study. The issue is discussed with each professional in a personal conversation. These four professionals are:

- **Professional 1**: General manager and owner of a German SME with 25 employees which produces electrical cabinets and has to send his employees on a regular basis for short term assignments to the US, China and Turkey.

- **Professional 2**: Equity partner of a German based international management consultancy with offices in different countries and about 800 employees.

- **Professional 3**: Partner and member of the management of a German based international management consultancy with offices in different countries and about 100 employees.
• **Professional 4**: Head of finance and equity holder of a German paper mill with about 270 employees.

The result of the discussions were that without incentive there is little motivation to participate in surveys because the interviewed professionals receive regularly invitations from organisations such as industry associations or the chamber of industry and commerce who ask them to participate in surveys. Incentives as for example a participation in a raffle where the participants receive a lottery ticket for participation or can win an Amazon-voucher worth 100 Euro are not a motivation to participate in the study (Deutskens et al., 2004). All four professionals agreed that it also must be rewarding for the company to participate in such a survey. Facts and figures that provide an insight how the competition works or a kind of benchmarking are regarded as motivation to invest about 20 minutes of time in a survey.

Taking the findings of the literature and the results of the discussions with the four professionals as basis, the general managers who are targeted in this research receive an incentive for their participation in order to increase the odds of a higher response rate. The promised incentive for the participants who complete the questionnaire is a short summary of the overall results of the research to provide an insight how other general managers from German Mittelstand-SMEs prepare their expatriates for their assignments. The incentives are promised in the first introduction email which is provided in German and also translated in English in appendix C.

### 3.6.5 Piloting questionnaire

As explained in section 3.6.2 ‘pre-tests to check the validity and reliability of the questionnaire’ are according to Thiétart et al. (2001: 173) the second main step after the crafting of the questionnaire, which has to be regarded, when it is planned to collect data via a questionnaire. The first draft of the questionnaire was discussed with my supervisor with three noteworthy adjustments as an outcome of the discussion. The **first adjustment** was made in the first question where it was only asked whether the respondent was a general manager or not. This answer option was insufficient because the title of the general manager in Germany depends on the legal form of the company. Therefore the two answer options ‘member of the board of directors’ and ‘owner’ have been added. The **second adjustment** relates to the five questions number 11, 14, 17, 21 and 24. Since the wording of the five questions, which ask for the reasons why the companies do not invest more resources in each stage of the preparation process should be revised. Taking the first stage (selection process) as an example, the wording ‘what is the reason why there is no selection process or a not more acute selection process?’ suggested
that the selection process is poor and that the general manager agrees it is poor. The revised wording is more neutral and asks ‘what prevents the company to invest more resources in the selection process?’ without assuming that the selection process is poor. The third suggestion was to split the question ‘who owns and manages the company?’ into two questions: ‘who owns the company?’ and ‘who manages the company?’, because the initial question did not cover cases where the management and ownership of the company are not in one hand. As already mentioned in section 3.6.4 it is recommended that ‘a group as similar as possible to the final population’ should test the questionnaire in order to refine it if necessary (Saunders et al., 2009, p. 394). Therefore the cover letter and a link to the revised version of the questionnaire were sent in the second step of the questionnaire piloting to a group of experts which consists of:

- Four of my former professors
- Four personal friends who work in an international business environment
- Three owners and general managers of international active SMEs who have no dependence in Asia
- A Head of finance and equity holder of a German paper mill with about 270 employees
- Equity partner of a German based international management consultancy with offices in different countries and about 800 employees

The feedback was collected via the feedback-function of Surveymonkey, by telephone and via email. As recommended by Bell (2010) the respondents were asked to give feedback about how long it took them to answer the questionnaire, if the instructions were clear to them, if the questions and answer options were clear and understandable and if there was anything missing or if they had further comments.

The validity testing phases yields the following general points:

- The description in the cover letter is clear and comprehensible and remained therefore unchanged.
- The layout is appealing and the colour scheme fits the logo of the University of Surrey and remained also unchanged.
- It took the respondents between five and ten minutes to complete the questionnaire what lays in the accepted timeframe for academic online surveys (Gräf, 1999).
- The number of 25 content questions was regarded as appropriate, what corresponds to the findings in the literature (Gräf, 1999, Hughes, 2012).

Regarding the questions and answer options of the revised questionnaire the respondents had five notes. **Firstly** the two answer options ‘Yes’ or ‘No’ of the second question ‘Have you spent more than one year in a foreign culture?’ were according to the respondents not sufficient, because the answer would ignore any foreign experience of less than one year of the respondents. That is why the answer options have been changed to ‘less than three months’, ‘three to six months’, ‘six months to twelve months’ and ‘more than twelve months’.

**Secondly** the answer options to the five questions (12, 15, 18, 22 and 25) regarding the level of involvement of the expatriate’s family in each stage of the process were considered as too imprecise by the participants, because they did not allow describing the exact methods of preparation for the families. Taking question 12 (Is the expatriate’s family involved in the selection process?) as an example, the initial response options were:

- Expatriate only
- Expatriate and Family: Same level of selection process
- Expatriate and Family: Different level of selection process (Expatriate more intensive)
- Expatriate and Family: Different level of selection process (Comparable level of selection)
- Expatriate and Family: Different level of selection process (Family more intensive)
- No selection process for expatriate or family

Thus, the questions remained unchanged but the answer options have been adapted from questions (10, 13, 16, 19 and 23) where it is asked with which methods the expatriates are prepared and supported in each of the five stages. Answer options which did not fit the families, as for example ‘work sample test’ or ‘assessment of performance’ in the selection process, were removed.

**Thirdly**, despite that in the questionnaire single answer options are indicated with a circle whereas multiple answer options are indicated with a square, not to all participants of the test group it was clear which question has multiple answer options and which question has only one answer option. Therefore the information whether it is a single answer question or a multiple answer question has been added to each question.
Fourthly, one general manager replied, that once he had an repatriate who he did not want to keep in his company, therefore he gave the note to extend the initial question 23 ‘what kind of measures is offered to repatriates?’ to ‘what kind of measures is offered to repatriates who you want to keep in the organisation?’.

Fifthly, one participant recommended the underlining of the importance of preparing the expatriates and their families within the questionnaire. This was not done, because it could have increased the risk of subject bias in the research process.

The result of both piloting stages was the questionnaire in appendix B which is described in section 3.6.3.

3.7 Quantitative data collection process

The third main step which has to be regarded according to Thiétart et al. (2001: 173) when it is planning to collect data via a questionnaire is the ‘administering of the final questionnaire’ what is described in the following sections. For positivists objectivity is given, when a subject’s observation of an external object does not alter the nature of that object (Thiétart et al., 2001). Although this research is based on the paradigm of pragmatism, the objectivity for the quantitative data collection in this research aims to meet the demand of a purist positivist research work. This aim is achievable because it is unlikely that the conduction of an online based questionnaire alters the traits or beliefs of the general managers who are involved in this research. Furthermore there was no personal contact with the general managers during the data collection phase of the quantitative data with the exception of the emails which included the link to the online questionnaire. This procedure helped to increase the reliability of the responses by avoiding the risk for interviewer bias and also lowered the risks for subject bias (Gail and Bénichou, 2000). The survey was Internet-based by using the survey tool SurveyMonkey (www.surveymonkey.com).

3.7.1 Data collection from China

Evaluation from 80 million customer satisfaction surveys and 100,000 surveys conducted via surveymonkey.com depict that surveys which were sent out on Mondays received a 10% higher response rate than average and in relation to time that surveys which have been sent outside business hours had also higher response rates than surveys which were sent out between 8 a.m. and 6 p.m. (SurveyMonkey, 2011b, Zendesk, 2013). This founding was taken into account in order to increase the participation rate of the questionnaire. The initial email
was sent, as to see in table 3.7, on Monday 21st December 2015 at 5 a.m. to 450 email recipients. The German and English cover letters are presented in appendix C. In order to increase the participation rate, three reminder emails have been sent to every general manager who has not replied to the first email or has not left his email address for further questions in the following weeks. On none of these four days where emails were send have been school holidays or public holidays in one German federal state, what increased the chances that the general managers were in their offices (Schulfreien.org, 2015).

**Table 3.7:** Data quantitative collection process

<table>
<thead>
<tr>
<th></th>
<th>Initial email</th>
<th>1. reminder</th>
<th>2. reminder</th>
<th>3. reminder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekday</td>
<td>Monday</td>
<td>Monday</td>
<td>Monday</td>
<td>Monday</td>
</tr>
<tr>
<td>Time emails sent</td>
<td>5 a.m.</td>
<td>6 a.m.</td>
<td>5:30 a.m.</td>
<td>6 a.m.</td>
</tr>
<tr>
<td>Mails sent in total</td>
<td>450</td>
<td>384</td>
<td>365</td>
<td>354</td>
</tr>
<tr>
<td>Participated in the questionnaire</td>
<td>25</td>
<td>18</td>
<td>21</td>
<td>17</td>
</tr>
<tr>
<td>Left their email addresses</td>
<td>13</td>
<td>7</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Only working with locals</td>
<td>16</td>
<td>9</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Did not fit into the definition</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Did not want to participate</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Mailer daemons</td>
<td>65</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*Source: developed for this research*

After the first email delivery 65 emails could not be delivered due to wrong email addresses and were returned as mailer daemons. By applying the method to identify the email addresses, which is described in section 3.5.2, 32 of the missing 65 email addresses could be identified and they also received the email with the link to the questionnaire on the 21th December 2015. The remaining 33 general managers, where no email address was detectable, have been invited via mail to participate in the online questionnaire in order to reach the whole research
population. The mails have been sent out on Monday the 28th December 2015. According to the email addresses at least two general managers who have been invited by mail participated in the questionnaire and agreed to be contacted for further questions.

The initial email and the first two reminder emails have been sent via rapidmail.de, a newsletter provider which servers are located in Germany in order to ensure that the email addresses are protected and are not later on misused for spam. Unlike the first three times, the third reminder email has not been sent out via rapidmail.de but with the email tool of surveymonkey.com which increased the chance to reach those general managers whose company servers blocked emails sent via rapidmail.de.

In total 81 recipients participated in the questionnaire from which 20 answers could not be regarded because the companies did not fit into the Mittelstand-SME definition or indicated that they do not send expatriates to China. Furthermore 28 general managers replied in total that they only work with local managers in their Chinese branch offices and therefore do not apply expatriates in China, seven recipients replied that their company do not fit into the definition because they belong either to a group or exceed the number of 499 employees and overall four recipients replied that they do not want to participate in the survey.

The second finding of the research was that out of the 7,952 entries not all of the remaining 450 companies send expatriates to China or belong to the group of Mittelstand-SMEs what reduces the number of German Mittelstand-SMEs with a branch office in China and which send expatriates to China from initially 450 to an upper limit of 395. Thus the participation rate was at least 15.44%.

3.7.2 Data collection from Asia

As described in section 3.5.2 I have been able to collect about 9,000 web addresses of German companies which have a branch office in Afghanistan, Azerbaijan, China, Hong Kong, India, Israel, Indonesia, Japan, Malaysia, Philippines, Russia, Singapore, South Korea, Taiwan, Thailand, Turkey, United Arab Emirates or Vietnam. Since it was impossible to repeat the whole time consuming process in order to identify the names and email addresses of general managers from German Mittelstand-SMEs in China, in the second phase of the quantitative data collection process the 9,000 web addresses were merged into one excel file, where these web addresses have been changed into email addresses. This was done by replacing the ‘www.’ of the web addresses by ‘info@’, as for example www.company.com was changed into info@company.com. In the next step the list has been cleaned from doubles and companies which have a branch office in China and have already been contacted. Finally between the
28th February 2016 and the 11th March 2016 about 8,500 invitation emails have been sent to the above mentioned info-addresses where the research was introduced and the email recipient was asked to forward the email with the link to the questionnaire to the general manager or the responsible person for expatriate affairs. The German cover letter and the English translation are provided in appendix D.

In total 119 companies participated in the second phase of the quantitative data collection, from which 59 companies had to be excluded because they did not fit into the definition of a Mittelstand-SME. The participation rate was with only 1.4% extreme low. Reasons for the low participation rate might have been that on the one hand the general managers were not directly contacted and that the recipients in the digital mailroom deleted the email without forwarding it to the general managers, on the other hand, based on the results from the first part of the data collection phase, it can be assumed that as well as in China (less than 400 out of more than 7,900 company entries) only a small part of the German companies in the rest of Asia belongs to the group of German Mittelstand-SMEs. The data of the first survey from China and the data of the questionnaire from other Asian nations have been merged into one data set with 121 responses which builds the foundation for the following quantitative data analysis in section 3.8.

3.8 Quantitative data analysis

The aim of this section is to describe the methods used for analysing and testing of the collected survey data and the hypotheses tested, which have been developed in section 2.9. According to Zikmund et al. (2013: 507) ‘hypotheses are tested by comparing the researcher’s educated guess with empirical reality’, what is done by applying statistical methods on the collected data in order to find statistical significant relationships between variables (Hair et al., 2015, Saunders et al., 2009). Relationships are usually statistically not significant when the probability or p-value is higher than 0.05 and this would mean that the null hypothesis is accepted and the hypothesis is refuted. When on the other hand the p-value is lower than 0.05 the null hypotheses can be rejected and the hypothesis is accepted (Saunders et al., 2009, Thietart et al., 2001). The size of the tested sample is crucial for the meaningfulness of the results because as Saunders et al. (2009: 450) points out that ‘the statistical significance of the relationship indicated by a test statistic is determined in part by the sample size’. However, the sample size in this research of n= 121 is according to Pallant (2013) large enough so that a normal distribution can be generally assumed and therefore one can also assume that the meaningfulness of the test results is not influenced by a too low number of responses.
Since the framework of the quantitative data collection is based on the research approach of Zibarras and Woods (2010), the same statistical methods have been applied in order to examine relationships between frequency of use of methods from the five stages of the cross-cultural preparation process for the expatriates and their families, organization size of the Mittelstand-SMEs and general managers’ time spent in a foreign culture and as well presence of HR departments in the companies. Both, Pearson chi-square (\(x^2\)) and Cramer’s V (crv) were applied. Pearson chi-square indicates a relationship between independent (e.g., organization size or presence of HR department) and dependent variables (e.g., cross-cultural preparation method use) and should be applied when all expected frequencies in a two-by-two table exceed 10 (Rubin, 2009); whilst Cramer’s V measures the association of nominal variables and has to be applied according to Rubin (2009: 2011) ‘when at least one of the two nominal variables which are examining has more than two categories’ (Leon-Guerrero and Frankfort-Nachmias, 2014). The combination of both methods is necessary because although an analysis might indicate that there is a statistical significant relationship for example between the frequency of use of interviews as selection method and the size of the organisation, this finding would not provide according to Leon-Guerrero and Frankfort-Nachmias (2014: 236) ‘much information about the strength of the relationship or its substantive significance in the population’.

For this purpose Cramer’s V is a helpful statistical test as it measures the association between variables within a table on a scale where 0 represents no association, 0.10–0.20 indicates a weak relationship, 0.20–0.40 indicates a moderate relationship, 0.40–0.60 indicates a relatively strong and 1 represents perfect association and ‘because the value of Cramer’s V is always between 0 and 1, the relative strengths of significant associations between different pairs of variables can be compared’ (Saunders et al., 2009, p. 590, Zibarras and Woods, 2010, p. 505). Zibarras and Woods (2010: 505) point out that applying Pearson chi-square and Cramer’s V statistics has the limitation ‘that they only indicate whether or not there is a significant association overall between two variables, it does not indicate whether the observed frequency in any particular cell is significantly different from the expected frequency.’ Here the adjusted standardized residuals is the appropriate statistical method to indicate whether the observed frequency differs in a statistical significant way from the expected frequency, where any values greater than 2 or less than -2 are considered to be statistical significant (Acton and Miller, 2009, Zibarras and Woods, 2010).

Since hypothesis one can not be tested with prior described methods, the chi-square (\(X^2\)) goodness-of-fit test is applied to test this hypothesis. The chi-square (\(X^2\)) goodness-of-fit test is according to Argyrous (2011: 421) ‘a non-parametric test for the multi-nominal frequency
distribution of cases across a range of scores for a single variable’. The test is applied to compare the expected frequencies from a given sample (Black, 2011). The results of the quantitative data analysis are presented in section 4.1.

3.9 Qualitative data collection

Given that this research applies a quantitative dominant mixed-methods sequential explanatory approach the description of the quantitative data collection and analysis in the previous sections is followed by the description of the qualitative data collection and analysis in the subsequent sections.

3.9.1 Selection of qualitative research methods

Since the research approach is based on the approach of Ivankova et al., (2006) a multiple case study approach was applied in the qualitative stage of this research to support the explanation of the findings of the quantitative data analysis from the first phase of the data collection. A case study is according to Saunders et al. (2009: 588) a ‘research strategy that involves the empirical investigation of a particular phenomenon within its real-life context, using multiple sources of evidence’ and furthermore it is an appropriate method for explanatory research and has therefore been applied in this research (Saunders et al., 2009, Yin, 2013). In a multiple case study design not only one case but several cases are considered and the analysis is conducted across all cases (Yin, 2013). In terms of methods interviews are according to Morse (1991) a suitable method to explain unexpected results of the quantitative data analysis within a mixed-methods sequential explanatory design. Given that as later on described in chapter four there have been some unexpected results in the quantitative data analysis, the best fitting type of interview had to be determined in order to explain these results, what is described in this section.

Dunn (2005: 79) defines interviews as ‘verbal interchanges where one person, the interviewer, attempts to elicit information from another person.’ Interviews are appropriate to gain a better understanding on previously collected data and are therefore regarded as option in order to answer the research question (Gideon, 2012). The researcher can choose between different types of interviews which all have a distinct purpose. In general there is the distinction between standardised and non-standardised interviews, whereas the non-standardised interviews are again divided into ‘one to one’ interviews, as for example telephone interviews and ‘one to many’ interviews such as focus groups (Saunders et al., 2009, p. 321).
Since the participants were assured that their names and company names will remain anonymous, any option of ‘one to many’ interview seems to disappear as an option. Regarding the type of ‘one to one’ interviews, there are basically two types from which researcher can choose, personal interviews and distance interviews via phone, internet or email. Since the participants are spread all over Germany phone interviews seem to be the most practical method and are therefore applied in this research. However, although phone interviews are practical and conserve resources in terms of no travel time and no travel costs, they have to be well prepared and introduced at the beginning of the interview, otherwise the participant might cut the call or is biased by the poor preparation what is both not beneficial for the data collection (Curran and Blackburn, 2001).

Since one-to-one phone interviews are selected the decision has to be made if structured, semi-structured or unstructured interviews should be applied in this research. **Structured interviews** are formal and rigid types of interviews. The interviewer asks a set of questions where he is not allowed to deviate from or to ask follow-up questions and the interviewee has to respond to usually pre-coded standardized answers. As table 3.5 illustrates, structured interviews are most often applied in descriptive studies to collect quantitative data and are therefore associated with quantitative research (Huss, 2008, Saunders et al., 2009).

As structured interviews, **semi structured** interviews also consists normally of predetermined questions but they allow follow-up questions in case something remains unclear or if a new issue arises which needs to be explored in more depth. Furthermore it is also possible to change the order of the questions during the interview if necessary. Semi structured interviews are often applied in explanatory research as illustrated in table 3.8 and refer unlike structured interviews to the field of qualitative research (Huss, 2008, Saunders et al., 2009).

**Unstructured interviews** are the most flexible form of interviews because they do not follow a set of predetermined questions instead the researcher is free to ask any question which could help exploring the research topic in depth. Unstructured interviews are applied in exploratory research and refer as well as semi-structured interviews, to the field of qualitative research (Huss, 2008, Saunders et al., 2009).
The selection of interview type depends on the purpose of the research and the kind of data which is required to answer the research question (Saunders et al., 2009). Given that the quantitative data analysis in chapter four reveals several interesting points, as for example that the presence of HR departments has no obvious positive effect on the cross-cultural assignment preparation process, which require an explanation interviews seem, as already described, to be a suitable method to explore and explain the reason for these unexpected results. One explanation for the results of the provided HR department example could be, that HR departments in German Mittelstand-SMEs have no strategic function and are in general concerned with generic operative HR activities like payroll or leave issues. In this case a structured interview would not be helpful at all to increase the understanding of the above described possible case, thus only unstructured and semi-structured interviews remain as methods to explain the outcome of the quantitative results. Since for explanatory research semi-structured interviews seem to be more useful to get a better understanding of the relationship between variables of the statistical data than unstructured interviews, this is more suitable option in order to answer the research question than unstructured interviews (Saunders et al., 2009).

Although, semi-structured interviews are obviously a suitable method for this research approach there are concerns regarding data quality issues as for example due a lack of standardisation which leads to concerns about reliability and objectivity because unlike when applying questionnaires there is direct communication between the interviewer and the interviewee which increases the risk of interviewer and observer bias furthermore it is not possible to generalise the findings of semi-structured interviews because the sample size is too small (Gail and Bénichou, 2000, Saunders et al., 2009, p.326, Schnell et al., 2011, Yin, 2013). Nevertheless, in order to explain the quantitative results and to increase the reliability and validity of the research semi-structured interviews were applied as qualitative method in addition to the questionnaire, because they represent a targeted option to get a better understanding of the collected quantitative data, especially with regards to the relationship between variables of the

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**Table 3.8: Uses of different types of interviews in each of the main research categories**

<table>
<thead>
<tr>
<th></th>
<th>Exploratory</th>
<th>Descriptive</th>
<th>Explanatory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structured</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Semi-structured</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Unstructured</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

✓ ✓ = more frequent, ✓ = more frequent

*Source: (Saunders et al., 2009, p. 323)*
statistical data and are also recommend for explanatory research (Saunders et al., 2009). The methodology used to lower concerns regarding data quality issues is described in detail in section 3.10.

3.9.2 Planning and preparation of semi-structured interviews

Given that the type of interview was selected in the next step the interviews have to be planned and prepared. The preparation of the interviews starts with the instrumentation, meaning that an interview protocol has to be developed next to ensure that each interviewee will be asked the same core questions in order to explain the outcome of the quantitative data analysis and to gain a deeper understanding of the cross-cultural assignment process of the surveyed German Mittelstand-SMEs. Given, that the data collection in this research is sequential, the development of the interview protocol is outlined in detail in section 4.1.3, after the presentation of the quantitative results in order to avoid here the anticipation of the results of the quantitative data analysis.

Once the interview protocol was developed the semi-structured interviews had to be planned and prepared what started with deciding how the interviews were conducted. Saunders et al. (2009: 349) recommend to conduct face-to-face interviews in order to observe also non-verbal reactions of the interviewed persons and believe that semi-structured interviews via telephone are only appropriate for a few special cases where for example the access would be prohibited by the distance between the interviewer and the interviewee and a phone call is the only option to conduct the interview. Given that the general managers, as already described in section 3.6.2, are spread all over Germany face-to-face interviews were not considered as suitable and therefore for practical reasons I took the decision to carry out the interviews by phone.

In the next step potential interview participants had to be selected. Therefore criterion sampling was chosen as sampling strategy which is defined by Patton (2014: 243) as 'picking all cases that meet some criterion'. In this research the criterion for selection were shareholding general managers who left their email address for further questions and fitted into the Mittelstand-SME definition which has been developed in section 1.2.3. Furthermore the companies of these general managers had to have a branch office in Asia and employ expatriates who stay at least one year and maximal five years in Asia.

26 general managers fulfilled this criteria and have been asked by email on the 2nd August 2016 (appendix E) to participate in a phone interview within the next four weeks. Out of these 26 potential interviewees ten general managers replied and agreed to participate in the interviews. According to the literature explanatory interviews are very time consuming and can
easily take up to two hours (Saunders et al., 2009, p. 342). Inviting general managers to a two hours interview would have probably reduced the willingness to participate in the interviews, therefore the required timeframe was announced with 30 minutes up to one hour. In addition to the ten general managers one expert interview with a consultant who is specialised on expatriations was conducted in order to challenge the explanation attempt of the qualitative analysis with a practitioner.

3.9.3 Qualitative data collection process

The semi-structured interviews were conducted after the analysis of the questionnaires and altogether ten interviews with a timeframe of 30 minutes up to one hour were conducted with general managers within four weeks. In addition an interview with a consultant for expatriation interview was taken.

The interviewees have been called on their landline phones on the agreed telephone appointments. As recommended by Saunders et al. (2009) I have thanked the general managers at the beginning of the phone calls for participating in my research and explained to them the reason for conducting the interview without giving them any information about the results of the quantitative data analysis in order to minimize the risk of bias. Furthermore the participants have been informed that anything they said would be treated confidentially and will only be used anonymously in the research. They were also told that they also have the right to skip questions or stop the interview at any time. Finally, given that it is recommended to record the interviews and to transcribe them afterwards, each participant was asked if he or she allows the recording of the interview (Ivankova et al., 2006, Saunders et al., 2009). Although every interviewee allowed me to record the interview I also took hand notes as back up for the case that the recording would have failed. Since recording via software is from a legal side complicated in Germany the interviews have been recorded with a voice recorder which is designed for the purpose of recording phone calls and which meets the legal requirements. The recorded interviews were later transcribed for analysis what allowed to fully concentrate on the interview and to ensure that no answer was left out in the data analysis (Cohen et al., 2007, Dunn, 2005). The output of this process was a set of mp3 files with over five hours of recorded interviews which were stored locally on my computer and not in a cloud. This prevented the data to be accessible to other parties. After transcribing the mp3 files have been deleted.

3.10 Data quality issues in qualitative research

Just like in the quantitative data collection process also in the qualitative data collection process data quality issues which relate to reliability, bias, validity and generalisability had to be
The aim of this section 3.10 is therefore to explain how these issues have been handled in this research.

Campbell and Stanley (1966: 8) summarised eight sources of biases which might limit the internal validity of interviews. Based on these sources, Drucker-Godard et al. (2001: 2009) formulated options in order to avoid these biases presented in table 3.9 where as well are also the approaches of this research presented which were applied in order to avoid these biases.

Table 3.9: Approach to minimize biases

<table>
<thead>
<tr>
<th>Biases limiting internal validity</th>
<th>Options how to avoid these biases by Drucker-Godard, Ehlinger and Grenier (2001: 2009)</th>
<th>Approach in this research work to minimize the risk of biases</th>
</tr>
</thead>
<tbody>
<tr>
<td>History</td>
<td>Reduce the time span of the study and look critically at the period set</td>
<td>The time span between the collection of the quantitative data and the interviews is with less than six months relatively short. It is unlikely that companies changed their expatriate preparation process fundamentally within this timeframe.</td>
</tr>
<tr>
<td>Maturation</td>
<td>Reduce the study period</td>
<td>Since the respondents of the questionnaire filled in their personal email addresses it is ensured that nobody else of the companies was invited to participate in the interviews</td>
</tr>
<tr>
<td>Testing</td>
<td>Work with several samples with the same characteristics</td>
<td>Because only one interview was conducted with each participant there is no risk that the participants have done the same test before. Thus their responses can not be biased by prior interviews.</td>
</tr>
<tr>
<td>Instrumentation</td>
<td>The researcher should be an expert. The number of interviewers should be reduced. The collection of data should be very formulized.</td>
<td>I have got experience of professional practice in interviewing of managers and I have been the only interviewer in this process. As described in section 3.10.2 the collection of the data was furthermore structured and formulized by using an interview guide, ensuring that the same questions were posed to every interviewee.</td>
</tr>
<tr>
<td>Regression</td>
<td>Correct the way that the sample is constituted</td>
<td>The sample was not selected on the basis of special characteristics. Every participant of the survey who left his or her email address was contacted and invited to participate in the interview</td>
</tr>
</tbody>
</table>
Selection

Accord great importance to the sampling procedure

26 participants who fulfilled the requirements left their email addresses and agreed to be contacted for further questions. Since this number of potential interviews was handlebar, no sampling was required.

Mortality

Replace the subjects if necessary without changing the characteristics of the sample

As with the bias ‘maturation’, applies here also the fact that the respondents of the questionnaire filled in their personal email addresses and therefore it is ensured that nobody else of the companies was invited to participate in the interviews.

Contamination

Conclude the study as quickly as possible or make very sure of the confidentiality of the procedures

Since the participants of the study do not know who else has been invited to participate in the research it is unlikely that the participants communicate with each other and therefore the interview answers are biased.

Source: developed for this research

In addition to this enumeration of Drucker-Godard et al. (2001) also interviewer and interviewee bias have to be considered. By asking exactly the same questions as consistently as possible, by following the interview protocol and by taking care that responses are not interpreted the risk for interviewer bias can be limited. This structured approach combined with careful questions which does not compromise the general managers helped also to lower the risk of interviewee bias (Grinnell and Unrau, 2010, Saunders et al., 2009).

3.11 Qualitative data analysis

Since the qualitative data was collected it had to be analysed next. This section 3.11 describes the analysis of qualitative data which has been collected via semi-structured interviews. As described in section 3.9.2 ten general managers have participated in the follow-up semi-structured interviews, what lays in the recommended number of four up to ten cases for a case study (Eisenhardt, 1989). In order to assess the answers in a better way and to provide a link to the quantitative data, characteristics e.g. time general manager spent in a foreign culture, number of employees and the information whether an HR department exists or not and the number of applied methods for each stage of the cross-cultural assignment process for the expatriates and their families are provided in table 3.10. The three cases where at least one cross-cultural training method was applied are marked with red numbers.
Table 3.10: Cases overview

<table>
<thead>
<tr>
<th>Case</th>
<th>Time</th>
<th>Size</th>
<th>HF</th>
<th>Selection</th>
<th>Preparation</th>
<th>Training</th>
<th>Paid days off</th>
<th>Support</th>
<th>Repatriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Expat</td>
<td>Expat</td>
<td>Expat</td>
<td>Expat Family</td>
<td>Expat</td>
<td>Expat Family</td>
</tr>
<tr>
<td>1</td>
<td>Less than 3 month</td>
<td>50 - 249</td>
<td>Yes</td>
<td>9 0 1 1 0</td>
<td>1 0</td>
<td>None</td>
<td>5 0</td>
<td>2 0</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>More than 12 month</td>
<td>30 - 249</td>
<td>Yes</td>
<td>9 1 3 3 0</td>
<td>3 2</td>
<td>up to 7</td>
<td>8 3</td>
<td>3 3</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>More than 12 month</td>
<td>30 - 49</td>
<td>No</td>
<td>6 0 4 4 0</td>
<td>3 6</td>
<td>31 - 60</td>
<td>9 6</td>
<td>4 4</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>More than 12 month</td>
<td>50 - 249</td>
<td>Yes</td>
<td>10 4 3 2 0</td>
<td>3 3</td>
<td>8 to 30</td>
<td>5 3</td>
<td>3 3</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>More than 12 month</td>
<td>250-499</td>
<td>Yes</td>
<td>7 2 3 1 0</td>
<td>3 3</td>
<td>up to 7</td>
<td>6 2</td>
<td>2 2</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Less than 3 month</td>
<td>50 - 249</td>
<td>Yes</td>
<td>4 0 2 0 1</td>
<td>3 3</td>
<td>None</td>
<td>2 0</td>
<td>3 0</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Less than 3 month</td>
<td>30 - 249</td>
<td>Yes</td>
<td>8 1 3 0 0</td>
<td>3 0</td>
<td>up to 7</td>
<td>7 0</td>
<td>2 0</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Less than 3 month</td>
<td>50 - 249</td>
<td>No</td>
<td>6 0 3 3 0</td>
<td>2 0</td>
<td>up to 7</td>
<td>5 0</td>
<td>5 0</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>3 up to 6 month</td>
<td>50 - 249</td>
<td>Yes</td>
<td>7 0 4 0 2</td>
<td>0 0</td>
<td>None</td>
<td>2 0</td>
<td>3 0</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>6 up to 12 month</td>
<td>50 - 249</td>
<td>Yes</td>
<td>8 3 4 2 0</td>
<td>6 4</td>
<td>8 to 30</td>
<td>6 5</td>
<td>3 2</td>
<td></td>
</tr>
</tbody>
</table>

Source: developed for this research

The analysis of the quantitative data was divided up into four stages which followed the data collection via semi-structured interviews and the transcriptions (Saunders et al., 2009, pp. 491-495).

1. Summarising data
2. Categorising data
3. Unitising data
4. Recognising relationships and developing categories

3.11.1 Summarising

In order to analyse the collected qualitative data the data of each transcribed semi-structured interviews was summarised. Responses which had no direct relation to the research were deleted and long answers have been compressed in brief statements (Saunders et al., 2009).

3.11.2 Categories

The aim of the second stage of the data analysis was to generate meaningful categories, which could on the one hand derive out of the summarised data or on the other hand might derive from the theoretical framework of the research (Saunders et al., 2009). In this research work the categories derived out of the summarised data.

As to see in figure 3.5, which is an example of how the categories have been created, the answers to the question what exact role the general managers have in the cross-cultural assignment preparation process have been visualised in a mind map. Based on this mind map
two categories could be derived which are ‘responsible and involved in the whole process’ and ‘responsible and only involved in the selection’.

**Figure 3.5:** Example for a deriving of categories

```
I am involved in the decision who goes abroad, HR is responsible for everything else.
I decide if someone goes to China.
I decide who goes abroad, HR prepares the contracts and anything else.
All employees go through the travel, I decide who goes abroad. The rest is done by HR and I decide.
```

**Source:** developed for this research

### 3.11.3 Unitising data

The third and last step of the quantitative data analysis was the unitising of the data where the output of each semi-structured interview was assigned to the categories which have been developed in the prior stage what is illustrated in figure 3.6. In this stage the first relationships have been recognised what is explained in more detail and visualised later on in section 4.3.

For the unitising also mind mapping was applied, which is a suitable method to visually organize information and to support the analysis process of qualitative data (Hugl, 2013). All developed mind maps are presented in appendix F.

**Figure 3.6:** Unitisation of the data

**Source:** developed for this research

### 3.12 Ethical considerations

Ethics is an important factor in research and can be defined as ‘norms or standards of behaviour that guide moral choices about our behaviour and our relationships with others’ (Cooper and Schindler, 2008, p. 34). There is consent that research has to be conducted in such a way
that it is morally defensible to everybody who is the subject of it and that there has to be consent that the participants take part in the research (Saunders et al., 2009, p.184). This means that before the research process starts every human subject has to be informed about the research and asked if he or she agrees to be a part of this research. This research follows the deontological view and refrains therefore from anything what could be described as unethical. In this research context unethical behaviour would be for example, to convince the general managers to join the research by using lies and deception (Saunders et al., 2009, Hair et al., 2009). This is not the case because every general manager has been informed about the research purpose and has been asked to participate in the research. Furthermore the participants have been informed that they can stop the questionnaire and also the semi-structured interviews at any point and that their data will be kept confidentially confidential and will only be used for research purposes. The general managers have also been asked if they are willing to answer more questions via a semi-structured phone interview and if they allowed the interview to be recorded. All collected data, the names of the participants and their companies are also kept confidential and will not be published.

But ethics does not only refer to the way a researcher treats his research objects, but also how the researcher behaves during the research and later on. Scientists enjoy a high reputation, however, from time to time it is reported, that manipulated reports are published in prestigious journals (Fanelli, 2009). This scientific fraud is not restricted to scientists who work as academics as for example several German politicians have lost their doctoral degrees because of plagiarism (Stern, 2013). Therefore I conduct this research to the best of my knowledge, belief and by keeping with the guidelines of the ethics policy of the University of Surrey in order to follow on the one hand the deontological view and to avoid on the other hand any consequences which I could face by unethical behaviour.

Saunders et al., (2009: 185-186) summarised general ethical issues which might arise during a research process, which are presented in table 3.11 together with the approaches in this research in order to avoid complications or problems in connection with these ethical issues.
<table>
<thead>
<tr>
<th>General ethical issues</th>
<th>Approach in this research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Privacy of possible and actual participants</td>
<td>Names of the participants and the companies they are working for do not appear in the research work. Therefore their privacy is fully protected</td>
</tr>
<tr>
<td>Voluntary nature of participation and the right to withdraw partially or completely from the process</td>
<td>The participants have been invited via email to participate in the online questionnaire. They had the possibility to ignore the invitation email, to unsubscribe from the email list with a simple click on a link or to reply that they are not willing to participate. In the last two cases the email addresses have been excluded from the sample and have therefore not received any reminder emails. Only participants of the online questionnaire, who agreed to be contacted for further questions and left therefore their email addresses, have been invited to participate in the semi-structured interviews. The participants have been informed that they can withdraw from the process at any point without giving a reason.</td>
</tr>
<tr>
<td>Consent and possible deception of participants</td>
<td>The participants have been informed in the invitation email and at the beginning of the online questionnaire about the research and before participating in the research they had the possibility to ask questions about the research work and its purpose.</td>
</tr>
<tr>
<td>Maintenance of the confidentiality of data provided by individuals or identifiable participants and their anonymity</td>
<td>The data has been kept confidential. No names of participants have been published. The data file with participants who were willing to answer further questions has only been shared with my supervisor. The data has been sent via the university email server to my supervisors and it is stored on an external hard drive.</td>
</tr>
<tr>
<td>Reactions of participants to the way in which the data is collected, including embarrassment, stress, discomfort, pain and harm</td>
<td>The questionnaire and the interview guide have been carefully designed in order to avoid critical points as for example the causing of stress or embarrassing of the participants</td>
</tr>
<tr>
<td>Effects on participants of the way in which the data is analysed and reported, in particular the avoidance of embarrassment, stress, discomfort, pain and harm</td>
<td>The data is analysed and reported in a way that no conclusions can be drawn who participated in the research by avoiding publishing names or company names.</td>
</tr>
<tr>
<td>Behaviour and objectivity of the researcher</td>
<td>I have followed the guidelines of the ethics policy of the University of Surrey in the whole research process</td>
</tr>
</tbody>
</table>

Source: Saunders et al., 2009, pp. 185-186
3.13 Summary

The purpose of chapter three is to explain the research design and the research approach. For this research a mixed-methods sequential explanatory design was chosen because it is a comprehensive strategy to conduct research which provides more evidence for studying a research problem and increases the validity of the research results by offsetting the weaknesses of a pure quantitative or pure qualitative research approach. This chapter also covers the reasoning for choosing Asia as research region and explains in detail the determination of the research population and the determination of the email addresses of the general managers and companies which are required to conduct the quantitative data collection in the following chapter. Furthermore this chapter covers the reasoning for applying online questionnaires and semi-structured interviews as methods in this research and explained in detail how ethical issues have been handled in this thesis.
Chapter 4: Quantitative and qualitative data analysis results

The previous chapter three describes the research methodology of this work and furthermore the procedure which has been applied to determine the research focus in terms of the region. Furthermore it described the applied data collection methods, the approaches to analyse the data and explained how ethical issues have been treated in this thesis.

The aim of chapter four is to describe the results of the quantitative and qualitative data analysis. The chapter begins with section 4.1 where the results of the quantitative analysis are presented. The results of the quantitative data analysis which is divided up into three parts is divided up into three parts and starts with the data description in section 4.1.1 which is followed by the testing of the hypotheses in section 4.1.2 and ends with the discussion of the results in section and the development of the interview protocol, which is based on the quantitative results in section 4.1.3. This section is followed by the results of the ten semi-structured interviews in section 4.2 and the recognition of relationships in section 4.3. The chapter closes with the discussion of the qualitative results in section 4.4

4.1 Quantitative data analysis results

4.1.1 Data description

The quantitative data set was gathered with the in section 3.6.2 described online questionnaire and consists of 121 German Mittelstand-SMEs with a branch office in Asia. Figure 4.1 shows up, that from the 121 usable replies, where the company fits into the definition of a German Mittelstand-SME, 100 (82.6%) came from the top management of the companies and 21 replies (17.4%) from respondents with other functions within these organisations.
Figure 4.1: Responses to question 1: *What is your role within your organization?*

![Bar chart showing the distribution of roles among respondents. 82.6% of the respondents were general managers, directors, owners, or MDs, while 17.4% were in other roles.]

*Source: survey results*

Figure 4.2 illustrates that with 71 out of 121 the majority of the top management of the participating companies has spent more than three months in a foreign culture and 42 out of these 71 have even spent more than 12 months in a foreign culture. In eight cases it was unknown how much time the top management has spent in another culture.

**Figure 4.2: Responses to question 2: Question: How much time did the general manager spent in a foreign culture?**

![Bar chart showing the distribution of time spent in a foreign culture. 34.7% spent between 3 to 6 months, 14.0% spent 6 to 12 months, and 34.7% spent more than 12 months.]

*Source: survey results*

Figure 4.3 illustrates how many employees are working in the respondents' organisations. With 105 companies, 86.8% of the respondents' companies had 50 up to 499 employees and with
52 out of 121 companies 43% of the respondents companies had between 250 and 499 employees.

**Figure 4.3:** Responses to question 6: *Currently how many employees (heads) do you have on the payroll in your organisation?*

![Bar chart showing employee distribution](image)

*Source: survey results*

As presented in Figure 4.4, with 96 (79.3%) out of the 121 organisations the majority of the surveyed companies has an HR department and 25 (20.7%) have indicated that they have none.

**Figure 4.4:** Responses to question 8: *Does your organisation have an HR department?*

![Bar chart showing HR department presence](image)

*Source: survey results*
Figure 4.5 illustrates, that with 112 (94.1%) out of 119 companies in the vast majority of companies the top management is responsible whether expatriates are prepared for their assignments or not. In seven (5.9%) of the companies someone else is responsible and two respondents have skipped the question.

**Figure 4.5:** Responses to question 9: *Who is responsible within your company whether expatriates are prepared for their assignments or not?*

Source: survey results

Figure 4.6 shows up, that 26 (23%) of the respondents declared that within their organisation expatriates do not get paid off work for preparation and training. The majority of 60 (53.1%) respondents replied, that expatriates get up to seven days paid off work and 21 (18.6%) replied that in their organisations expatriates get between eight and up to 30 days paid off work for the preparation of the expatriate assignment. A minority of five (4.4%) respondents replied that their expatriates receive 31 up to 60 days paid off work and in one organisation (0.9%) the expatriates receive more than 60 days paid off for training and preparation.
**Figure 4.6:** Responses to question 19: *How many working days is the expatriate off work (paid) for preparation and training?*

![Bar chart showing responses to the question](chart.png)

**Source:** Survey results

Table 4.1 summarises the answers for the questions 10, 13, 16, 20 and 23 and presents the number of measures the surveyed companies apply for the preparation of their expatriates, divided up in the five stages of the cross-cultural assignment preparation process selection, preparation, training, support and repatriation, and the average of measures per company.

**Table 4.1:** Number of applied measures for each stage of the cross-cultural assignment preparation process

<table>
<thead>
<tr>
<th>Number of measures</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>Average of measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection</td>
<td>2</td>
<td>1.7%</td>
<td>5</td>
<td>4.1%</td>
<td>11</td>
<td>9.1%</td>
<td>11</td>
<td>9.1%</td>
<td>18</td>
<td>14.0%</td>
<td>15</td>
<td>12.4%</td>
<td>13</td>
<td>10.7%</td>
<td>11</td>
</tr>
<tr>
<td>Preparation</td>
<td>6</td>
<td>6.6%</td>
<td>26</td>
<td>21.5%</td>
<td>22</td>
<td>18.2%</td>
<td>36</td>
<td>29.0%</td>
<td>24</td>
<td>19.6%</td>
<td>6</td>
<td>4.1%</td>
<td>1</td>
<td>0.6%</td>
<td>0</td>
</tr>
<tr>
<td>Training</td>
<td>16</td>
<td>13.2%</td>
<td>30</td>
<td>27.3%</td>
<td>32</td>
<td>26.4%</td>
<td>16</td>
<td>14.0%</td>
<td>12</td>
<td>9.6%</td>
<td>6</td>
<td>4.1%</td>
<td>3</td>
<td>2.5%</td>
<td>2</td>
</tr>
<tr>
<td>Support</td>
<td>6</td>
<td>4.1%</td>
<td>9</td>
<td>7.4%</td>
<td>25</td>
<td>20.7%</td>
<td>14</td>
<td>11.6%</td>
<td>15</td>
<td>12.4%</td>
<td>16</td>
<td>13.2%</td>
<td>11</td>
<td>9.1%</td>
<td>7</td>
</tr>
<tr>
<td>Repatriation</td>
<td>16</td>
<td>12.4%</td>
<td>16</td>
<td>13.2%</td>
<td>36</td>
<td>28.0%</td>
<td>26</td>
<td>21.5%</td>
<td>12</td>
<td>9.6%</td>
<td>6</td>
<td>5.0%</td>
<td>6</td>
<td>5.0%</td>
<td>3</td>
</tr>
</tbody>
</table>

**Source:** Survey results

**Selection:** companies apply on average 5.68 measures for the selection of their expatriates. Two companies (1.7%) apply no methods for the selection of expatriates and three companies
(2.5%) apply more than ten methods for the selection. As figure 4.7 illustrates qualifications and experience (applied by 64.5%), language ability (applied by 62.8%) and the assessment of performance (applied by 59.5%) are the most popular methods for the selection of expatriates while group exercises (applied by 1.7%) and the intercultural readiness check (applied by 1.7%) are hardly relevant at all. Tests such as personality questionnaires (applied by 12.4%), ability tests (applied by 9.1%) or intercultural competence assessments (applied by 5.8%) are only applied by a minority of companies.

**Figure 4.7: Selection methods for expatriates**

<table>
<thead>
<tr>
<th>Method</th>
<th>Applied (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualifications and experience</td>
<td>78 (64.5%)</td>
</tr>
<tr>
<td>Language ability</td>
<td>76 (62.8%)</td>
</tr>
<tr>
<td>Assessment of performance</td>
<td>72 (59.5%)</td>
</tr>
<tr>
<td>Curriculum vitae</td>
<td>66 (54.5%)</td>
</tr>
<tr>
<td>Work experience abroad</td>
<td>60 (49.6%)</td>
</tr>
<tr>
<td>Age and family situation</td>
<td>59 (48.8%)</td>
</tr>
<tr>
<td>Selection by superiors</td>
<td>55 (45.5%)</td>
</tr>
<tr>
<td>Trial period on the job</td>
<td>40 (33.1%)</td>
</tr>
<tr>
<td>Unstructured interview</td>
<td>37 (30.6%)</td>
</tr>
<tr>
<td>Drug test/medical check</td>
<td>28 (23.1%)</td>
</tr>
<tr>
<td>References</td>
<td>26 (21.5%)</td>
</tr>
<tr>
<td>Structured interview</td>
<td>21 (17.4%)</td>
</tr>
<tr>
<td>Personality questionnaire</td>
<td>15 (12.4%)</td>
</tr>
<tr>
<td>Work sample test</td>
<td>14 (11.6%)</td>
</tr>
<tr>
<td>Aptitude/ability test</td>
<td>11 (9.1%)</td>
</tr>
<tr>
<td>Criminal background check</td>
<td>9 (7.4%)</td>
</tr>
<tr>
<td>Intercultural competence assessment</td>
<td>7 (5.8%)</td>
</tr>
<tr>
<td>Assessment centre</td>
<td>5 (4.1%)</td>
</tr>
<tr>
<td>Application form</td>
<td>4 (3.3%)</td>
</tr>
<tr>
<td>Group exercises</td>
<td>2 (1.7%)</td>
</tr>
<tr>
<td>Intercultural readiness check</td>
<td>2 (1.7%)</td>
</tr>
</tbody>
</table>

*Source: survey results*

Table 4.2 presents the reasons why the surveyed companies do not invest more resources in the selection process. The majority of companies (57.9%) believe that the current selection process is sufficient. Only 5% of respondents indicated that a lack of financial resources prohibits further investments in the selection process.
Table 4.2: What prevents the company from investing more resources in the selection process?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection processes are not effective</td>
<td>15</td>
<td>12.4%</td>
</tr>
<tr>
<td>The lack of time prohibits a selection process</td>
<td>17</td>
<td>14.0%</td>
</tr>
<tr>
<td>The assignment is relatively short (at least one year) it does not warrant budget expenditures on selection</td>
<td>8</td>
<td>6.6%</td>
</tr>
<tr>
<td>There is no need for such measures</td>
<td>39</td>
<td>32.2%</td>
</tr>
<tr>
<td>The company has no financial resources to invest in selection measures</td>
<td>6</td>
<td>5.0%</td>
</tr>
<tr>
<td>The selection process is sufficient</td>
<td>70</td>
<td>57.9%</td>
</tr>
</tbody>
</table>

Source: survey results

Preparation

As to see in figure 4.8, companies apply by average 2.5 preparation measures for their expatriates, whereby a minority of 6.6% does not prepare their expatriates and the majority of companies (in total 68.6%) apply up to three methods. A majority of 71.1% of the companies provide detailed information about the compensation package and offer pre visits for the expatriates (applied by 66.1%) to the host countries but only 4.1% provide information about expatriate clubs and 3.3% of the companies cover the costs for these expatriate clubs.
Figure 4.8: Preparation methods for expatriates

Just as with the reasons why companies do not invest more resources in the selection, also majority of companies (52.9%) believe that the preparation process is sufficient and furthermore 36.4% of the companies believe that the expatriates are responsible for their preparation.

Table 4.3: What prevents the company from investing more resources in the preparation process?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>The employee is responsible for his/her preparation</td>
<td>44</td>
<td>36.4%</td>
</tr>
<tr>
<td>Preparation measures have no effect</td>
<td>5</td>
<td>4.1%</td>
</tr>
<tr>
<td>The lack of time between selection and relocation does not allow any preparation measures</td>
<td>6</td>
<td>5.0%</td>
</tr>
<tr>
<td>The assignment is relatively short (at least one year) it does not warrant budget expenditures on preparation</td>
<td>9</td>
<td>7.4%</td>
</tr>
<tr>
<td>The company has no financial resources to invest in preparation measures</td>
<td>7</td>
<td>5.8%</td>
</tr>
<tr>
<td>The preparation process is sufficient</td>
<td>64</td>
<td>52.9%</td>
</tr>
</tbody>
</table>

Source: survey results
Training

Training has with an average of 2.12 applied measures the lowest score within the preparation process. 13.2% do not train their expatriates at all while 27.3% apply one and 26.4% apply two methods of training. Only 8.3% of the companies apply more than four methods.

Figure 4.9 illustrates that language training (applied by 57%), discussions with former expatriates (applied by 47.1%) and field experience in the target country (applied by 44.6%) are the most popular methods within the area of training methods while methods which are designed to learn more about or overcome cultural differences are applied significantly seldom. Among these methods contrast culture training is the most often applied method (15.7%) followed by sensitivity training which is applied by 9.1% of the respondents. These results confirm the findings of the ‘Institut für Interkulturelles Management’ (Institute for Intercultural Management, 2001) that only a small minority of German expatriates receive any form of cross-cultural training prior to their assignment.

Figure 4.9: Training methods for expatriates

Just as with the reasons why companies do not invest more resources in the selection and preparation of expatriates, the main reason for not investing more resources in training of expatriates is the belief that the current training process is sufficient (47.9%), followed by the believe that there is no need for training (26.4%).
Table 4.4: What prevents the company from investing more resources in training for the expatriates?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-cultural training programs are not effective</td>
<td>9</td>
<td>7.4%</td>
</tr>
<tr>
<td>Former expatriates have been dissatisfied with cross-cultural training measures</td>
<td>3</td>
<td>2.5%</td>
</tr>
<tr>
<td>The lack of time between selection and relocation prohibits in-depth cross-cultural training</td>
<td>17</td>
<td>14.0%</td>
</tr>
<tr>
<td>The overseas assignment is relatively short (at least one year) it does not warrant budget expenditures on training</td>
<td>9</td>
<td>7.4%</td>
</tr>
<tr>
<td>There is no need for training</td>
<td>32</td>
<td>26.4%</td>
</tr>
<tr>
<td>The company has not the financial resources to invest in cross-cultural assignment preparation</td>
<td>11</td>
<td>9.1%</td>
</tr>
<tr>
<td>Former expatriates did not want to participate in cross-cultural training</td>
<td>5</td>
<td>4.1%</td>
</tr>
<tr>
<td>The training process is sufficient</td>
<td>58</td>
<td>47.9%</td>
</tr>
</tbody>
</table>

Source: survey results

Support during the stay

Companies apply by average 4.31 measures to support their expatriates in the host country. With 4.1% only a small minority of companies does not apply any methods to support their expatriates whereas 15.7% of companies apply more than eight measures for the expatriate support during their assignment. As to see in figure 4.10, among the most popular methods are a contact in the German headquarter (applied by 72.7%), a formal and regular exchange with the head office and a local contact in the host country which are both applied by 63.6% of the companies. Cross-cultural training during the stay is only applied by 17.4% of the companies.
The main reason for not investing more resources is with 72.7% once again the belief that the current support process is sufficient followed by the believe a support during the stay is not necessary (13.2%) and a small minority of 6.6% indicated that the companies do not have the financial resources to provide more support.

Table 4.5: What prevents the company from investing more resources in the support of the expatriates?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support during the stay is not necessary</td>
<td>16</td>
<td>13.2%</td>
</tr>
<tr>
<td>Former expatriates were not engaged in support measures</td>
<td>3</td>
<td>2.5%</td>
</tr>
<tr>
<td>The company has no financial resources to provide support during the stay</td>
<td>8</td>
<td>6.6%</td>
</tr>
<tr>
<td>The support process is sufficient</td>
<td>88</td>
<td>72.7%</td>
</tr>
</tbody>
</table>

Source: survey results
**Repatriation**

Over all the companies apply by average 2.52 measures for repatriation of their expatriates. 12.4% do not apply any repatriation methods for their returning expatriates. The vast majority of 74.4% applies at least two methods from which 7.5% apply more than six methods. The most frequent applied methods are the assumption of costs for the shipment of personal goods (applied by 65.3%) and paid pre visits to the home country to organize the returning (applied by 50.4%) while provision of repatriate counselling (applied by 9.1%), the establishment of an repatriate directory (applied by 5.8%) and return incentive payments (applied by 2.5%) are only applied by the majority of companies.

**Figure 4.11:** Repatriation methods for expatriates

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipment of personal goods is expedited</td>
<td>79 (65.3%)</td>
</tr>
<tr>
<td>Paid pre visits to home country to organize returning</td>
<td>61 (50.4%)</td>
</tr>
<tr>
<td>Post assignment interview</td>
<td>51 (42.1%)</td>
</tr>
<tr>
<td>Using the repatriate as trainer for future expatriates</td>
<td>39 (32.2%)</td>
</tr>
<tr>
<td>Assurance for job with greater responsibility</td>
<td>21 (17.4%)</td>
</tr>
<tr>
<td>Expatriate gets a mentor in the headquarter</td>
<td>19 (15.7%)</td>
</tr>
<tr>
<td>Social event to welcome back the expatriate</td>
<td>14 (11.6%)</td>
</tr>
<tr>
<td>Provision of repatriation counseling to ease adjustment</td>
<td>11 (9.1%)</td>
</tr>
<tr>
<td>Repatriate directory</td>
<td>7 (5.8%)</td>
</tr>
<tr>
<td>Return incentive payment</td>
<td>3 (2.5%)</td>
</tr>
</tbody>
</table>

*Source: survey results*

In terms of reasons why companies do not invest more resources for the repatriation of their expatriates, it shows a similar picture as for the other stages of the cross-cultural assignment preparation process. The vast majority of 60.3% believes that the process is sufficient while 19.8% believe that there is no need for such measures and with 6.6% lack of financial resources is given as reason only by a minority of companies.
Table 4.6: What prevents the company from investing more resources in the repatriation of expatriates?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repatriation programs are not effective</td>
<td>7</td>
<td>5.8%</td>
</tr>
<tr>
<td>There is no need for such measures</td>
<td>24</td>
<td>19.8%</td>
</tr>
<tr>
<td>The assignment is relatively short (at least one year) it does not warrant budget expenditures on repatriation</td>
<td>4</td>
<td>3.3%</td>
</tr>
<tr>
<td>The company has no financial resources to invest in such measures</td>
<td>8</td>
<td>6.6%</td>
</tr>
<tr>
<td>The repatriation process is sufficient</td>
<td>73</td>
<td>60.3%</td>
</tr>
</tbody>
</table>

Source: survey results

Family involvement in the cross-cultural assignment preparation process.

The summary of measures the surveyed companies apply for the preparation of their expatriate’s families, divided up in the five stages selection, preparation, training, support and repatriation is presented in table 4.7 and shows up, that families are far less involved.

Table 4.7: Number of applied measures for each stage of the cross-cultural assignment preparation process for families

Source: survey results
Although table 4.7 suggests that more than 50% of companies do not involve the expatriates in the cross-cultural assignment preparation process figure 4.12 illustrates that this is not correct. With 31.4% only less than one third of the companies do not involve the families of expatriates in the preparation. However, figure 4.12 also shows that with 19% only a minority of companies involve the families in the whole preparation process with at least one applied method in every stage.

**Figure 4.12:** Overall involvement of families in the cross-cultural assignment preparation process

<table>
<thead>
<tr>
<th>Number of involved stages</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>38</td>
<td>23</td>
<td>9</td>
<td>14</td>
<td>14</td>
<td>23</td>
</tr>
<tr>
<td>Percentage</td>
<td>31.4%</td>
<td>19.0%</td>
<td>7.4%</td>
<td>11.6%</td>
<td>11.6%</td>
<td>19.0%</td>
</tr>
<tr>
<td>N</td>
<td>121</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Source: survey results*

**Selection**

57.9% of the companies do not apply any method for the selection or testing of the suitability of the expatriates families. 23.1% apply one selection method and only 19% of the companies apply more than one method for the selection of the families. The most popular selection method or criteria is the age and family situation which is taken into account by 32.2% of the companies, followed by a trial period in the foreign culture which is applied by 9.1%. Figure 4.13 shows further that suitability tests play virtually no role for the selection of the families.
Figure 4.13: Selection methods for expatriate families

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age and family situation</td>
<td>39 (32.2%)</td>
</tr>
<tr>
<td>Trial period in the foreign culture</td>
<td>11 (9.1%)</td>
</tr>
<tr>
<td>Language ability</td>
<td>9 (7.4%)</td>
</tr>
<tr>
<td>Drug test/medical check</td>
<td>8 (6.6%)</td>
</tr>
<tr>
<td>Foreign experience</td>
<td>5 (4.1%)</td>
</tr>
<tr>
<td>Curriculum vitae</td>
<td>14 (3.3%)</td>
</tr>
<tr>
<td>Structured interview</td>
<td>3 (2.5%)</td>
</tr>
<tr>
<td>Unstructured interview</td>
<td>3 (2.5%)</td>
</tr>
<tr>
<td>Intercultural competence assessment</td>
<td>2 (1.7%)</td>
</tr>
<tr>
<td>Personality questionnaire</td>
<td>2 (1.7%)</td>
</tr>
<tr>
<td>Aptitude/ability test</td>
<td>1 (0.8%)</td>
</tr>
<tr>
<td>Criminal background check</td>
<td>1 (0.8%)</td>
</tr>
<tr>
<td>Intercultural readiness check</td>
<td>1 (0.8%)</td>
</tr>
<tr>
<td>Assessment centre</td>
<td>0 (0.0%)</td>
</tr>
</tbody>
</table>

Source: survey results

Preparation

Companies provide by average one measure for the preparation of the expatriate’s families and with 57% the majority companies does not apply any preparation measures. 36.3% of the companies apply between one and three measures and 6.7% apply more than three measures for the preparation of the expatriate’s families. The most applied measures are with 31.4% pre visits to the host country, followed by information giving about the host country and its culture (23.1%).

Figure 4.14: Preparation methods for expatriate families

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre visit to the host country</td>
<td>38 (31.4%)</td>
</tr>
<tr>
<td>Provide information about the host country and culture</td>
<td>28 (23.1%)</td>
</tr>
<tr>
<td>Providing detailed information about fiscal impacts</td>
<td>25 (20.7%)</td>
</tr>
<tr>
<td>Providing information about the compensation package</td>
<td>24 (19.8%)</td>
</tr>
<tr>
<td>Paying membership fees for expatriates clubs</td>
<td>4 (3.3%)</td>
</tr>
<tr>
<td>Providing information about expatriate clubs</td>
<td>4 (3.3%)</td>
</tr>
</tbody>
</table>

Source: survey results
Training

The most often applied training methods for families have the same sequence as the methods for the expatriates which are language training (applied by 24.8%), followed by discussions with former expatriates and their families (applied by 16.5%) and the field experience in the target country (applied by 9.9%). And also just as with the expatriates, methods which are designed to learn more about or overcome cultural differences are significantly less often applied and among these methods contrast culture training is the most often applied method (5%).

Figure 4.15: Training methods for expatriate families

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Language training</td>
<td>30 (24.8%)</td>
</tr>
<tr>
<td>Discussions with families of former expatriates</td>
<td>20 (16.5%)</td>
</tr>
<tr>
<td>Field experience in the target country</td>
<td>12 (9.9%)</td>
</tr>
<tr>
<td>Area studies (information giving)</td>
<td>12 (9.9%)</td>
</tr>
<tr>
<td>Contrast culture training</td>
<td>6 (5.0%)</td>
</tr>
<tr>
<td>Cross-cultural analysis</td>
<td>3 (2.5%)</td>
</tr>
<tr>
<td>Cross-cultural dialogues</td>
<td>3 (2.5%)</td>
</tr>
<tr>
<td>Sensitivity training</td>
<td>3 (2.5%)</td>
</tr>
<tr>
<td>Cultural-awareness training</td>
<td>2 (1.7%)</td>
</tr>
<tr>
<td>Immersion</td>
<td>2 (1.7%)</td>
</tr>
<tr>
<td>Stress reduction training</td>
<td>2 (1.7%)</td>
</tr>
<tr>
<td>Culture assimilator</td>
<td>1 (0.8%)</td>
</tr>
<tr>
<td>Role playing</td>
<td>1 (0.8%)</td>
</tr>
<tr>
<td>Critical Incidents</td>
<td>0 (0.0%)</td>
</tr>
<tr>
<td>Simulations</td>
<td>0 (0.0%)</td>
</tr>
</tbody>
</table>

Source: survey results

Support during the stay

In contrast to the average number of support measures expatriates receive, the expatriate’s families receive by average only 1.24 support measures during the assignments. However, with 52.9% the majority of companies do not support the families during the stay but 8.3% of the companies apply more than five support measures for the expatriate’s families. Language training is just like for the expatriates the most widely used method (applied by 29.8%) but only 11.6% of companies provide cross-cultural training for the families during the stay.
Repatriation

Companies apply by average 0.96 for the repatriation of the expatriate's families and as for the support during the stay 52.9% of the companies do not apply any measures while 35.6% apply one to two measures and 11.5% apply more than two measures. The most offered repatriation method for the families is the paid shipment of personal goods (applied by 36.4%) followed by paid pre visits to the home countries (applied by 30.6%) all other measures are offered by less than 10% of the companies.

Source: survey results
4.1.2 Hypotheses testing

As described at the beginning of chapter four the data analysis is divided up into two stages and in the following section 4.1.2 the hypotheses are tested.

**Hypothesis 1:** In German Mittelstand-SMEs the general managers are in charge of all expatriate preparation activities.

*The hypothesis can be confirmed*

Regarding who is responsible for the final decision within the organisation if expatriates receive preparation or not, table 4.8 shows that 92.6% (n = 121) of the respondents have stated that, the general managers are responsible for the decision. This results are contrary to expectations of an equal distribution of 50% (n = 59.5) which equals the null hypotheses. The Chi-square test points out that on the basis of empirically determined frequency distribution, the null hypothesis of an equal distribution can be rejected with \( p < 0.0005 \). The empirically determined distribution with 92.6% where the general managers are responsible is statistically significant; therefore hypothesis one can be confirmed.

**Table 4.8:** Who is responsible within your company whether expatriates are prepared for their assignments or not?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
<th>Test Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General manager</td>
<td>112</td>
<td>92.6</td>
<td>94.1</td>
<td>Chi-Square 92.647a</td>
</tr>
<tr>
<td>HR department</td>
<td>7</td>
<td>5.8</td>
<td>5.9</td>
<td>Df 1</td>
</tr>
<tr>
<td>Total</td>
<td>119</td>
<td>98.3</td>
<td>100.0</td>
<td>Asymp. Sig. .000</td>
</tr>
<tr>
<td>Missing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>System</td>
<td>2</td>
<td>1.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>121</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 59.5.

*Source: data analysis*
**Hypothesis 2**: German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates than companies with general managers who have spent less than 12 months in a foreign culture.

*The hypothesis can only be partly confirmed for two out of 62 methods of the cross-cultural assignment preparation process*

There were no significant associations between the time general managers spent in a foreign culture and the use of specific cross-cultural assignment preparation methods, with the exception of a trial period on the job ($x^2 = 7.73$, crv = .262, $p = .021$) and the evaluation of qualifications and experience ($x^2 = 8.764$, crv = .278, $p = .013$) as selection methods for expatriates. Both methods are more likely applied by Mittelstand-SMEs where the general manager has spent more than 12 months in a foreign culture. Another significant finding is that companies which general managers have spent between 3 to 12 months in a foreign culture are more likely to use repatriates as trainers for future expatriates ($x^2 = 6.382$, crv = .238, $p = .041$), than general managers who spent less than 3 or more than 12 months in a foreign culture. There was also no significant association between the time general managers spent in a foreign culture and the application of at least one cross-cultural training method ($x^2 = 2.557$, crv = .150, $p = .278$). In this research cross-cultural training method is an umbrella term for contrast culture training, culture assimilator, cross-cultural analysis, cross-cultural dialogues, immersion training, sensitivity training, cultural-awareness training and critical incidents. Therefore hypothesis two can only be partly confirmed for two out of 62 prompted methods of the cross-cultural assignment preparation for expatriates which are both part of the selection stage.

**Hypothesis 3**: German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates’ families than companies with general managers who have spent less than 12 months in a foreign culture.

*The hypothesis can only be partly confirmed for one out of 50 methods of the cross-cultural assignment preparation process*

There were no significant associations between the time general managers spent in a foreign culture and the use of specific cross-cultural assignment preparation methods for families of expatriates, with the exception of the evaluation of foreign experience ($x^2 = 7.01$, crv = .249, $p = .03$) which is more likely taken into account in companies with general managers who spent more than 12 months in a foreign culture. Another finding is, that pre visits to the host country
(x² = 6.648, crv = .243, p = .036) are less likely offered by companies with general managers who spent less than three months in a foreign culture than by companies with general managers who spent more than 12 months in a foreign culture. There was also no significant association between the time general managers spent in a foreign culture and the application of at least one cross-cultural training method for families of expatriates (x² = 2.955, crv = .162, p = .228).

There was no significant association between the time general managers spent in a foreign culture and the use of at least one method out of the five stages of the cross-cultural assignment preparation process for families of expatriates (x² = .715, crv = .08, p = .398) but there was a significant association between the time general managers spent in a foreign culture and use of at least one method in each stage out of the five stages of the cross-cultural assignment preparation process for families of expatriates (x² =4.407, crv = .197, p = .036). General managers who spent more than 12 months in a foreign culture tend therefore more likely to involve the families of expatriates in the whole preparation process compared to general managers who spent less than 12 months in a foreign culture.

Just as with hypothesis two, hypothesis three can only be partially confirmed for one out of 50 prompted methods of the cross-cultural assignment preparation process for expatriate’s families. Nevertheless in terms of the overall family involvement hypothesis three can be confirmed because families of expatriates are more likely to be involved in all five stages of the process when the general manager has spent more than 12 months in a foreign culture.

**Hypothesis 4:** German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture offer more paid days off for preparation and training of expatriates, than German Mittelstand-SMEs with general managers who spent less than 12 months in a foreign culture.

*The hypothesis can not be confirmed*

As presented in table 4.9, there was no significant association between the time general managers spent in a foreign culture and the amount of paid days off for preparation and training of expatriates (x² = 4.310, crv = .201, p = .116). Therefore hypothesis four is rejected.
Table 4.9: Predictors and paid days of for preparation

<table>
<thead>
<tr>
<th>Predictor</th>
<th>paid days off (depending variable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$X^2$</td>
</tr>
<tr>
<td>Time general manager spent in foreign culture ( &lt; 12 or $\geq$ 12 months)</td>
<td>4.310</td>
</tr>
<tr>
<td>Size of the company (1 - 249 or 250 - 499 employees)</td>
<td>0.356</td>
</tr>
<tr>
<td>Presence of HR department (yes or no)</td>
<td>0.462</td>
</tr>
</tbody>
</table>

Source: developed for this research

Hypothesis 5: In companies with 250 up to 499 employees expatriates receive more cross-cultural assignment preparation than expatriates in companies with less than 250 employees.

The hypothesis can only be partly confirmed for one out of 62 methods of the cross-cultural assignment preparation process.

There were significances between the size of the companies and use of specific cross-cultural assignment preparation methods but contrary to expectations, aptitude/ability tests ($X^2 = 5.669$, $\text{crv} = .216$, $p = .017$), personality questionnaires ($X^2 = 6.139$, $\text{crv} = .225$, $p = .013$) and work sample tests ($X^2 = 5.317$, $\text{crv} = .21$, $p = .021$) are more likely applied as selection methods for expatriates in companies with less than 250 employees than in companies with 250 up to 499 employees. Furthermore repatriates receive in companies with less than 250 employees more likely a mentor in the German headquarter ($X^2 = 4.42$, $\text{crv} = .191$, $p = .036$) than expatriates in companies with 250 up to 499 employees. Unstructured interviews ($X^2 = 5.91$, $\text{crv} = .221$, $p = .015$) are the only methods which are more likely applied as selection methods for expatriates in companies with 250 up to 499 employees expatriates than in companies with less than 250 employees. There was also no significant association between the size of the companies and the application of at least one cross-cultural training method ($X^2 = .025$, $\text{crv} = .014$, $p = .516$). Therefore hypothesis five can only be partly confirmed for one out of 62 prompted methods of the cross-cultural assignment preparation process for expatriates.
**Hypothesis 6:** In companies with 250 up to 499 employees families of expatriates receive more cross-cultural assignment preparation than families of expatriates in companies with less than 250 employees.

*The hypothesis can not be confirmed*

There was no significant association between the size of the companies and the use of specific cross-cultural assignment preparation methods for families of expatriates, with the exception of a structured interviews ($x^2 = 4.028$, crv = .262, $p = .021$) which are more likely applied as selection methods for families of expatriates in companies with less than 250 employees than in companies with 250 up to 499 employees. There were also no significant associations between the size of the organisation and the application of at least one cross-cultural training method for families of expatriates ($x^2 = .000$, crv = .001, $p = .992$). In terms of the overall involvement of the families there was also no significant association between the size of the companies and use of at least one method out of the five stages of the cross-cultural assignment preparation process for families of expatriates ($x^2 = .436$, crv = .060, $p = .509$) or the use of at least one method in each stage out of the five stages of the cross-cultural assignment preparation process for families of expatriates ($x^2 = .778$, crv = .080, $p = .378$). Therefore hypothesis six can be rejected.

**Hypothesis 7:** Companies with 250 up to 499 offer more paid days off for the preparation and training of expatriates, than German Mittelstand-SMEs with less than 250 employees.

*The hypothesis can not be confirmed*

As presented in table 4.9, there was no significant association between the size of the companies and the amount of paid days off for preparation and training of expatriates ($x^2 = 0.356$, crv = .056, $p = .551$). Therefore hypothesis seven is rejected.

**Hypothesis 8:** The lack of financial resources is for German Mittelstand-SMEs with up to 249 employees more likely a prime reason for not investing more resources in cross-cultural assignment preparation than for companies with 250 up to 499 employees.

*The hypothesis can be partly confirmed for one out of five stages of the cross-cultural assignment preparation process.*

There were significances between the size of the companies and the reasons why companies do not invest more resources in the preparation of expatriates. However, the lack of financial
resources is only more likely for the stage of training ($x^2 = 5.669$, crv = .216, p = .017), a reason for companies with up to 249 employees for not investing more resources in the preparation process. Further findings were that the belief that the assignment is too short to warrant budget expenditures on preparation ($x^2 = 4.028$, crv = .182, p = .045) and training ($x^2 = 4.028$, crv = .182, p = .045) is more likely a reason for companies with less than 250 employees than for companies with 250 up to 499 employees for not investing more resources in the preparation process. The belief that the selection process is sufficient ($x^2 = 4.843$, crv = .200, p = .028) is more likely a reason for smaller companies not investing more resources in selection. The belief that the training process is sufficient is more likely a reason for larger companies with 250 up to 499 employees for not investing more resources in training ($x^2 = 4.986$, crv = .203, p = .026) than for smaller companies. Hypothesis eight can only be partly confirmed for one out of five stages of the cross-cultural assignment preparation process where the lack of financial resources is more likely a reason for companies with less than 250 employees than for larger organisations with 250 up to 499 employees.

**Hypothesis 9:** Expatriates receive more cross-cultural assignment preparation in German Mittelstand-SMEs with HR department than expatriates in German Mittelstand-SMEs without HR department.

*The hypothesis can not be confirmed*

There were significances between the presence of HR departments and the use of specific cross-cultural assignment preparation methods but similar to hypothesis five contrary to expectations. Drug tests/medical checks ($x^2 = 5.036$, crv = .204, p = .025), aptitude/ability tests ($x^2 = 4.537$, crv = .194, p = .033) and assessment centres ($x^2 = 4.924$, crv = .202, p = .026) are more likely applied as selection methods in companies without HR department than in companies with HR department. Also providing of information on leisure activities ($x^2 = 7.064$, crv = .242, p = .008), and language training during the stay ($x^2 = 4.785$, crv = .199, p = .029), are more likely offered as support methods during the stay by companies without HR department. Finally, provision of repatriation counselling to ease adjustment of repatriates ($x^2 = 8.475$, crv = .265, p = .004), is more likely applied as repatriation method in companies without HR department than in companies with HR department. Furthermore there was an unexpected significant association between the presence of HR departments and the application of at least one cross-cultural training method ($x^2 = 3.943$, crv = .181, p = .047) where companies without HR department apply more likely at least one cross-cultural training method compared to companies with an HR department. Because out of the 62 prompted methods not one single method is more likely applied by companies with an HR department the hypothesis is rejected.
Hypothesis 10: Families of expatriates receive more cross-cultural assignment preparation in companies with HR department than families of expatriates in companies without HR department.

The hypothesis can not be confirmed

There were significances between the presence of HR departments and use of specific cross-cultural assignment preparation methods for families of expatriates which show the same tendency as the results of hypothesis nine. Criminal background checks ($x^2 = 3.872$, crv = .179, $p = .049$) and aptitude/ability tests ($x^2 = 3.872$, crv = .179, $p = .049$) are more likely applied as selection methods for the families of expatriates in companies without HR department than in companies with HR department. Immersion ($x^2 = 7.809$, crv = .254, $p = .005$), is further more likely applied as training method in companies without HR department than in companies with HR department and return incentive payments ($x^2 = 3.872$, crv = .179, $p = .049$) are more likely granted as repatriate method in companies without HR department than in companies with HR department. There were also no significant associations between the presence of HR departments and the application of at least one cross-cultural training method for families of expatriates ($x^2 = .604$, crv = .071, $p = .437$). Finally there was also no significant association between the presence of an HR department and the use of at least one method out of the five stages of the cross-cultural assignment preparation process for families of expatriates ($x^2 = 1.903$, crv = .125, $p = .168$) or the use of at least one method in each stage out of the five stages of the cross-cultural assignment preparation process for families of expatriates ($x^2 = .020$, crv = .013, $p = .887$). Because out of the prompted 50 cross-cultural assignment preparation methods for families not one single method is more likely applied by companies with an HR department the hypothesis is rejected.

Hypothesis 11: Companies with HR department provide more paid days off for preparation and training for expatriates than companies without HR department.

The hypothesis can not be confirmed

As presented in table 4.9, there were no significant associations between the presence of HR departments and the amount of paid days off for preparation and training of expatriates ($x^2 = 0.462$, crv = .064, $p = .497$). Therefore hypothesis 11 is rejected.

In this section the eleven hypotheses were tested on the basis of the quantitative data which has been collected with the online questionnaire. In order to evaluate the relationships between the three predictors: period of time the general manager spent in a foreign culture, the size of
the company and presence of an HR department and the variables of the cross-cultural assignment preparation process the statistical methods pearson chi-square, Cramer’s V, adjusted standardized residuals and the chi-square goodness-of-fit test have been applied. The results are summarised in table 4.10 which illustrates that only one hypothesis could be fully confirmed.

**Table 4.10: Results of hypotheses tests**

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 In German Mittelstand-SMEs the general managers are in charge of all expatriate preparation activities.</td>
<td>confirmed</td>
</tr>
<tr>
<td>H2 German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates than companies with general managers who have spent less than 12 months in a foreign culture.</td>
<td>partly confirmed only for the trial period on the job and the evaluation of qualifications and experience as selection methods for expatriates</td>
</tr>
<tr>
<td>H3 German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates' families than companies with general managers who have spent less than 12 months in a foreign culture.</td>
<td>partly confirmed for use of method only for evaluation of foreign experience as selection method for expatriates' families confirmed for overall involvement of the families</td>
</tr>
<tr>
<td>H4 German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture offer more paid days off for preparation and training of expatriates, than German Mittelstand-SMEs with general managers who spent less than 12 months in a foreign culture.</td>
<td>not confirmed</td>
</tr>
<tr>
<td>H5 In companies with 250 up to 499 employees expatriates receive more cross-cultural assignment preparation than expatriates in companies with less than 250 employees.</td>
<td>partly confirmed only for unstructured interviews as selection methods for expatriates.</td>
</tr>
<tr>
<td>H6 In companies with 250 up to 499 employees families of expatriates receive more cross-cultural assignment preparation than families of expatriates in companies with less than 250 employees.</td>
<td>not confirmed</td>
</tr>
<tr>
<td>H7 Companies with 250 up to 499 offer more paid days off for the preparation and training of expatriates, than German Mittelstand-SMEs with less than 250 employees.</td>
<td>not confirmed</td>
</tr>
<tr>
<td>H8 The lack of financial resources is for German Mittelstand-SMEs with up to 249 employees more</td>
<td>partly confirmed only for the stage of training</td>
</tr>
</tbody>
</table>
likely a prime reason for not investing more resources in cross-cultural assignment preparation than for companies with 250 up to 499 employees. The hypothesis can be partly confirmed for one out of five stages of the cross-cultural assignment preparation process.

**H9**
Expatriates receive more cross-cultural assignment preparation in German Mittelstand-SMEs with HR department than expatriates in German Mittelstand-SMEs without HR department.  
*not confirmed*

**H10**
Families of expatriates receive more cross-cultural assignment preparation in companies with HR department than families of expatriates in companies without HR department.  
*not confirmed*

**H11**
Companies with HR department provide more paid days off for preparation and training for expatriates than companies without HR department.  
*not confirmed*

*Source: developed for this research*

### 4.1.3 Discussion of the quantitative results

In the previous section the collected quantitative data was presented, analysed and the eleven hypotheses were tested. The result of the questionnaire shows that with 94.1% in the majority of German Mittelstand-SMEs the general managers are responsible for the cross-cultural assignment preparation process, although 79.3% of the companies have an HR department. This finding is consistent with the literature and was therefore not surprising.

In terms of the cross-cultural assignment preparation process companies apply with an average of about five methods the highest number of methods in the selection stage. However, these applied methods are mostly methods which do not cost financial resources such as for example the evaluation of qualifications and experience, evaluation of the language ability, the assessment of performance within the company and a general evaluation of the curriculum vitae. Selection methods which require more likely financial resources and external support as for example assessment centres, ability tests or intercultural assessment tests are only applied by a small minority of companies. This is also the case for the four other stages of the cross-cultural assignment preparation process, where only a minority of companies apply methods where they are more likely to need external support or have to invest more resources. In conclusion one can say that although the necessity for cross-cultural assignment preparation was accentuated in many studies, the current preparation process in German Mittelstands-SMEs appears to be improvable (Oddou, 1991, Osman-Gani and Rockstuhl, 2009, Ezzedeen and
Rao, 2000, Selmera and Lauringa, 2011, Tarique and Caligiuri, 2004, Tung, 1998, Wang and Tran, 2012). This is, in particular, the case in the stage of training where by average only about two methods are applied by companies and 13.2% of the companies offer no training at all. Although it is recommended to use a combination of methods or a kind of triangulation to strengthen the positive training effect (Fowler and Blohm, 2004) just a minority of 33.1% applies more than two training methods. The reasoning why companies do not invest more resources in the process is according to the survey results very clear. The results indicate that the majority of organisations are satisfied with the current cross-cultural assignment preparation process (range from 47.9% up to 72.7% depending on the stage of the cross-cultural assignment preparation process) and see therefore no need for further investments in the process. The lack of financial resources is, contrary to expectation, only for a small minority a reason for not investing more resources (ranges from 5.8% up to 9.1% depending on the stage of the cross-cultural assignment preparation process). Even though there is pretty much consensus in the literature that the preparation of the families is as important as the preparation of the expatriates, the results of the survey indicate, that in German Mittelstand-SMEs with branch offices in Asia, the majority of the families are not fully involved in the preparation process. In particular 66.1% of families receive no form of training and overall by average only about one method is applied in each of the five stages of the cross-cultural assignment preparation process.

In this research, the prevalence of cross-cultural assignment preparation methods in German Mittelstand SMEs with branch offices in Asia, the predictors for applying these methods and the reasons why companies do not invest more resources in the whole preparation process have been examined as well as the overall involvement of the families. The testing of the eleven hypotheses confirmed only one of them fully, four hypotheses could be partly confirmed but the testing failed to confirm the remaining six hypotheses due to unexpected results. The research indicates that the time general managers spent in a foreign culture matters only to a certain degree and only for the selection of expatriates where trial periods on the job and the evaluation of qualifications and experience are applied as methods and for the families also only the foreign experience is evaluated more likely by German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture. There were also no significant associations between the time general managers spent in a foreign culture and the amount of paid days off for preparation and training of expatriates. The research results furthermore indicate that the size of the companies has a heterogeneous effect on the cross-cultural assignment preparation process while aptitude/ability tests, personality questionnaires and work sample tests and offering of a mentor for repatriates are more often applied as methods for expatriates, as well as structured interviews as selection methods for families in companies.
with less than 250 employees, unstructured interviews are more likely applied as selection methods for expatriates in companies with 250 up to 499 employees.

Neither expatriates nor their families receive more cross-cultural preparation in companies with HR department and more over it seems that the presence of an HR department is for the prevalence of certain methods more of a hindrance, because some unexpected differences in the application of cross-cultural assignment preparation methods were found. Drug tests/medical, aptitude/ability tests and assessment centres, providing of information on leisure activities, language training during the stay and provision of repatriation counselling to ease adjustment of repatriates are more likely offered and applied by companies without HR department than with companies with HR department. This is also the case for the involvement of families where criminal background checks, aptitude/ability tests, immersion training and return incentive payments are more likely applied in companies without HR department than in companies with HR department. Furthermore the analysis reveals that companies without HR department tend more likely to apply cross-cultural training methods compared to companies with HR department. The final finding was that neither the time general manager spent in a foreign culture, nor the size of the companies or the presence of an HR department are related to the amount of paid days off for preparation and training of expatriates.

Since the quantitative data is now collected and analysed, in the next step, as already described in section 3.9.2, an interview protocol has to be developed based on the results of the quantitative analysis in order to explain with qualitative methods the quantitative results. Table 4.11 presents the interview protocol for the semi-structured interviews and the reasoning why each question was posed.

<table>
<thead>
<tr>
<th>Question number</th>
<th>Question</th>
<th>Related to the hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What exactly is your role within the cross-cultural assignment preparation process in your company?</td>
<td>H1, H2, H3, H4</td>
</tr>
</tbody>
</table>

*Reasoning for question 1* Given that 94.1% of the participants indicated that the general manager is responsible within the company whether expatriates are prepared for
their assignments or not, the first question aimed to get a better understanding of what is the exact role of the general managers in the cross-cultural assignment process.

<table>
<thead>
<tr>
<th>2</th>
<th>What role has the human resources department within the entire cross-cultural assignment preparation process?</th>
<th>H9, H10, H11</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reasoning for question 2</strong></td>
<td>79.3% of companies which participated in the research indicated that they have an HR department. Although there is evidence that general managers decide if expatriates are prepared or not these decisions can also be influenced by HR departments which presence increases the professionalization of the company’s personnel management (Kolster and Homann-Kania, 2011). Furthermore the analysis of the quantitative data indicated that the presence of an HR department is more likely a hindrance for the use of at least one cross-cultural training method for expatriates. The aim of this question is therefore to explore the exact role of the HR department in the whole process.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3</th>
<th>How big is your HR department?</th>
<th>H9, H10, H11</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reasoning for question 3</strong></td>
<td>The literature indicates that HR departments of German SMEs are comparable small. This would limit the capacity to employ HR specialists who have got a focus on expatriation (Kienbaum et al., 2013)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4</th>
<th>What function has HR in your organisation?</th>
<th>H9, H10, H11</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reasoning for question 4</strong></td>
<td>Since the function of the HR department determines its value for the organisation question four aims to reveal if the surveyed companies have employees within their HR departments who are capable of managing the whole cross-cultural assignment preparation process or maybe can actually prepare and train expatriates for cultural differences (Aswathappa, 2013, Stone, 2013).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Question</td>
<td>Reasoning for question</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>5</td>
<td>Do you have employees in your organisation who have the qualification and experience to manage the expatriate process and are able to prepare expatriates for their assignment?</td>
<td>Experts for the preparation of expatriates do not exclusively need to be located in the HR department but can also work in other departments.</td>
</tr>
<tr>
<td>6</td>
<td>Do you use external support for the preparation of the expatriate assignment?</td>
<td>External support can be a valid option for companies when they believe that they can not handle a certain topic or problem with their own resources. Thus question six aims to reveal if companies use external support for their cross-cultural assignment preparation.</td>
</tr>
<tr>
<td>7</td>
<td>What are the reasons why expatriates receive no cross-cultural training?</td>
<td>The quantitative data analysis revealed that the majority of companies provide not one single method of cross-cultural training, what is consistent with the findings in the literature. However, the analysis of the quantitative data revealed further that companies without HR department tend to apply more cross-cultural training methods in comparison to companies without HR department.</td>
</tr>
<tr>
<td>8</td>
<td>On what basis does your organisation decide how many paid days off designated expatriates receive for their preparation and training?</td>
<td>The question aims to explore if companies have formal rules or processes for the amount of paid days off for preparation and training which</td>
</tr>
</tbody>
</table>
are based on recommendations of experts or literature (Mendenhall et al., 1987)

<table>
<thead>
<tr>
<th>9</th>
<th>How important is the family involvement in the cross-cultural assignment preparation process?</th>
<th>H3, H6, H10</th>
</tr>
</thead>
</table>

**Reasoning for question 9**

According to the literature the majority of German companies does not involve families of expatriates in the cross-cultural assignment preparation process what has been confirmed by the findings of this research. Question nine aims therefore to explore the reasons for this

*Source: developed for this research*

Beside the above listed pre-formulated nine core questions probing questions were applied and enabled me to explore answers in more depth when required (Patton, 2014, Saunders et al., 2009). As recommended by Ivankova et al. (2006) the interview protocol was pilot tested on one participant who participated in the questionnaire and was responsible for the branch office in China but did not have the position of a general manager. Therefore the person could not be regarded as participant for the actual semi-structured interviews, where only general managers were interviewed, but agreed to participate in the pilot test. As result of the test the wording of the interview protocol has been slightly revised and the final version is presented in table 4.11.

### 4.2 Qualitative results

#### 4.2.1 General managers’ role in cross-cultural assignment process

According to the literature review general managers are in charge of all expatriate preparation activities within German Mittelstand-SMEs (Gutmann and Kabst, 2000, IHK Koblenz, 2011). This finding of the literature review has been confirmed by the result of the quantitative data collection where 94.1% of the respondents indicated that the general managers are responsible within the companies whether expatriates are prepared for their assignments or not. The semi-structured interviews helped to get a better understanding of the exact role of the general managers within the whole cross-cultural assignment preparation process. As presented in table 4.12 general managers have basically two types of roles within the cross-cultural assignment process. In the first type the general managers are overall responsible for the whole process and are involved in each step of the cross-cultural assignment preparation process.
and when companies have an HR department, the HR departments advise the general managers and support the process by preparing contracts and taking care of administrative work. In the other type of role general managers are also overall responsible for the whole process but in contrast to the first type of role the general managers are only directly involved in the selection of expatriates. All other tasks are performed by the HR departments which are operationally responsible for the preparation, training, support and repatriation of expatriates without notable involvement of the general managers. General managers who are only involved in the selection stage replied that they trust their HR departments to manage the whole process. That means that the HR departments have a big responsibility within the whole process.

Table 4.12: General managers’ role in the process

<table>
<thead>
<tr>
<th>Themes</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall responsible and involved in the whole process</td>
<td>4</td>
</tr>
<tr>
<td>Overall responsible and only involved in the selection</td>
<td>6</td>
</tr>
</tbody>
</table>

Source: developed for this research

4.2.2 HR department’s role in cross-cultural assignment process

The answer to the question of the exact role of the HR department within the cross-cultural assignment process has already been given by the answers in the prior question which asked for the general manager’s role in the process.

Table 4.13: HR departments’ role in cross-cultural assignment process

<table>
<thead>
<tr>
<th>Themes</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational responsible for the process</td>
<td>4</td>
</tr>
<tr>
<td>Operational responsible for the process with exception of the selection</td>
<td>4</td>
</tr>
<tr>
<td>No HR department</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: developed for this research

4.2.3 Size and function of HR departments

Since the interviews revealed that HR departments have a big responsibility within the whole cross-cultural assignment process the question asking for the size of the HR departments in terms of numbers of employees and asking for the types of HR employees was important to
reveal if these HR departments are able to cope with the cross-cultural assignment preparation process. Given that as presented in table 4.14 out of the eight companies with HR department three companies had two employees in their HR department, four companies had three employees in their HR department while only one company had five employees one can conclude that these findings are consistent with the findings of the literature review that the majority of HR departments of German Mittelstand SMEs are quite comparable small (Kienbaum et al., 2013).

**Table 4.14: Size and function of HR departments**

<table>
<thead>
<tr>
<th>Themes</th>
<th>Type of HR department</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Five employees</td>
<td>Four HR generalists and one HR specialist (advanced training) all without focus on expatriation</td>
<td>1</td>
</tr>
<tr>
<td>Three employees</td>
<td>HR generalists without focus on expatriation</td>
<td>4</td>
</tr>
<tr>
<td>Two employees</td>
<td>HR generalists without focus on expatriation</td>
<td>3</td>
</tr>
<tr>
<td>No HR department</td>
<td></td>
<td>2</td>
</tr>
</tbody>
</table>

*Source: developed for this research*

The interviews revealed further that in terms of the function with exception of case ten, where the company has five employees in the HR department, all other HR departments have only HR generalists who carry, out according to Aswathappa (2013: 16), generic activities like payroll, leave and benefits. Case ten has beside four HR generalists one HR specialist, who is specialised on advanced training but not on expatriation. This suggests that the HR departments of all ten cases are not capable of preparing expatriates and their families for cultural differences. This assumption is underlined by the answers to the question ‘do you have employees in your organisation who have the qualification and experience to prepare expatriates for cultural differences?’ which are presented in table 4.15 where all general managers replied that they have no such employees in the HR departments. Furthermore eight general managers replied that they have no employees within the whole organisation who are qualified and experienced to prepare expatriates for their assignments in terms of cultural differences. Two interviewees explained that they believe that some of their employees could do this job but they do not work in HR but are expatriates themselves and can therefore not be used to prepare other expatriates. To sum up, the companies of the ten cases have in practice not the
capacities and possibilities to prepare expatriates and their families for difficulties which are linked to cultural differences and can occur during a foreign assignment.

**Table 4.15:** In-house preparation of expatriates

<table>
<thead>
<tr>
<th>Themes</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are no such employees within the organisation</td>
<td>8</td>
</tr>
<tr>
<td>Such employees are within the organisation (not in HR) but do not train expatriates</td>
<td>2</td>
</tr>
</tbody>
</table>

*Source: developed for this research*

4.2.4 Use of external support

Regarding the use of external support, the semi-structured interviews helped to group the companies into three types what is presented in table 4.16. Five companies do not use any external support for the preparation of their expatriates, while two companies use external trainers for language training for their expatriates. Three companies use external trainers to prepare their expatriates for cultural differences. As to see in table 3.7 only three companies apply at least one training method to prepare their expatriates for cultural differences and it is remarkably that these three companies (case three, case four and case ten) are exactly these three companies which use external support what suggests a correlation. The reason why external support is used is according to the two general managers whose companies have HR departments that their HR departments are not capable of preparing the expatriates for cultural differences and the general manager of the company without HR department replied that his company uses external support because the company has no HR department and that he therefore does not believe that his company can provide the required preparation. In these three cases the idea and the decision for hiring external support came from the general managers and not from the HR departments.

**Table 4.16:** Use of external support

<table>
<thead>
<tr>
<th>Themes</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>External support is used</td>
<td>3</td>
</tr>
<tr>
<td>External support is used only for language training</td>
<td>2</td>
</tr>
</tbody>
</table>
No external support is used

Source: developed for this research

4.2.5 Reasons why expatriates receive no cross-cultural training

As to be seen in table 3.7 three companies have already provided at least one method of cross-cultural training for their expatriates, while one general manager was convinced that no cross-cultural training is required and four respondents provide no single method of cross-cultural training for their expatriates and justify it by saying that there is no need for this type of training because they only have a few expatriations where the effort for cross-cultural training would not be worth it. Two general managers replied that they do not have the staff capable of training their expatriates and that they have also been naïve and mistaken in the past by believing that everything would still work well even without any cross-cultural trainings. Unlike the four general managers who believe that by the limited number of expatriates the effort for cross-cultural training would not be worth it, these two managers are willing to use external trainers in the future in order to prepare their expatriates for cross-cultural differences.

Table 4.17: Reasons why expatriates receive no cross-cultural training

<table>
<thead>
<tr>
<th>Themes</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-cultural training is not required</td>
<td>1</td>
</tr>
<tr>
<td>‘Naivety’ but willingness for training in the future</td>
<td>2</td>
</tr>
<tr>
<td>Insufficient number of employees</td>
<td>4</td>
</tr>
<tr>
<td>Cross-cultural training is provided</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: developed for this research

The analysis of the quantitative data reveals that there are no significant associations between the time general managers spent in a foreign culture and the use of cross-cultural training methods to prepare the cross-cultural assignments. However, the interviews indicate that those general managers who spent more than six months in a foreign culture either already provide cross-cultural training for their expatriates in order to prepare them for cross-cultural differences or have replied in the interviews, in contrast to the general managers who spent
less than 12 months in a foreign culture, that they would provide cross-cultural training for future expatriates. Although this result is due the small number of cases not representative and allows no generalizability it is interesting because none of the five interviewees with less than six months of foreign experience provide any form of cross-cultural training nor have they indicated that they would consider it for the future.

4.2.6 Basis of decision making on paid days off for training and preparation

The answers to the question on what basis the organizations decide how many paid days off the expatriates receive for preparation and training reveals that two companies do not offer any paid days off, because the general managers believe that this is not required. Five companies offer up to seven days paid off for their expatriates, without having rules or a formal process while only three companies have replied that the amount of paid days off is based on the length of the applied training methods and recommendations of external consultants. A comparison with table 4.18 reveals further that these three companies (case three, case four and case ten) offer at least eight paid days off for the preparation of their expatriates. In the ten cases examined all companies which use external support for the preparation on cross-cultural differences provide at least eight paid days off while the seven companies which do not use external trainers or consultants offer only a maximum of seven days paid off for the preparation of the assignment.

Table 4.18: Paid days off

<table>
<thead>
<tr>
<th>Themes</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based on training program and recommendation</td>
<td>3</td>
</tr>
<tr>
<td>No structured process or rules</td>
<td>5</td>
</tr>
<tr>
<td>No paid days off offered</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: developed for this research

4.2.7 Importance of family involvement in the cross-cultural assignment process

The majority of eight general managers replied that they believe that family involvement in the cross-cultural assignment process is very important for the success of foreign assignments while only two general managers stated that they do not believe that family involvement is
important. This was surprising given that the analysis of the quantitative data revealed that significantly more than 50% of expatriate's families receive no preparation.

Table 4.19: Family involvement in the cross-cultural assignment preparation

<table>
<thead>
<tr>
<th>Themes</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not very important</td>
<td>2</td>
</tr>
<tr>
<td>Very important</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: developed for this research

At this point is worth mentioning that out of the eight general managers who said that the family involvement is very important, four companies do not apply any method for the expatriate's families with the exception of one company which applies only one method for selection. The other three do not apply one single method in any one out of the five stages of the cross-cultural assignment process for the families. These four general managers had less than six months of foreign experience while the companies of the five general managers who spent more than six months in a foreign culture involve the families in the cross-cultural assignment preparation process. The explanation for this contradiction of the four general managers who said that family involvement is important but do not apply any methods for the families was, that there have been only a few expatriations with families and that they are therefore not very experienced in this field. However, three out of these four general managers noted that they have to work on this and that they want to involve the families in the future.

4.3 Recognising relationships

The fourth step of the qualitative data analysis was to recognise relationships within the collected qualitative data. In this research a radar chart was applied to visualize the relationships between and within the ten cases (Barnes and Vidgen, 2006). To develop the radar chart each category and each theme have got a number value in order to create the radar chart.
As to see in figure 4.18, cases three, four and ten stand out because they are the only companies out of the ten cases which use external support for the cultural preparation of their expatriates, provide at least eight paid days off for preparation and are furthermore the only companies which apply at least one cross-cultural training method for the preparation of their expatriates. The general managers of these three companies have furthermore spent more than six months in a foreign culture and are involved in the whole cross-cultural assignment preparation process. All three general managers said that they do believe that it is important that their expatriates are prepared for cultural differences but they do not have experts or trainers within the organisations who are capable of preparing the expats in practice.
Figures 4.18 also illustrates that companies of general managers who are only involved in the selection and not in the whole cross-cultural assignment process can be divided up into two groups. The first group consists of companies where the general managers spent more than 12 months in a foreign culture and companies do not use support of external consultants or trainers for cross-cultural training and do not provide any cross-cultural training but said during the interviews that they believe that it is important. In the past they have always relied on the HR departments which are not qualified and capable of managing the whole process and to prepare expatriates. Furthermore they said that they would consider to using external support for cross-cultural training in the future.

The second group of general managers who are responsible for expatriations but are only involved in the selection of expatriates consists of general managers who spent less than six months in a foreign culture. Companies of these general managers provide no culture training for their expatriates because they believe either that this type of training is not required, or they justify it by the few expatriations in the last years. Furthermore these companies do not involve the families in the expatriate preparation process. In the next step the cases have been grouped as to be seen in figure 4.19 in company types which share characteristics.
Based on the analysis of this section, the ten cases were divided into three types of companies whose characteristics are described in more detail in the following table 4.20, where fields with the same content are marked in colour.

*Source: developed for this research*
<table>
<thead>
<tr>
<th>Categories</th>
<th>Type 1</th>
<th>Type 2</th>
<th>Type 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cases</td>
<td>3, 4 and 10</td>
<td>2 and 5</td>
<td>1, 7, 6, 8 and 9</td>
</tr>
<tr>
<td>Time general manager spent in a foreign culture</td>
<td>General managers have spent more than 12 months in a foreign culture and have experienced the different stages of the cultural adjustment stages.</td>
<td>General managers have spent more than 12 months in a foreign culture and have experienced the different stages of the cultural adjustment stages.</td>
<td>General managers have spent less than six months in a foreign culture</td>
</tr>
<tr>
<td>Role of general managers in expatriations</td>
<td>General managers are overall responsible for the whole process and only directly involved in the selection of expatriates</td>
<td>General manager are overall responsible for the whole process and only directly involved in the selection of expatriates</td>
<td>General manager are overall responsible for the whole process and only directly involved in the selection of expatriates</td>
</tr>
<tr>
<td>Role of HR departments in expatriations</td>
<td>When HR departments are present, they advise the general managers and support the process by preparing contracts and taking care of administrative work.</td>
<td>When HR departments are present, they are operationally responsible for the preparation, training, support and repatriation of expatriates without notable involvement of the general managers.</td>
<td>When HR departments are present, they are operationally responsible for the preparation, training, support and repatriation of expatriates without notable involvement of the general managers.</td>
</tr>
<tr>
<td>General role of HR departments</td>
<td>If an HR department is present it is comparable small and only HR generalists without a focus on expatriation.</td>
<td>If an HR department is present it is comparable small and only HR generalists without a focus on expatriation.</td>
<td>If an HR department is present it is comparable small and only HR generalists without a focus on expatriation.</td>
</tr>
<tr>
<td>Capability to conduct cross-cultural training in-house</td>
<td>No, company has does not have the capability</td>
<td>No, company has does not have the capability</td>
<td>No, company has does not have the capability</td>
</tr>
<tr>
<td>External support for cross-cultural training</td>
<td>Companies use external support because the general managers believe that expatriates have to be prepared for cultural differences and are aware that they do not have the capability to prepare expatriates in-house</td>
<td>Although general managers were aware of difficulties which can occur when expatriates are not properly prepared they did not use external support in the past because they have relied on their HR departments and have not been aware that they do not have the capability to prepare expatriates for their assignments. General managers consider to use external support in the future</td>
<td>External support is not used because it is seen as not required</td>
</tr>
<tr>
<td>Offering of culture training</td>
<td>Companies provide at least one method of cross-cultural training for their expatriates.</td>
<td>Companies provide no single method of cross-cultural training for their expatriates but consider to do so in the future</td>
<td>No culture training is offered</td>
</tr>
<tr>
<td>Amount on paid days off for preparation and training</td>
<td>Expatriates receive at least eight paid days off for preparation and training</td>
<td>Expatriates receive between one and a maximum of seven days for preparation and training</td>
<td>If paid days off are offered expatriates receive a maximum of seven days for preparation and training</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Decision on paid days off</td>
<td>The decision on the amount of paid days off for preparation and training is based on requirements of the training programs and the recommendations of external consultants or trainers</td>
<td>There are no formal rules or structured processes. The amount of days is granted individually.</td>
<td>There are no formal rules or structured processes. The amount of days is granted individually.</td>
</tr>
<tr>
<td>Family involvement</td>
<td>Families are involved in the cross-cultural assignment preparation process, including cross-cultural training</td>
<td>Families are involved in the cross-cultural assignment preparation process, but receive no cross-cultural training</td>
<td>Families are not involved in the cross-cultural assignment process</td>
</tr>
</tbody>
</table>

Source: developed for this research

4.4 Discussion of the qualitative results

From this analysis, one explanation for the unexpected results of the quantitative data analysis can be derived. It appears that two factors are of particular importance for the cross-cultural assignment preparation of expatriates. On the one hand the general manager has to be convinced that it is important and required to prepare expatriates on cultural differences and on the other hand, when his company has an HR department the general manager has to be aware that if there is no HR employee who is specialized on expatriations, the employees in the HR department are probably not capable of managing the whole process and can also not prepare the expatriates to deal with cultural differences. As it is to be seen in cases two and five the presence of an HR department can also be a hindrance for the preparation of expatriates when the general manager is only involved in the selection of the expatriates and relies regarding the other stages of the cross-cultural assignment preparation process on his HR department. Given that the majority of German Mittelstand-SME’s HR departments are comparable small and only have HR generalists without a focus or experience on expatriation, these HR departments are not capable of managing the whole process. The result of this is that expatriates receive no culture training. On the other hand cases four and ten show, that when general managers are aware of the lack of capacity of the organization to prepare expatriates that external support is used, what professionalizes the process and results in an involvement of the families which also receive culture training.
As to see in case three is that in companies without HR department the general managers can not rely on the support of HR employees and can therefore come quicker to the conclusion that professional support from external consultants or trainers is required to manage the cross-cultural assignment process what explains the finding of the quantitative analysis which indicates that companies without HR department tend more likely to apply at least one cross-cultural training method for expatriates compared to companies which have a HR department. However, in companies without HR department it depends again on the general manager who has to be convinced, that a preparation on cultural differences is important. If this is not the case, expatriates receive no cross-cultural training as to see in case eight.

The question at this point is ‘what determines whether a general manager is convinced that expatriates have to be prepared on cultural differences?’ As already mentioned in section 4.2.5 in the quantitative data analysis there were no significant associations between the time general managers spent in a foreign culture and the use of cross-cultural training methods to prepare the cross-cultural assignments. However, the interviews indicate that all those general managers who spent more than six months in a foreign culture either have already provided cross-cultural training for their expatriates in order to prepare them for cultural differences or have replied in the interviews, in contrast to the general managers who spent less than six months in a foreign culture, that they would provide cultural training for future expatriates. In summary every interview general manager with less than six months of foreign experience applies no single method of cultural training for expatriates, nor are the families involved in the cross-cultural assignment preparation process, regardless if the company has an HR department or not. This suggests a correlation between the time general managers spent in a foreign culture and application of cross-cultural training, which can not be tested with the quantitative data because the potential negative effect of HR departments on the process and the willingness for using external support and application of cross-cultural training in the future have not been covered by the questionnaire.

The purpose of the expert interview at the end of the qualitative analysis was to challenge the explanation of this section with a practitioner and expert in this field. The expert confirmed that according to his experience within larger organizations HR specialists manage the cross-cultural assignment preparation process without involvement of the top management but within organisations which fall under the Mittelstand-SME definition of this research general managers of his customers companies are mostly involved in the whole process. Furthermore the general managers are not only involved in the whole process but the initiative to hire the external experts for expatriates comes from them from them. The reason why the initiative does not come from the HR departments is according to his experience that HR departments are too small and have neither the know how nor the budget for cross-cultural training programs.
and they are permanently under pressure by the finance and controlling departments which are according to the expert one of the greatest preventers of cross-cultural training programs within these organisations. In addition to this the supervision of external trainers and consultants binds beside financial resources also time resources in the HR departments which are scare. The explanation of the unexpected results is therefore according to the interviewed expert plausible and comprehensible.
Chapter 5: Conclusions and implications

The previous chapter described the quantitative data collection via questionnaire and the qualitative data collection process via semi-structured interviews. In this chapter, the results of the quantitative and qualitative analysis phases are brought together. The chapter starts with brief conclusions about the research hypothesis under consideration of the qualitative research results in section 5.1. The conclusion about the research question is described in section 5.2. The subsequent section 5.3 outlines the contributions of this research work to theory and practice and section 5.4 describes the limitations of this research. The chapter closes with recommendations for further research which are outlined in section 5.5.

5.1 Conclusions about research hypotheses

Combining, as presented in figure 5.1, the conceptual model from section 2.9 and the results of the quantitative analysis helps to visualize that the majority of hypotheses had to be rejected while only one hypothesis could be fully confirmed. However, the model does not include the results of the qualitative research and it fails to explain in detail those points where the three predictors influence the cross-cultural assignment preparation of expatriates.

Figure 5.1: Conceptual model with hypotheses testing results

Source: developed for this research
This section aims therefore to give a brief overview of the results of the quantitative data analysis under consideration of the results of the qualitative data analysis in order to support the development of a new model in section 5.2 which only presents the relevant information about how the time general managers spent in a foreign culture, the presence of an HR department and the size of a company influences the cross-cultural assignment preparation of expatriates. The results of the following integration of the qualitative and quantitative results confirm that the applied mixed-methods approach was suitable in order to answer the research question because some quantitative results would have remained unclear without the results of the semi-structured interviews.

Table 5.1: Hypothesis 1

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H1</strong>: In German Mittelstand-SMEs the general managers are in charge of all expatriate preparation activities.</td>
<td>confirmed</td>
</tr>
</tbody>
</table>

*Source: developed for this research*

The findings concerning hypothesis one are not surprising and confirm with the result of a majority of 94.1% general managers who are responsible for the cross-cultural assignment preparation within their companies the findings of the literature. However, the interviews revealed that although the general managers are responsible for the whole cross-cultural assignment process that there are on the one hand general managers who are involved in the whole process but on the other hand there are general managers who are only involved in the selection of expatriates what seems to have a negative influence on the use of external support and the application of cross-cultural training for expatriates what is later on explained in more detail in this section.

Table 5.2: Hypotheses 2 and 3

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H2</strong>: German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates than companies with general managers who have spent less than 12 months in a foreign culture.</td>
<td>partly confirmed only for the trial period on the job and the evaluation of qualifications and experience as selection methods for expatriates</td>
</tr>
</tbody>
</table>
**H3**: German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture provide generally more cross-cultural assignment preparation for their expatriates’ families than companies with general managers who have spent less than 12 months in a foreign culture.

*partly confirmed* for use of method
only for evaluation of foreign experience selection method for expatriates
*confirmed* for overall involvement of the families

*Source: developed for this research*

The findings regarding hypothesis two and three were surprising because with the exception of a trial period on the job ($X^2 = 7.73$, crv = .262, $p = .021$) and the evaluation of qualifications and experience ($X^2 = 8.764$, crv = .278, $p = .013$) as selection methods for expatriates only two out of 62 methods are more to be applied by companies where the general manager has spent more than 12 months in a foreign culture. There was also with the evaluation of foreign experience of families ($X^2 = 7.01$, crv = .249, $p = .03$) only one out of 50 methods for families which is more likely applied by companies with general managers who spent more than 12 months in a foreign culture. Furthermore there was neither a significant association between the time general managers spent in a foreign culture and the application of at least one cultural training method ($X^2 = 2.557$, crv = .150, $p = .278$) for expatriates nor a significant association between the time general managers spent in a foreign culture and the application of at least one cultural training method for families of expatriates ($X^2 = 2.955$, crv = .162, $p = .228$).

However, although there are only a few significant associations in terms of the number of applied methods there is a significant association for the overall involvement of the families and the time general managers spent in a foreign culture. In companies, where the general managers spent more than 12 months in a foreign culture the families of expatriates are more likely to be involved in each of the five stages of the cross-cultural assignment process compared to companies where the general managers spent less than 12 months in a foreign culture, what suggests that the overall involvement of the families in the whole process depends on the time the general managers spent in a foreign culture.

As already mentioned some of these results were surprising because the findings in the literature section 2.6.2 provide strong evidence that expatriates who spent more than 12 months in a foreign culture have experienced three out of four stages of adjustment of Lysgaard’s (1955) U-curve theory of adjustment and are therefore more aware of the difficulties which can occur by cultural differences than somebody who has never experienced an adjustment process to a new culture combined with the fact that the majority of general managers is overall
responsible for the whole process. One could expect that this has an effect on the cross-cultural assignment preparation process. However, although the quantitative analysis could not reveal significant associations for the preparation of expatriates, the interviews suggest that in companies with HR departments general managers who are not involved in the whole process rely regarding the cross-cultural assignment process on the HR departments, regardless of the time they have spent in a foreign culture. This praxis seems to be critical for the cross-cultural assignment preparation process because the interviews revealed further that the HR departments are relatively small and employ only HR generalists without a focus on expatriation what leads to the conclusion that HR departments of German Mittelstand-SMEs are not capable of managing the whole process. Furthermore the interviews revealed that those general managers who spent more than six months in a foreign culture and who are involved in the whole process provide cross-cultural training for the expatriates and their families. Since they are aware that their companies are neither able to manage the process nor to prepare expatriates for their assignment they use external support to ensure a proper preparation. General managers who spent more than 12 months in a foreign culture but are only involved in the selection of expatriates and rely for all other stages on their HR departments replied that they will use external support in the future.

Table 5.3: Hypotheses 5 and 6

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H5</strong>: In companies with 250 up to 499 employees expatriates receive more cross-cultural assignment preparation than expatriates in companies with less than 250 employees.</td>
<td>partly confirmed only for unstructured interviews as selection methods for expatriates</td>
</tr>
<tr>
<td><strong>H6</strong>: In companies with 250 up to 499 employees families of expatriates receive more cross-cultural assignment preparation than families of expatriates in companies with less than 250 employees.</td>
<td>not confirmed</td>
</tr>
</tbody>
</table>

*Source: developed for this research*

Testing of hypotheses five and six aimed to examine if the size of the companies is related to cross-cultural assignment preparation for expatriates and their families. Although the literature suggests that there is a direct correlation between the size of an SME and its level of internationalization, which rises with the size of the SMEs, the quantitative analysis revealed that unstructured interviews \( (x^2 = 5.91, \text{crv} = .221, p = .015) \) are the only methods which are more often applied as selection methods for expatriates in companies with 250 up to 499 employees.
expatriates than in companies with less than 250 employees and there is no method which is more likely applied for the families. There was also no significant association between the size of the companies and the application of at least one cultural training method ($\chi^2 = .025$, crv = .014, p = .516) or the application of at least one cultural training method for families of expatriates ($\chi^2 = .000$, crv = .001, p = .992).

Moreover the results suggest that several methods as for example aptitude/ability tests ($\chi^2 = 5.669$, crv = .216, p = .017), personality questionnaires ($\chi^2 = 6.139$, crv = .225, p = .013) work sample tests ($\chi^2 = 5.317$, crv = .21, p = .021) and the offering of a mentor for repatriates ($\chi^2 = 4.42$, crv = .191, p = .036) are more likely applied as selection methods for expatriates in companies with less than 250 employees than in companies with 250 up to 499 employees. Nevertheless the size of companies seems not to be a predictor for the amount of applied cross-cultural assignment preparation methods what accounts also for the overall involvement of families where there is no significant association between the size of companies and the involvement in all five stages of the cross-cultural assignment preparation process.

**Table 5.4: Hypothesis 8**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H8</strong>: The lack of financial resources is for German Mittelstand-SMEs with up to 249 employees more likely a prime reason for not investing more resources in cross-cultural assignment preparation than for companies with 250 up to 499 employees.</td>
<td>partly confirmed only for the stage of training</td>
</tr>
</tbody>
</table>

*Source: developed for this research*

The literature suggests that the lack of financial resources is a significant factor why smaller companies do not invest more resources in the cross-cultural assignment preparation process. In total only a minority of 5.8% up to 9.1%, depending on the segment of the cross-cultural assignment preparation process, replied that the lack of financial resources is a reason for not investing more resources in the cross-cultural assignment preparation process. However, although the lack of financial resources seems in total not to be a dominant reason for not investing more resources in the process there was a significant association between the lack of financial resources ($\chi^2 = 5.669$, crv = .216, p = .017) as reason for not investing more resources in the segment of training within companies with less than 249 employees.
### Table 5.5: Hypotheses 9 and 10

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H9</strong>: Expatriates receive more cross-cultural assignment preparation in German Mittelstand-SMEs with HR department than expatriates in German Mittelstand-SMEs without HR department.</td>
<td>not confirmed</td>
</tr>
<tr>
<td><strong>H10</strong>: Families of expatriates receive more cross-cultural assignment preparation in companies with HR department than families of expatriates in companies without HR department.</td>
<td>not confirmed</td>
</tr>
</tbody>
</table>

*Source: developed for this research*

The results of hypotheses nine and ten are surprising because even though the literature suggests that companies with HR department have more likely a professional personnel management than companies without HR department, there is according to the research results evidence that in terms of applied methods drug tests/medical checks ($x^2 = 5.036, \text{crv} = .204, p = .025$), aptitude/ability tests ($x^2 = 4.537, \text{crv} = .194, p = .033$), assessment centres ($x^2 = 4.924, \text{crv} = .202, p = .026$), providing of information on leisure activities ($x^2 = 7.064, \text{crv} = .242, p = .008$), language training during the stay ($x^2 = 4.785, \text{crv} = .199, p = .029$) and provision of repatriation counselling to ease adjustment of repatriates ($x^2 = 8.475, \text{crv} = .265, p = .004$) are offered more often by companies without HR departments for expatriates. Comparable is the situation for the preparation of families in companies without HR departments because criminal background checks ($x^2 = 3.872, \text{crv} = .179, p = .049$), aptitude/ability tests ($x^2 = 3.872, \text{crv} = .179, p = .049$) Immersion ($x^2 = 7.809, \text{crv} = .254, p = .005$) and return incentive payments ($x^2 = 3.872, \text{crv} = .179, p = .049$) are more likely applied as methods for the families of expatriates in companies without HR department than in companies with HR department. However, the really interesting result is the association between the application of at least one cross-cultural training method and the presence of HR departments. While there is no significant associations between the presence of HR departments and the application of at least one cross-cultural training method for families of expatriates ($x^2 = .604, \text{crv} = .071, p = .437$) there is a significant association between the presence of HR departments and the application of at least one cross-cultural training method ($x^2 = 3.943, \text{crv} = .181, p = .047$) for expatriates where companies without HR department apply more likely at least one cultural training method compared to companies with an HR department. This result suggests that the presence of HR departments is for the application contrary to expectation, a hindrance which could not be explained by the analysis of the quantitative data. The follow-up interviews lead to an explanation for this. In companies without HR department the general managers can not
rely on their HR departments to manage the whole cross-cultural assignment preparation process and to prepare the expatriates to deal with cultural differences. They are therefore more likely aware that they need external support in order to ensure a proper preparation.

Table 5.6: Hypotheses 4, 7 and 11

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H4</strong>: German Mittelstand-SMEs with general managers who spent more than 12 months in a foreign culture offer more paid days off for preparation and training of expatriates, than German Mittelstand-SMEs with general managers who spent less than 12 months in a foreign culture.</td>
<td>not confirmed</td>
</tr>
<tr>
<td><strong>H7</strong>: Companies with 250 up to 499 offer more paid days off for the preparation and training of expatriates, than German Mittelstand-SMEs with less than 250 employees.</td>
<td>not confirmed</td>
</tr>
<tr>
<td><strong>H11</strong>: Companies with HR department provide more paid days off for preparation and training for expatriates than companies without HR department.</td>
<td>not confirmed</td>
</tr>
</tbody>
</table>

Source: developed for this research

Hypotheses four, seven and eleven aim to examine if the amount of paid days off for expatriates is associated to the time the general manager spent in a foreign culture, to the size of the company or to the presence of an HR department. The results are surprising again, given that there is evidence for each of these three hypotheses in the literature. Nevertheless it appears on basis of the quantitative analysis, that the amount of granted paid days off for expatriates has no association to one of the three predictors because there was no significant association between the time general managers spent in a foreign culture ($x^2 = 4.310, crv = .201, p = .116$), the size of the companies ($x^2 = 0.356, crv = .056, p = .551$) or the presence of HR departments ($x^2 = 0.462, crv = .064, p = .497$) and the amount of paid days off for preparation and training of expatriates. However, the follow up interviews suggest a relationship between the amount of paid days off which are granted for preparation, the time general managers spent in a foreign culture and the use of external support which is not covered by the questionnaire. Every interviewed general manager whose company uses external support offers at least eight paid days off and has a general manager who spent more than six months in a foreign culture while those companies which do not use external support offer only up to seven days for their expatriates while those companies which do not use external support and where the general manager spent less than three months in a foreign culture do not grant any paid days off for their expatriates.
5.2 Answers to the research questions and discussion

The aim of this section is to present the answers to the research questions of this thesis which have been developed in section 1.3.

On the one hand there is the main research question ‘how do German Mittelstand-SMEs which have overseas branch in Asia prepare their expatriates and their families for their cross-cultural assignments and what influence does the time the general managers spent in a foreign culture has on the cross-cultural assignment preparation process?’ and on the other hand three subsequent research questions which were posed in order to increase the quality of the research which were:

1. What are the reasons why German Mittelstand SMEs do not provide sufficient cross-cultural training for their expatriates?

2. Does in German Mittelstand SMEs the general manager decides whether cross-cultural assignment preparation is offered to expatriates or not?

3. Are there other factors such as the size of the company or the presence of HR departments which influence the cross-cultural assignment preparation process?

As presented below, all of these questions could be answered by this research.

The answer to the main research question can be split up into two answers. How German Mittelstand-SMEs prepare their expatriates and their families for their assignments in Asia is in detail presented for each of the five stages of the cross-cultural assignment preparation process in section 4.1 as well as the reasons why German Mittelstand-SMEs do not provide sufficient cross-cultural training for their expatriates what is presented in detail in table 4.4. The main reason is according to the quantitative data with 47.9 % the belief that the applied training methods are sufficient and not the lack of financial resources as suggested by the literature. Furthermore the majority of 94.1% replied that the general managers are responsible for the whole cross-cultural assignment preparation process. The interviews revealed that the level of involvement differs. There are general managers who are involved in the whole process while there are also general managers who are over all responsible and decide about the process but are only involved in the selection stage.

Although there are a few relationships between the frequency of use of methods from the five stages of the cross-cultural preparation process for the expatriates and their families, organisation size of the Mittelstand-SMEs and general manager’s time spent in a foreign culture and
the presence of HR departments in the companies one can summarise, that the number of relationships is by far not sufficient to declare that the three predictors have a noticeable influence on the cross-cultural assignment preparation process. But one can say, that there is strong evidence that the presence of HR department and the time general managers spent in a foreign culture influence the overall involvement of expatriates and their families in the cross-cultural assignment preparation process. The answer to the question what influence the time the general managers spent in a foreign culture has on the cross-cultural assignment preparation process can therefore best be presented with the help of figure 5.2.

**Figure 5.2:** Influence of predictors on the cross-cultural assignment preparation process

Figure 5.2 illustrates that the use of cross-cultural training for expatriates depends as well as the amount of paid days off for preparation of expatriates on the use of external support.

However, the results suggest that the use of external support in turn depends on the one hand on the general manager’s awareness that cultural differences can cause problems and the belief that cross-cultural training is important and on the other hand on the awareness that the company including HR is not capable of preparing expatriates. The interview results suggest that the awareness that cultural differences can cause problems and the belief that cross-cultural training is important depend on the time general managers spent in a foreign culture. The rigor of family involvement also depends on the time the general managers spent in a foreign culture.
The awareness that the company including HR is not capable to prepare expatriates depends indirectly on the presence of an HR department. In companies without HR department the general managers can not rely on HR and can therefore conclude quicker that the company is not capable of preparing expatriates. In companies with HR department the HR department is more likely a hindrance for the awareness that the company is not capable of preparing expatriates when the general manager is not involved in the whole process. The presence of HR departments depends, in the most cases, on the size of the companies. Taking all these points into account there is according to this research strong evidence that it is the time the general manager spent in a foreign culture which determines the use of cross-cultural training for expatriates and the amount of paid days off for preparation and the full involvement in each stage of the cross-cultural assignment preparation process for families of expatriates. Since the discussion of the results is the last stage of the research process figure 5.3 illustrates the whole research process, the applied procedures in each stage and the products of every stage.
### Figure 5.3: Research process

<table>
<thead>
<tr>
<th>Phase</th>
<th>Procedure</th>
<th>Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantitative Data Collection</td>
<td>• Online-Survey (n = 121)</td>
<td>• Numeric data</td>
</tr>
<tr>
<td></td>
<td>• Data screening</td>
<td></td>
</tr>
<tr>
<td>Quantitative Data Analysis</td>
<td>• Frequencies</td>
<td>• Descriptive statistics, missing data, significances</td>
</tr>
<tr>
<td></td>
<td>• Chi-square goodness of fit test</td>
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<td>• Cramers V</td>
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<td>• Adjusted residual</td>
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<td></td>
<td>• Cross tabs</td>
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</tr>
<tr>
<td></td>
<td>• SPSS quan. Software v. 22</td>
<td></td>
</tr>
<tr>
<td>Connecting Quantitative and Qualitative Phases</td>
<td>• Selecting participants</td>
<td>• Cases (n = 10)</td>
</tr>
<tr>
<td></td>
<td>• Developing interview questions</td>
<td>• Interview protocol</td>
</tr>
<tr>
<td>Qualitative Data Collection</td>
<td>• Semi-structured interviews with ten participants</td>
<td>• Text data (interview transcripts and hand notes)</td>
</tr>
<tr>
<td>Qualitative Data Analysis</td>
<td>• Coding and thematic analysis</td>
<td>• Themes</td>
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<td></td>
<td>• Within-case and across-case</td>
<td>• Mind maps</td>
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<td>• Theme development</td>
<td>• Radar chart</td>
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<td></td>
<td>• Cross-thematic analysis</td>
<td>• Similar and different themes and categories</td>
</tr>
<tr>
<td>Integration of the Quantitative and Qualitative Results</td>
<td>• Interpretation and explanation of the quantitative and qualitative results</td>
<td>• Discussion</td>
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<td></td>
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<td>• Implications</td>
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<td>• Further research</td>
</tr>
</tbody>
</table>

**Source:** (Ivankova, Creswell, Stick, 2006, p.16)

### 5.3 Contributions to theory and practice

As described in section 3.1 there are on the continuum of approaches at the one side a pure academic approach without a focus on practical relevance and an on the other side an approach which aims to create knowledge for the world of practice (Gibbons et al., 2004). Since this is a practice oriented DBA research work it clearly aimed to produce knowledge which has practical relevance, nevertheless the results also contributed to theory and helped to fill gaps in the literature what is explained in the following section.
5.3.1 Contributions to theory

The results of this research contribute to Vroom and Yetton’s (1973) contingency model because it shows, that general managers from German Mittelstand SMEs who send expatriates to Asia have the same initial situation and problem to prepare their expatriates, but make their decisions based on different information.

As presented in figure 5.2 the decisions if expatriates receive cross-cultural training and the decision if external supported is used for the preparation depends on the basis of existing information. The general manager has to be aware that cultural differences can cause problems and that cross-cultural training can be helpful to avoid these problems. Furthermore the general manager has to have the information or be aware that the company including the HR department is not capable of preparing the expatriates.

Beside the main findings of this research which have been discussed in sections 5.1 and 5.2 and the contribution to theory this research work helped to fill existing gaps in the literature and furthermore it confirmed and refuted research results of other studies.

Up to now it was not clear, how many German Mittelstand-SMEs have a branch office in China and how many of them have German expatriates working in these branch offices. Neither the German embassy in China, the Delegations of German Industry & Commerce in China nor the Institute for Small and Medium Sized Enterprises had information about this question. This research revealed that less than 450 German Mittelstand-SMEs have a branch office in China and that a maximum of 395 of these companies apply German expatriates in their branch offices in China. This result shows, that although more than 99% of companies in Germany belong to the group of SMEs, this group accounts only for less than 10% of German companies in China.

The literature indicated that in the majority of German SMEs exclusively the general manager decides about foreign assignments and all other related components (Bergmann, 2006, Mins- sen and Schmidt, 2008, IHK Koblenz, 2011). These findings are consistent with the results of this research which indicates that in about 94.1% of the surveyed companies the general managers are responsible for the cross-cultural assignment preparation.

The little available literature about cross-cultural assignment preparation practices of German companies suggested that only 20% of the German expatriates, including all types of organisations, receive any form of cultural training prior to their assignments but the proportion of how many German Mittelstand-SMEs provide cross-cultural training for their expatriates was unknown (Institut für Interkulturelles Management, 2001). This research helped to fill this gap
in the literature by revealing that about 28% of German Mittelstand-SMEs provide at least one cross-cultural training method prior to assignments in Asia.

There has only been little research on the reasons why the majority of German SMEs are not focusing more efforts and resources to the preparation of cross-cultural assignments for which the lack of financial resources seemed responsible (Stroppa and Spiess, 2010). As to see in section 4.1.1 this research revealed the reasons why German Mittelstand-SMEs are not focusing efforts and resources to the preparation of cross-cultural assignments very detailed for each of the five stages of the cross-cultural assignment preparation process. The presumption that the lack of financial resources is a main reason could be disproved by this research because the lack of financial resources is only for a minority of companies a reason for not investing more resources in the cross-cultural assignment preparation process. Depending on the stage of the cross-cultural assignment preparation process between 5 % (selection stage) and 9.1% (training stage) replied that the lack of financial resources is a reason for not investing more resources in the process, while the majority (47.9% up to 72.7% depending on the stage) replied that the current measures are sufficient. This research furthermore revealed that the lack of financial resources is only more likely for the segment of training ($\chi^2 = 5.669, \text{crv} = .216, p = .017$), a reason for companies with up to 249 employees for not investing more resources in the preparation process, than for larger organisations.

It is argued that standardized selection procedures are not visible for foreign assignments in German SMEs (Schmierl, 2011). This could not be confirmed in this study, moreover this research revealed that SMEs apply several methods which they use to select and hire employees for the selection of expatriates what suggests a certain level of standardisation. This is also suggested by the comparable high average number of 5.7 applied selection measures for expatriates (Zibarras and Woods, 2010). That, as suggested in the literature, language skills and the compatibility with family demands seem to be the most important selection criterion for foreign assignments in German SMEs could also only be partly confirmed (Minssen and Schmidt, 2008). In this research the evaluation of qualification and experience is the most often applied selection method, followed by the evaluation of language skills, the assessment of performance, the evaluation of the CV and the work experience abroad. The compatibility with family demands comes only on the sixth spot.

These results have not only relevance in terms contributing to theory and confirming results or filling gaps in the literature but are also of practical relevance for general managers, consultants and trainers and finally educational institutions what is discussed in more detail in the following section.
5.3.2 Contributions to practice

The results of this research are in terms of practical relevance in particular for three groups interesting. The first group consists of general managers of SMEs which apply expatriates or want to apply expatriates in the future while the second group consists of consultants and trainers for cross-cultural assignment preparation who offer their services to companies which want to prepare their expatriates for their cross-cultural assignments. The third group consists of the chambers of commerce who organise the German system of apprenticeship.

5.3.2.1 Relevance for general managers

This research is relevant for general managers of German Mittelstand-SMEs who have expatriates within their organisations or who want to apply expatriates in the future. These general managers can compare the number of applied measures, the types of applied measures and the number of paid days off for preparation with the expatriation process of their own companies. This kind of benchmarking will help the general managers to gain transparency about how other companies of their size prepare their expatriates for their cross-cultural assignments.

Additionally this research suggests that HR departments of German Mittelstand-SMEs are not capable of managing the whole cross-cultural assignment process, including the training for cultural differences and that those general managers who realized this are willing to use external support for upcoming expatriations. This can be food for thought for those general managers who have relied until now on their HR departments without using external support for expatriations, to overthink their current cross-cultural assignment practice or their hiring practice. They might consider now to hire higher qualified HR personnel or to offer continuing professional education to the current HR employees in order to qualify them for the requirements of a company which is applying expatriates.

5.3.2.2 Relevance for consultants and trainers

Since this research revealed that only a minority of about 28% of the surveyed companies applies at least one cross-cultural training method for their expatriates and less than 12% of the surveyed companies apply at least one cross-cultural training method for the families of expatriates, consultants and trainers in this field know now that their potential for services related to cross-cultural assignment preparation is by far not exhausted. This research furthermore highlighted that HR departments of German Mittelstand-SMEs are in the most cases too small and from their function not capable of managing the whole cross-cultural assignment preparation process, including the preparation of expatriates and their families to deal with cultural differences. Another important point is that the lack of financial resources is only for
a minority of 9.1% in the training stage a reason for not investing more resources in the preparation of expatriates, while 47.9% of the surveyed general manager believe that the currently applied measures are sufficient. That suggests that resources for more training measures are available but the general managers have to be convinced that the current applied measures are probably not sufficient. These information can be helpful for upcoming marketing activities or marketing campaigns of consultants or trainers which should rather be aimed at general managers, who are in the most cases responsible for expatriations than HR departments. These campaigns should also address that companies should critical evaluate if their HR departments are capable of managing the process or not and remind the general managers of the importance of a preparation on cultural differences.

The interviews of this research helped to group the companies into three types of companies where ‘type 1’ companies already use external support for expatriations. Some general managers of ‘type 3’ companies, which do not provide any form of cross-cultural training, indicated that they would consider involving the families of expatriates in the existing processes but have not indicated that they want to use external support for the future what makes it difficult to convince them of the importance of a proper cross-cultural assignment preparation. However, general managers of ‘type 2’ companies replied that they have relied on their HR departments but after thinking about the whole process they realized that HR is not capable and replied that they are willing to use external support in the future. Although in practice it will be difficult to identify ‘type 2’ this research suggests that there are good chances to convince general managers of ‘type 2’ companies to use external support in the future.

5.3.2.3 Relevance for educational institutions

Although one would expect that the presence of an HR department professionals all HR related processes, the research results suggest, that HR departments have rather negative effect on the cross-cultural assignment preparation process. As already explained the reason here fore is, that HR departments of German Mittelstand-SMEs are relatively small and are staffed with HR generalists who carry out generic activities like payroll, leave and benefits. This has clearly relevance for the German education system. While larger organisations tend to employ higher qualified HR personnel with university degrees, smaller organisations obviously tend to employ HR employees who completed a commercial apprenticeship within the German system of apprenticeship (vocational college and enterprise) and have therefore lower salary expectations (Haufe, 2012).

While universities offer a broad range of business administration degrees (bachelor and master) with focus on HR the German system of apprenticeship does not offer an apprenticeship
with such a specialisation. Therefore companies tend to employ in their HR departments employees with a general commercial apprenticeship (Haufe, 2012).

As outlined in the literature review, international trade is growing steadily, as well as the contact between employees of different countries and cultures what is especially relevant for Germany, with its strong SME sector and its export oriented economy. The German system of apprenticeship should take this development into account and offer apprenticeships with focus on HR, including international HR management in order to meet the requirements of international oriented organisations which only have small HR departments without university graduates.

5.4 Limitations of the research

Although the results of this research contribute to expatriation theory and practice this research has limitations which have to be considered.

The first point which has to be considered is the spatial restriction of this research. This research is limited to German Mittelstands-SMEs which have a branch office and expatriates in Afghanistan, Azerbaijan, China, Hong Kong, India, Israel, Indonesia, Japan, Malaysia, Philippines, Russia, Singapore, South Korea, Taiwan, Thailand, Turkey, United Arab Emirates or Vietnam. Therefore the results can not automatically be transferred to cross-cultural assignment preparation practices of German Mittelstand-SMEs which send their expatriates to other parts of the world.

Secondly the participation rate has to be considered. Since it is not clear how many German Mittelstand-SMEs have a branch office with German expatriates in the surveyed Asian nations it was not possible to determine the exact population for this research and therefore it is also not clear if a confidence level of 95% has been reached. However, given that only for China the upper limit for German Mittelstand-SMEs has been determined with about 395 companies with 61 valid answers the participant rate was at least 15.44 %. For the case that all of these 395 companies fall under the Mittelstand-SME definition and employ expatriates in China 196 valid answers would have been needed in order to a confidence level of 95% on the other hand the 61 valid answers would have been sufficient reach the confidence level of 95% when out of the 395 companies only 71 would have fallen under the Mittelstand-SME definition of this research and work with German expatriates in China (Saunders et al., 2009, p. 219). Since it is very unlikely that only 71 companies met the requirements to be regarded in this research what would also correspond to a participation rate of 86% it is also very unlikely that a confidence level of 95% has been reached for the Chinese questionnaire. Given that the response rate for
the other surveyed Asian nations was significantly lower than the response rate of the companies from China it is very likely that the total valid responses were not sufficient to obtain the desired confidence level of 95%. The participation rate for the second survey (Asian nations without China) would certainly have been higher when the same process would have been applied in order to determine on the one hand which companies felt under the Mittelstand-SME definition have been applied on the one hand to identify which companies probably belong to the target group of this research and on the other hand the process to collect the personal email addresses of the general managers which is described in section 3.5.2 and has been applied for the Chinese survey. But although the response rate for the Chinese survey was higher it was very likely by far not high enough to reach confidence level of 95% and therefore, the probability is low that a higher participation rate in the second survey would have been sufficient to reach the required number of valid answers and therefore a confidence level of 95%.

Thirdly it has to be considered that the survey did not specifically assess which cross-cultural assignment preparation practices have been applied to different levels of foreign experiences of expatriates and their families. It is unlikely that expatriates and their families of German Mittelstand-SMEs who go to Asia have the same level of foreign experience and therefore it is also unlikely that they require the same preparation process. The preparation requirements of a 25 year old expatriate who goes for the first time to China and an expatriate who is 48 years old and has already been on three cross-cultural assignments are for sure different.

Fourthly the respondents have only been asked to indicate which methods are applied within the cross-cultural assignment preparation process. The frequency of use and the intense of use have not been covered by this research. This is relevant because it surely makes a difference if someone receives two weeks of language training compared to someone who only receives one day of language training.

Fifthly the quantitative data was collected between the 21st December 2015 and 11th March 2016 and the interviews were conducted between the 5th August 2016 and 1st September 2016. Therefore this research was cross-sectional and the results present only a snapshot of the current situation, a development or changes of cross-cultural assignment preparation processes over time have not been examined with this research approach and even if there was no evidence for this in the interviews there is still the risk that the research results can be affected by external factors, in particular by the so called ‘refugees crisis’ and the extensive media coverage which often underlined the problematic of cultural differences what could have increased the sensibility of the general managers for issues which relate to cultural differences (Saunders et al., 2009).
5.5 Recommendations for further research

Following recommendations for further research in this area could be derived from the research results and the limitations of this research work.

Given that the field of expatriation in German SMEs is not very much explored this research work examined how German Mittelstand-SMEs which have overseas branch in Asia prepare their expatriates and their families for their cross-cultural assignments and what influence does the time the general managers spent in a foreign culture have on the cross-cultural assignment preparation process’ (Kontinen and Ojala, 2012, Schmierl, 2011). Although the results of this research work contributes to theory and practice and helps to fill gaps in the literature there is need for further research to explore how German Mittelstand-SMEs in other regions of the world prepare their cross-cultural assignments and if there are differences compared to the cross-cultural assignment preparation process for Asia which have been examined in this research work. As described in the prior section this research also provides an explanation why German SMEs are not focusing more efforts and resources to the preparation of cross-cultural assignments and contributed to fill this gap in the literature but since these explanations are only based on 121 responses further research is required in order to confirm these results.

Furthermore it would be interesting to examine if the cross-cultural assignment preparation process of German Mittelstand-SMEs changes over time what could be done by replicating this research work in the future, what should be possible without major problems, given that the applied approach is detailed explained in this research work. For other researchers who are willing to conduct a similar study it has to be highlighted that the applied approach to identify German Mittelstand-SMEs in China out of thousands of companies and the email addresses of their general managers was very time consuming and required a lot of patience.

This research revealed which methods are applied by German Mittelstand-SMEs within the cross-cultural assignment preparation process but it did not examine the frequency and intense of use of the applied measures which needs to be explored by further research works, as well as if there are differences between the time general managers spent in a foreign culture, the size of organisations, the presence of HR departments and the frequency and use of applied measures.

As already mentioned in section 4.2.5 in the quantitative data analysis there were no significant associations between the time general managers spent in a foreign culture and the use of cultural training methods to prepare the cross-cultural assignments. However, the interviews indicate that all those general managers who spent more than six months in a foreign culture either already provide cultural training for their expatriates in order to prepare them for cultural
differences or have replied in the interviews that they are willing to provide cross-cultural training for future expatriates. This suggests a correlation between the time general managers spent in a foreign culture and application of cross-cultural training, which could not be tested with the quantitative data which has been collected for this research because the potential negative effect of HR departments on the process and the willingness for using external support and the willingness to apply cross-cultural training in the future have not been covered by the questionnaire. Therefore the correlation between time general managers spent in a foreign culture and the use of cross-cultural training methods or the willingness to use it in the future excluding the factor ‘presence of HR department’ which seems to have a negative impact on the application of cross-cultural training methods should be examined in further research.

This leads to the last recommendation for further research. Although the qualitative part of this research suggests a correlation between the time the general managers spent in a foreign culture, the application of cross-cultural training methods and the use of external support it is not clear if other factors, as for example the general manager’s level of ‘intercultural sensitivity’ are relevant factors which influence the cross-cultural assignment preparation processes of German Mittelstand-SMEs. The term ‘intercultural sensitivity’ is a concept originally from Bhawuk and Brislin (1992: 416) and it is argued that it can be measured with the Intercultural Development Inventory (IDI) which is a frequently used instrument to measure intercultural sensitivity in a satisfactory way and it has been applied in several research works and in over 60 doctoral theses (Altshulera et al., 2003, Greenholtz, 2000, Paige et al., 2003).
Chapter 6: Reflective Diary

6.1 Introduction

The aim of this final chapter six is to give an overview about what I learned and how I developed my skills within the DBA program. After five years of working experience I did my 'Bachelor of Business' with a focus on international Business in an international environment at BOND University of Australia. After returning to Germany I continued to work and at the same time I started with a part-time MBA. I really enjoyed both studies and wanted therefore to continue my academic path without stopping to work and the next step was consequently a part-time doctoral degree. After evaluation of different DBA programs I made the decision to apply for the DBA program of the University of Surrey. Relevant decision factors were on the one hand the good reputation and the accreditations of the Surrey Business School and on the other hand that the DBA program has been tailored to German part-time students, because it was important to me that I was able to continue working. The program was divided up into two stages. The first stage consisted of five workshops and the second stage consisted of writing the thesis.

6.2 Workshops

The five workshops took place within the first year in Lippstadt, Germany.

6.2.1 Induction and Philosophical Underpinnings to Research Methods

The first workshop covered the epistemological and ontological underpinnings of research and the main research paradigms. The first assignment was divided up into two parts. In the first part we had to explain 12 terms (e.g. epistemology or validity) and link them to our research proposal. In the second part we had to explain how research design is influenced by the background assumptions based upon different research paradigms and to link this again to our proposed research work. Given that I have never used these concepts before I felt a bit overwhelmed after the first workshop. That is why I had to read a lot in order to get a better understanding of the whole topic. I passed the assignment and I learned how to apply the covered concepts in my thesis.
6.2.2 Quantitative research methods

The second workshop covered quantitative research methods and aimed to give us a deeper understanding of quantitative research methodology, design and methods. The workshop covered furthermore the basics of how to apply SPSS in quantitative research.

During my bachelor studies I have already worked with SPSS, however, the workshop, the assignment and the textbook helped me to refresh my basic SPSS skills and to demonstrate how to use SPSS in a quantitative research work. The assignment helped me to learn how to work with big amounts of numbers and to choose the right methods to analyse these numbers. At this point in time it was clear to me to apply quantitative methods in my research.

6.2.3 Qualitative research methods

Workshop three covered qualitative research methods and aimed to give us a deeper understanding of qualitative research methodology, design and methods. The assignment was again divided up into two parts. In the first part we had to develop a research question with a link to our working environments and in the second part we had to develop a research proposal including a brief literature review, epistemological assumptions and underpinnings of the research, the research design and the applied qualitative data collection method.

My personal outcome of this workshop and the assignment was that I changed my mind in terms of which methods to apply in my thesis. After the first two workshops I considered myself as a pure positivist and I was convinced at this point in time to conduct a pure quantitative research. However, the qualitative research workshop changed my mind and demonstrated that there are research questions which can not be answered with quantitative research methods and that a triangulation of methods can increase the quality of a research work.

6.2.4 Critical evaluation of research

The purpose of this workshop was to learn how to critical evaluate literature sources, especially published research papers. The assignment following the workshop was to analyse and evaluate two articles of which one article had a quantitative and the other article had a qualitative research approach.

Until this workshop I was always in good faith that articles which are published in academic journals are always of very good quality, however, the assignment demonstrated that even I, as a beginner in academic research, was able to identify several weaknesses in one of the two academic papers. I learned that the quality of published papers can differ significantly between
journals and that the ABS list is a good first indicator for the quality of a journal and consequently also for articles which are published in this journal. Furthermore I learned which proof points have to be regarded when literature is analysed.

6.2.5 Proposal writing workshop

The purpose of the proposal writing workshop was, as the name says, to prepare us for the writing of our own research proposal. In contrast to the first four workshops we did not have to write an assignment but our final research proposal at the end of the workshop. The workshop helped me to structure my proposal and to bring in every required point. I chose this research topic because I have noticed during my time in Australia and my visit to China that cultural differences can lead to real problems. Furthermore this topic seemed (and still seems) to be of great practical relevance because although there is a lot of literature available on expatriates assignments there is only little literature available on how German Mittelstand-SME handle cross-cultural assignments processes and what influence the general managers have on these processes.

6.3 Thesis writing

I have experienced the thesis writing as two parts. The first part consisted of the literature review (chapters one and two) and the second part consisted of all other chapters. The literature review was a real challenge for me, because I underestimated the required time at the beginning. What I have also learned at the beginning during the literature review was that scientific work is very different from what I was used to from work. I was used to write reports and to create presentations always very management orientated without considerable discussions. However, my former supervisors Almuth McDowall and Mark Saunders explained to me what they expect from me in terms of discursive writing and supported me until I reached the required level. The thesis writing, especially the writing of the literature review clearly changed the way how I handle tasks today. Regardless if it was my master thesis or a power point presentation in the past I have never started at point ‘a’ and worked through until I reached ‘z’ instead I jumped from ‘b’ to ‘w’ and back to ‘e’. This way of unstructured working was never a real problem until I started with my DBA thesis. I have quickly noticed that I would not be able to succeed without a structured approach and therefore I had to force myself to create and follow a structured method in this research. Therefore I wrote chapters two to six in a row without jumping between the chapters.

The second part of the thesis writing was easier for me because it was practice orientated. Here the workshops have been helpful to choose the research methodology, the research
design and the data collection methods. Without the qualitative research workshop I probably would have tried to answer the research question by only applying quantitative methods. The preparation of the quantitative data collection was very time consuming and took several months, however in retro perspective it was worth it because I was able to refine the target group and thus I managed to contact the general managers directly. The feedback on my emails was very positive and underlined the importance of this research work because I received several emails from general managers who apologized that they could not participate in my research because they do not work with expatriates in China but they would like to get a summary of my results. Also chambers of commerce and consultant companies have asked for the result of my research.

Because the applied questionnaire had been discussed with my supervisor Stephen Woods I was not afraid that the tool might not be sufficient to collect the required data but I have experienced fear in terms that only a few general managers would participate in my research or that nobody would be willing to participate in the semi-structured interviews. These semi-structured interviews turned out to be very important for this research because the results of the quantitative data analysis could not be explained without the interviews, what confirmed the decision for a mixed-method approach.

The last step was to finalise my thesis by checking the literature for new papers or research results which are linked to my research. Against my expectations the field of expatriations in German Mittelstand-SMEs was still not very much covered by the literature what again justifies this research.

6.4 General remarks

During the first workshop we have been asked for our motivation to enroll in the program. My answer in 2010 was that my main motivation for enrolling in this DBA program was for increasing my career options. In Germany a doctoral degree is part of the family name and has a very high reputation what can be helpful for a career in corporations. This motivation has changed over time for two reasons. On the one hand I founded two own companies and therefore a career in a corporation was no longer important to me on the other hand I have worked beside my job for two semesters as a lecturer for entrepreneurship in a university of applied science. This was a great experience and I enjoyed it very much, however, to get a long term contract a doctoral degree is required. Thus the doctoral degree opens a new opportunity for which I would have never got without a doctoral degree, therefore I will use this chance and apply for a long term contract as a lecturer on business schools in my region.
During the last six years I got married, I got a wonderful daughter, due my job I moved three times, I have built a house and I have founded two to companies which run successfully and provide a workplace for 90 employees but during all this time I had a bad feeling because I have not finished the DBA thesis and countless sleepless nights because I was nervous that I would fail to end my thesis on time. To work fulltime as a business consultant and to start a part-time doctoral program was in terms of time management not the best decision, however it was the biggest personal challenge of my life and today I am very proud that I successfully managed to finish the journey which started in February 2010.
References


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Appendix A

Email from China bureau chief of the Wirtschaftswoche

Matthias.Kamp@wiwo.de <Matthias.Kamp@wiwo.de>
An: fabrice.gerdes@googlemail.com

9. Februar 2011 04:15

Sehr geehrter Herr Gerdes,

vielen Dank für Ihre Nachricht!

Tatsächlich gibt der German Company Directory etwa 4000 Unternehmen an. Das sind die Mitgliedsfirmen der deutschen Kammer. Insgesamt sind in China etwa 5000 deutsche Unternehmen vertreten. Quello hier ist mein Gespräch mit dem früheren Chef der AHK Shanghai, Bernd Reifmeier.

Mit besten Grüßen aus Peking

Matthias Kamp
China Bureau Chief

WirtschaftsWoche - The German Business Weekly
Handelsblatt GmbH
Landmark Tower II
Unit 1310
North Dongsanhuang Road 8
100004 Beijing
China

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Fax +86- (0)10 - 6580 0338
Mobile +86-139 11 62 53 73
E-mail matthias.kamp@wiwo.de

Source: Email, received 9th February 2011
Email from the ‘Institut für Mittelstandsfororschung’

Von: Brigitte Günterberg [mailto:guenterberg@ifm-bonn.org]
An: Gerdes, Fabrice (VESSID)
Betreff: Re:

Sehr geehrte Fisu Gerdes,

zu diesem Thema liegen dem IFM Bonn leider keine Erkenntnisse vor.

Mit freundlichen Grüßen

Brigitte Günterberg

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Telefon: +49 228 72997-61  E-Mail: guenterberg@ifm-bonn.org
Telefax: +49 228 72997-94  Internet: http://www.ifm-bonn.org


-------- Original-Nachricht --------
Datum: Fri, 7 Jan 2011 09:25:44 +0100
Von: <Fabrice.Gerdes@ergo.de>
An: <guenterberg@ifm-bonn.org>

Sehr geehrte Damen und Herren,

Für mein Promotionsvorhaben hätte ich gerne gewusst, ob Sie auch Informationen darüber haben, wie und/oder in welcher Intensität der Mittelstand seine Mitarbeiter auf interkulturelle Herausforderungen bei Auslandsinsätzen vorbereitet.

Vielen Dank.

Mit freundlichen Grüßen

Fabrice Gerdes

Source: Email, received 19th January 2011
Sehr geehrte Frau Gerdes,
nach meinem Wissen wurde keiner der beiden Faktoren in dem Survey abgefragt. 
Ihnen ein frohes Weihnachtsfest und ein gesundes Jahr 2011. 
Mit freundlichen Grüßen

Timm Rohwedder
Head of Department for Market Entry

German Industry & Commerce Greater China | Beijing
Landmark Tower II | Unit 6030 | 15, North Efhuanluan Road
Changning District | Beijing 100024 | P.R. China

Phone: +86 10 6539 6689 | Fax: +86 10 6539 6688
Timm Rohwedder@BC.China.ahk.de | www.china.ahk.de

--- Forwarded by timm.rohwedder/EM/Wahhblj on 2010/12/20 19:28 ---

Fabrice <fabrice.gerdes@yahoo.com>
2010/12/18 16:39

--- To: fabrice.gerdes@yahoo.com
--- cc: fabrice.gerdes@yahoo.com
--- Subject: 2007 GC Study

Sehr geehrte Damen und Herren,
beschlagen Ihren 2007 GC Studie habe ich eine Frage.

Wurden auch Faktoren abfragt, die sich mit dem kulturellen
Uberschlagbaren Auffassen haben und ob oder wie der Mitarbeiter seine
Mitarbeiter auf diese Herausforderungen, insbesondere auf
Verhandlungen mit Chinesen vorbereitet hat?

Vielen Dank.
Mit freundlichen Grüßen

Source: Email, received 20th December 2010
Appendix B

Applied German version of questionnaire

(There is no difference between the first questionnaire for China and the second questionnaire for Asia with exception of the region labelling (China / Asia).)
4. Wem gehört die Mehrheit am Unternehmen? (Einfachantwort)
- Eine Person oder eine Familie hält mindestens 50% der Unternehmensanteile
- Mehr als 50% der Unternehmensanteile befinden sich im Streubesitz

Sonstiges (bitte angeben)

5. Wer führt das Unternehmen? (Mehrfachantwort)
- Eine Person oder ein Familienmitglied der Familie die mindestens 50% der Unternehmensanteile hält.
- Eine Person oder ein Familienmitglied der Familie die weniger als 50% der Unternehmensanteile hält.
- Eine angestellte Person, die keine Unternehmensanteile hält

Sonstiges (bitte angeben)

6. Wie viele Mitarbeiter (Vollzeit, Teilzeit und geringfügig beschäftigte Mitarbeiter) hat Ihr Unternehmen? (Einfachantwort)
- 1 bis 9
- 10 bis 49
- 50 bis 249
- 250 bis 499
- Mehr als 500

7. Entsendet Ihr Unternehmen oder hat Ihr Unternehmen Mitarbeiter nach China für einen Zeitraum von mindestens einem Jahr und maximal fünf Jahren entsandt? (Einfachantwort)
- Ja
- Nein
- Nicht nach China, aber in andere Länder

8. Hat Ihr Unternehmen eine Personalabteilung? (Einfachantwort)
- Ja
- Nein
9. Wer trifft in Ihrem Unternehmen die finale Entscheidung, in wieweit Expatriates (Auslandsentsendungen) auf ihre Aufgaben vorbereitet werden? (Einfachantwort)

- Geschäftsführung / Inhaber / Vorstand
- Die Personalauswahl

Eine andere Person trifft die finale Entscheidung (bitte angeben)

10. Welche Kriterien und Methoden werden für die Auswahl von Expatriates in Ihrem Unternehmen herangezogen? (Mehrfachantwort)

- Anmeldeformular
- Lebenslauf
- Medizinischer Test
- Polizeiliches Führungszeugnis
- Eignungstest
- Persönlichkeitstest
- Probeaufenthalt im Zielland und in der Zielfirma
- Arbeitssuche
- Unstrukturiertes Interview
- Strukturiertes Interview
- Gruppenaufgabe
- Prüfung vorhandener Referenzen
- Assessment-Center
- Qualifikation und Erfahrung
- Auslandserfahrung
- Sprachkenntnisse
- Alter und Familiensituation
- Bisherige Leistungen im Unternehmen
- Auswahl durch Vorgesetzte
- Intercultureller Kompetenz Test
- Intercultural Readiness Check (IRC)
- Sonstiges (bitte angeben)
11. Was hindert Ihr Unternehmen daran, neben den oben ausgewählten Maßnahmen, weitere Ressourcen für das Auswahlverfahren aufzuwenden? (Mehrfachantwort)

- Auswahlverfahren sind nicht effektiv
- Ein Mangel an Zeit bis zum Beginn der Auslandsentsendung
- Die Auslandsentsendung ist zu kurz (mindestens 1 Jahr) als das sich der Aufwand lohnen würde
- Es gibt keinen Bedarf für solche Maßnahmen
- Das Unternehmen hat nicht genügend finanzielle Ressourcen
- Der vorhandene Auswahlprozess ist ausreichend

Sonstiges (bitte angeben)

12. Ist die Familie des Expatriates in den Auswahlprozess eingebunden? Falls ja, mit welchen Maßnahmen? (Mehrfachantwort)

- Lebenslauf
- Medizinischer Test
- Polizeiliches Führungszeugnis
- Eignungstest
- Persönlichkeits Test
- Probeaufenthalt im Zielland
- Unstrukturiertes Interview
- Strukturiertes Interview
- Assessment-Center
- Auslandserfahrung
- Sprachkenntnisse
- Alter und Familien situation
- Intercultural Readiness Check (IRC)

Sonstiges (bitte angeben)
13. Wie werden die Expatriates auf ihre Aufgaben vorbereitet (exklusive Training)?
(Mehrfachantwort)

- Vorabbesuch des Ziellandes
- Bereitstellen von Informationen über Expatriate-Clubs und Vereinigungen im Zielland
- Übernahme der Kosten für Mitgliedschaften in Expatriate-Clubs
- Bereitstellen von Informationen über steuerliche Auswirkungen der Auslandsentsendung
- Bereitstellen von detaillierten Informationen über die Vergütung
- Bereitstellen von detaillierten Informationen über das Zielland und den Kulturraum

Sonstiges (bitte angeben)

14. Was hindert Ihr Unternehmen daran, neben den oben ausgewählten Maßnahmen, weitere Ressourcen für die Vorbereitung aufzuwenden? (Mehrfachantwort)

- Der Expatriate ist für seine Vorbereitung seber verantwortlich
- Vorbereitungsmaßnahmen haben keinen Effekt
- Der Mangel an Zeit bis zum Beginn der Auslandsentsendung
- Die Auslandsentsendung ist zu kurz (mindestens 1 Jahr) als das sich der Aufwand lohnen würde
- Das Unternehmen hat nicht genügend finanzielle Ressourcen
- Die vorhandenen Vorbereitungsmaßnahmen sind ausreichend

Sonstiges (bitte angeben)

15. Ist die Familie des Expatriates in den Vorbereitungsprozess eingebunden? Falls ja, mit welchen Maßnahmen? (Mehrfachantwort)

- Vorabbesuch des Ziellandes
- Bereitstellen von Informationen über Expatriate-Clubs und Vereinigungen im Zielland
- Übernahme der Kosten für Mitgliedschaften in Expatriate-Clubs
- Bereitstellen von Informationen über steuerliche Auswirkungen der Auslandsentsendung
- Bereitstellen von detaillierten Informationen über die Vergütung
- Bereitstellen von detaillierten Informationen über das Zielland und den Kulturraum

Sonstiges (bitte angeben)
16. Welche Form von Training wird Expatriates angeboten? (Mehrfachantwort)

- Contrast-Culture-Training
- Culture Assimilator
- Cross-cultural analysis
- Cross-cultural dialogues
- Immersion
- Praxiserfahrung im Zielland
- Austausch mit ehemaligen Expatriates
- Sprachtraining
- Regionalwissenschaft (zur Verfügungstellung detaillierter Informationen)
- Simulationstraining
- Sensibilitästraining
- Rollenspiele
- Stressreduktionstraining
- Sensibilitästraining
- Critical Incident Technik

Sonstiges (bitte angeben)

17. Was hindert Ihr Unternehmen daran, neben den oben ausgewählten Maßnahmen, weitere Ressourcen für Trainingsmaßnahmen aufzuwenden? (Mehrfachantwort)

- Kulturelle Trainingsmaßnahmen sind nicht effektiv
- Ehemalige Expatriates waren mit den Trainingsmaßnahmen unzufrieden
- Der Mangel an Zeit bis zum Beginn der Auslandsentsendung
- Die Auslandsentsendung ist zu kurz (mindestens 1 Jahr) als das sich der Aufwand lohnen würde
- Es gibt keinen Bedarf für Trainingsmaßnahmen
- Das Unternehmen hat nicht genügend finanzielle Ressourcen
- Ehemalige Expatriates hatten kein Interesse an Trainingsmaßnahmen
- Das vorhandene Training ist ausreichend

Sonstiges (bitte angeben)
18. Ist die Familie des Expatriates in die Trainingsmaßnahmen eingebunden? Falls ja, mit welchen Maßnahmen? (Mehrfachantwort)

- Contrast-Culture-Training
- Culture Assimilator
- Cross-cultural analysis
- Cross-cultural dialogues
- Immersion
- Praxiserfahrung im Zielland
- Austausch mit Familien von ehemaligen Expatriates
- Sprachtraining
- Regionalwissenschaft (zur Verfügungstellung detaillierter Informationen)
- Simulationstraining
- Sensitivitätstraining
- Rollenspiele
- Stressreduktionsstraining
- Sensibilitätstraining
- Critical Incident Technik

Sonstiges (bitte angeben)

19. Wie viele volle Arbeitstage wird der Expatriate für die Vorbereitung und Training von der Arbeit freigestellt? (Einfachantwort)

- 0 Tage
- bis zu 7 Tage
- 8 Tage bis zu 30 Tage
- 31 bis 60 Tage
- Mehr als 60 Tage
20. Welche Unterstützung wird Expatriates während des Auslandsaufenthaltes geboten?  
(Mehrfachantwort)

- Lokaler Ansprechpartner  
- Ansprechpartner in der deutschen Zentrale  
- Informationen zu Freizeitaktivitäten  
- Kontakt zu anderen Expatriates  
- Kontakt zu Einheimischen  
- Unterstützung bei Umzugsvorbereitungen am Ende des Auslandsaufenthaltes  
- Regelmäßiger formaler Austausch mit Kollegen und Vorgesetzten aus der deutschen Zentrale  
- Regelmäßige Informationen aus der deutschen Zentrale (z.B. Newsletter)  
- Sprachtraining  
- Kulturtraining

Sonstiges (bitte angeben)

21. Was hindert Ihr Unternehmen daran, neben den oben ausgewählten Maßnahmen, weitere Ressourcen für Unterstützungsmaßnahmen aufzuwenden? (Mehrfachantwort)

- Unterstützung während des Auslandsaufenthalts ist nicht notwendig  
- Vorerheite Expatriates haben Unterstützungsangebote nicht angenommen  
- Das Unternehmen hat nicht genügend finanzielle Ressourcen  
- Die vorhandenen Unterstützungsmaßnahmen sind ausreichend

Sonstiges (bitte angeben)
22. Erhält die Familie des Expatriates während des Auslandsaufenthalt Unterstützung? Falls ja, welche Maßnahmen? (Mehrfachantwort)

- Lokaler Ansprechpartner
- Informationen zu Freizeitaktivitäten
- Kontakt zu Familien anderer Expatriates
- Unterstützung bei Umzugsvorbereitungen am Ende des Auslandsaufenthaltes
- Sprachtraining
- Kulturtraining

Sonstiges (bitte angeben)

23. Was bieten Sie rückkehrenden Expatriates am Ende der Auslandsentsendung an, insofern Sie diese halten möchten? (Mehrfachantwort)

- Rückkehrprämie
- Garante, dass der Rückkehrer eine Aufgabe mit größerer Verantwortung erhält
- Bezahnte Flüge vor dem Ende des Auslandsentsendung um die Rückkehr zu organisieren
- Übernahme der Kosten für die Rücksendung der persönlichen Sachen
- Der Rückkehrer erhält einen Mentor in der Zentrale
- Ein formales Gespräch um die Eindrücke der Entsendung zu besprechen und um offene Punkte der Rückkehr zu adressieren
- Ein soziales Event um den Heimkehrer zu begrüßen
- Angebot einer Rückkehr-Beratung um das Wiedereinleben zu erleichtern
- Herstellung eines Kontaktes zu anderen Rückkehrern
- Nutzung des Rückkehrers als Trainer und Ansprechpartner für künftige Expatriates

Sonstiges (bitte angeben)
24. Was hindert Ihr Unternehmen daran, neben den oben ausgewählten Maßnahmen, weitere Ressourcen für Rückkehrermaßnahmen aufzuwenden? (Mehrfachantwort)

☐ Rückkehrermaßnahmen sind nicht effektiv
☐ Es besteht kein Bedarf für solche Maßnahmen
☐ Die Auslandsentsendung ist zu kurz (mindestens 1 Jahr) als das sich der Aufwand lohnen würde
☐ Das Unternehmen hat nicht genügend finanzielle Ressourcen
☐ Die vorhandenen Maßnahmen sind ausreichend

Sonstiges (bitte angeben)

25. Erhält die Familie des Expatriates nach der Rückkehr Unterstützung? Falls ja, welche Maßnahmen? (Mehrfachantwort)

☐ Rückkehrprämie
☐ Bezahlte Flüge vor dem Ende des Auslandsentsendung um die Rückkehr zu organisieren
☐ Übernahme der Kosten für die Rücksendung der persönlichen Sachen
☐ Ein formales Gespräch um die Eindrücke der Entsendung zu besprechen und um offene Punkte der Rückkehr zu adressieren
☐ Ein soziales Event um die Familie zu begrüßen
☐ Angebot einer Rückkehr-Beratung um das Wiedereinleben zu erleichtern
☐ Herstellung eines Kontaktes zu Familien anderer Rückkehrer
☐ Nutzung der Familie als Ansprechpartner für künftige Expatriate-Familien

Sonstiges (bitte angeben)

26. Darf ich mich bei Rückfragen mit Ihnen in Verbindung setzen?

☐ Nein
☐ Ja, meine E-Mailadresse lautet:

[Field for E-Mail address]
**English translation of the questionnaire**

<table>
<thead>
<tr>
<th>Question No.</th>
<th>Answer No.</th>
<th>Questions and answer options</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>General manager / managing director / Owner</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Owner</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>CEO</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Other (please explain)</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>Less than 3 months</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>3 to 6 months</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>6 to 12 months</td>
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<tr>
<td></td>
<td>4</td>
<td>More than 12 months</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Unknown</td>
</tr>
<tr>
<td>3</td>
<td>1</td>
<td>I do not own shares of the company</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Up to 5%</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>More than 5% up to 10%</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>More than 10% up to 20%</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>More than 20% up to 25%</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>More than 25% up to 50%</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>More than 50%</td>
</tr>
<tr>
<td>4</td>
<td>1</td>
<td>Up to two persons or their family members hold at least 50% of the company shares</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>More than 50% of the company shares are in free float</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Other (please explain)</td>
</tr>
<tr>
<td>5</td>
<td>1</td>
<td>Up to two persons or their family members who hold at least 50% of the company shares</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>A person who owns (or its family members) less than 50% of the company shares</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Manager without company shares</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Other (please explain)</td>
</tr>
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<td>6</td>
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<td>5</td>
<td>More than 500</td>
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<td>---</td>
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<td></td>
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<tr>
<td><strong>7</strong></td>
<td>Does your company send expatriates to China for at least one year and maximal five years? <em>Single choice</em></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Not to China but to other regions</td>
<td></td>
</tr>
<tr>
<td><strong>8</strong></td>
<td>Does your company has an HR department? <em>Single choice</em></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td><strong>9</strong></td>
<td>Who is finally responsible within your company whether expatriates are prepared for their assignments or not? <em>Single choice</em></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>General manager / Director / Owner / MD</td>
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</tr>
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<td>HR department</td>
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<td>Other (please explain)</td>
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<tr>
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<tr>
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<td>Curriculum vitae</td>
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<tr>
<td>3</td>
<td>Drug test/medical check</td>
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<td>4</td>
<td>Criminal background check</td>
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</tr>
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<td>5</td>
<td>Aptitude/ability test</td>
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</tr>
<tr>
<td>6</td>
<td>Personality questionnaire</td>
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</tr>
<tr>
<td>7</td>
<td>Trial period on the job</td>
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<tr>
<td>8</td>
<td>Work sample test</td>
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<tr>
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<td>Unstructured interview</td>
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<td>Structured interview</td>
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<td>Group exercises</td>
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<td>13</td>
<td>Assessment centre</td>
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<tr>
<td>14</td>
<td>Qualifications and experience</td>
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<td>15</td>
<td>Work experience abroad</td>
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<td>16</td>
<td>Language ability</td>
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<td>17</td>
<td>Age and family situation</td>
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</tr>
<tr>
<td>18</td>
<td>Assessment of performance</td>
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</tr>
<tr>
<td>19</td>
<td>Selection by superiors</td>
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<tr>
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<td>22</td>
<td>Other (please explain)</td>
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<td><strong>11</strong></td>
<td>What prevents the company from investing more resources in the selection process? <em>Multiply choice</em></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Selection processes are not effective</td>
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</tr>
<tr>
<td>2</td>
<td>The lack of time prohibits a selection process</td>
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</table>
The assignment is relatively short (at least one year) it does not warrant budget expenditures on selection.

There is no need for such measures.

The company has no financial resources to invest in selection measures.

The selection process is sufficient.

Other (please explain)


1. Curriculum vitae
2. Drug test/medical check
3. Criminal background check
4. Aptitude/ability test
5. Personality questionnaire
6. Trial period in the foreign culture
7. Unstructured interview
8. Structured interview
9. Assessment centre
10. Foreign experience
11. Language ability
12. Age and family situation
13. Intercultural competence assessment
14. Intercultural readiness check
15. Other (please explain)

How are the expatriates prepared for their assignments (without training)? Multiply choice (Marchant and Medway, 1987, Oddou, 1991)

1. Pre visit to the host country
2. Providing information about expatriate clubs in the host country
3. Paying membership fees for expatriate clubs for the expatriate and his/her family
4. Providing detailed information about fiscal impacts
5. Providing detailed information about the compensation package
6. Providing detailed information about the host country and its culture
7. Other (please explain)

What prevents the company from investing more resources in the preparation process? Multiply choice

1. The employee is responsible for his/her preparation
2. Preparation measures have no effect
3. The lack of time between selection and relocation does not allow any preparation measures
4. The assignment is relatively short (at least one year) it does not warrant budget expenditures on preparation
5. The company has no financial resources to invest in preparation measures
6. The preparation process is sufficient
7. Other (please explain)
Is the expatriates' family involved in the preparation process? If so, what measures are applied? *Multiply choice* (Marchant and Medway, 1987, Oddou, 1991)

1. Pre visit to the host country
2. Providing information about expatriate clubs in the host country
3. Paying membership fees for expatriate clubs for the expatriate and his/her family
4. Providing detailed information about fiscal impacts
5. Providing detailed information about the compensation package
6. Provide detailed information about the host country and its culture
7. Other (please explain)


1. Contrast culture training
2. Culture assimilator
3. Cross-cultural analysis
4. Cross-cultural dialogues
5. Immersion
6. Field experience in the target country
7. Discussions with former expatriates
8. Language training
9. Area studies (information giving)
10. Simulations
11. Sensitivity training
12. Role playing
13. Stress reduction training
14. Cultural-awareness training
15. Critical Incidents
16. Other (please explain)

What prevents the company from investing more resources in training for the expatriates? *Multiply choice*

1. Training programs are not effective
2. Former expatriates have been dissatisfied with training measures
3. The lack of time between selection and relocation prohibits in-depth training
4. The overseas assignment is relatively short (at least one year) it does not warrant budget expenditures on training
5. There is no need for training
6. The company has no financial resources to invest in cross-cultural assignment preparation
7. Former expatriates did not want to participate in training
8. The training process is sufficient
9. Other (please explain)


1. Contrast culture training
2. Culture assimilator
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<td>6</td>
<td>Field experience in the target country</td>
</tr>
<tr>
<td>7</td>
<td>Discussions with families of former expatriates</td>
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<td>8</td>
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</tr>
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<td>9</td>
<td>Area studies (information giving)</td>
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<td>Simulations</td>
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<td>11</td>
<td>Cultural-awareness training</td>
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<td>12</td>
<td>Role playing</td>
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<td>13</td>
<td>Stress reduction training</td>
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<td>14</td>
<td>Cultural-awareness training</td>
</tr>
<tr>
<td>15</td>
<td>Critical Incidents</td>
</tr>
<tr>
<td>16</td>
<td>Other (please explain)</td>
</tr>
</tbody>
</table>

**19.** How many working days does the expatriate get off work (paid) for preparation and training? *Single choice*

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<thead>
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<tr>
<td>2</td>
<td>up to 7 days</td>
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<tr>
<td>3</td>
<td>8 up to 30 days</td>
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<tr>
<td>4</td>
<td>31 up to 60 days</td>
</tr>
<tr>
<td>5</td>
<td>More than 60 days</td>
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</table>


<p>| | |</p>
<table>
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<td>Local contact</td>
</tr>
<tr>
<td>2</td>
<td>Contact in the German HQ</td>
</tr>
<tr>
<td>3</td>
<td>Information on leisure activities</td>
</tr>
<tr>
<td>4</td>
<td>Contact to other expatriates</td>
</tr>
<tr>
<td>5</td>
<td>Contact to locals</td>
</tr>
<tr>
<td>6</td>
<td>Relocation services at the end of the assignment</td>
</tr>
<tr>
<td>7</td>
<td>Formal regular exchange between the expatriate and his/her colleagues and superiors in the head office</td>
</tr>
<tr>
<td>8</td>
<td>Regular information from the HQ (e.g. newsletter)</td>
</tr>
<tr>
<td>9</td>
<td>Language training</td>
</tr>
<tr>
<td>10</td>
<td>Cross-cultural training</td>
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<td>11</td>
<td>Other (please explain)</td>
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**21.** What prevents the company from investing more resources in the support of the expatriates? *Multiply choice*

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<tr>
<td>2</td>
<td>Former expatriates were not engaged in support measures</td>
</tr>
<tr>
<td>3</td>
<td>The company has no financial resources to provide support during the stay</td>
</tr>
<tr>
<td>4</td>
<td>The support process is sufficient</td>
</tr>
<tr>
<td>5</td>
<td>Other (please explain)</td>
</tr>
</tbody>
</table>

1. Local contact
2. Information on leisure activities
3. Contact to families from other expatriates
4. Contact to locals
5. Relocation services at the end of the assignment
6. Language training
7. Cross-cultural training
8. Other (please explain)

What kind of measures is offered to repatriates which you want to keep in the organisation? Multiply choice (Chew and Debowski, 2008)

1. Return incentive payment
2. Assurance that the expatriate will get a return job with greater responsibility
3. Paid pre visits to home country to organize the returning
4. Shipment of personal goods is expedited
5. Expatriate gets a mentor in the headquarter
6. Post assignment interview to review the view on the assignment and to address any repatriation issues
7. Social event to welcome back the expatriate
8. Provision of repatriation counselling to ease adjustment
9. Repatriate directory to establish contact with other repatriates
10. Using of the repatriate as trainer for future expatriates
11. Other (please explain)

What prevents the company from investing more resources in the repatriation of expatriates? Multiply choice

1. Repatriation programs are not effective
2. There is no need for such measures
3. The assignment is relatively short (at least one year) it does not warrant budget expenditures on repatriation
4. The company has no financial resources to invest in such measures
5. The repatriation process is sufficient
6. Other (please explain)

What kind of measures are offered to the families of repatriates? Multiply choice (Chew and Debowski, 2008)

1. Return incentive payment
2. Paid pre visits to home country to organize the returning
3. Shipment of personal goods is expedited
4. Post assignment interview to review the view on the assignment and to address any repatriation issues
5. Social event to welcome back the expatriate
6. Provision of repatriation counselling to ease adjustment
7. Repatriate directory to establish contact with families of other repatriates
8. Using of the family as contact for future expatriates families
<table>
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<th>Other (please explain)</th>
</tr>
</thead>
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<td>26</td>
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</table>

Do you agree to be contacted for further questions? If you do so, please leave your email address. *Single choice*

1. No
2. Yes, my email address is …
Appendix C

Cover letter – original German version for China

Sehr geehrter Herr …,


Link zur Umfrage https://de.surveymonkey.com/r/CPHT837

Alsdankeschön für Ihre Teilnahme stelle ich Ihnen auf Wunsch die Ergebnisse gerne in Form einer Zusammenfassung nach Veröffentlichung der Arbeit zur Verfügung, damit Sie einen Überblick darüber haben, wie vergleichbare Unternehmen ihre Auslandsentsendungen auf Aufgaben im Ausland vorbereiten.

Die Daten werden von meiner Seite her vollständig anonymisiert verwendet, so dass keinerlei Rückschluss auf Ihre Teilnahme in der Arbeit möglich ist. Sie können die Befragung jederzeit abbrechen. Die Ergebnisse der Umfrage werden ausschließlich für meine Doktorarbeit verwandt.

Es würde mich sehr freuen, wenn Sie mich unterstützen würden.

Vielen Dank im Voraus.

Mit freundlichen Grüßen

Fabrice Gerdes

Caldenhofer Weg 257 b
59069 Hamm

f.gerdes@surrey.ac.uk

University of Surrey, Faculty of Business, Economics and Law Guildford, Surrey GU2 7XH England
Cover letter – English version for China

Dear Ms / Mr …

I am a doctoral student at the University of Surrey in England. The aim of my doctoral thesis is to examine how German SMEs prepare their expatriates for assignments in Asia and which influence the general managers have on the preparation process. My research has shown, that your company is active in Asia. Therefore I would like to kindly ask you to participate in my survey which will take between five and ten minutes to complete.

You can start the questionnaire by clicking on the link: https://de.surveymonkey.com/r/CPHT837

As a thank you for your participation you can receive a summary of the research results following the publication of my research work. This summary gives you an insight how comparable German companies prepare their expatriates for their assignments in Asia.

All information collected in this research will remain confidential, anonymous and will only be used for research purposes. Participation is strictly voluntary and you may refuse to undertake it at any time.

I would be very happy if you would support me

Thanks in advance

With kind regards
Fabrice Gerdes

Caldenhofer Weg 257 b
59069 Hamm
f.gerdes@surrey.ac.uk

University of Surrey
Faculty of Business, Economics and Law Guildford Surrey GU2 7XH England
Sehr geehrte Damen und Herren,

ich bin Promotionsstudent an der University of Surrey in England. Ziel meiner Doktorarbeit ist die Untersuchung, wie deutsche mittelständische Unternehmen ihre Auslandsentsendungen (Expatriates) im Vergleich zu anderen deutschen Unternehmen auf ihre Aufgaben im Ausland vorbereiten und welchen Einfluss die jeweilige Geschäftsführung auf den Vorbereitungsprozess hat.


Link zur Umfrage https://de.surveymonkey.com/r/CPHT837

Als Dankeschön für Ihre Teilnahme stelle ich Ihnen auf Wunsch die Ergebnisse gerne in Form einer Zusammenfassung nach Veröffentlichung der Arbeit zur Verfügung, damit Sie einen Überblick darüber haben, wie vergleichbare Unternehmen ihre Auslandsentsendungen auf Aufgaben im Ausland vorbereiten.

Die Daten werden von meiner Seite her vollständig anonymisiert verwendet, so dass keinerlei Rückschluss auf Ihre Teilnahme in der Arbeit möglich ist. Sie können die Befragung jederzeit abbrechen Die Ergebnisse der Umfrage werden ausschließlich für meine Doktorarbeit verwandt.

Es würde mich sehr freuen, wenn Sie mich unterstützen würden.

Vielen Dank im Voraus.

Mit freundlichen Grüßen

Fabrice Gerdes

caldenofer Weg 257 b
59069 Hamm

f.gerdes@surrey.ac.uk

University Of Surrey, Faculty of Business, Economics and Law
Guildford, Surrey GU2 7XH
England
Dear Sir or Madame,

I am a doctoral student at the University of Surrey in England. The aim of my doctoral thesis is to examine how German SMEs prepare their expatriates for assignments in Asia and which influence the general managers have on the preparation process. My research at the AHK has shown, that your company is active in Asia. Therefore I would like to ask you to forward this request for participating in my survey to your general manager or the person who is responsible for expatriations. If you are responsible I would like kindly to ask you to participate in my survey which will take between five and ten minutes to complete.

You can start the questionnaire by clicking on the link: https://de.survey-monkey.com/r/CPHT837

As a thank you for your participation you can receive a summary of the research results following the publication of my research work. This summary gives you an insight how comparable German companies prepare their expatriates for their assignments in Asia.

All information collected in this research will remain confidential, anonymous and will only be used for research purposes. Participation is strictly voluntary and you may refuse to undertake it at any time.

I would be very happy if you would support me

Thanks in advance

With kind regards

Fabrice Gerdes

Caldenhofer Weg 257 b
59069 Hamm
f.gerdes@surrey.ac.uk

University of Surrey
Faculty of Business, Economics and Law
Guildford Surrey GU2 7XH
England
Appendix E

Cover letter – original German interview request

Sehr geehrter Herr / Frau …,

Sie waren so freundlich und haben mich am Anfang des Jahres durch die Teilnahme an meiner Umfrage bei meiner Promotion unterstützt. Für eventuelle Fragen haben Sie Ihre Emailadresse hinterlassen und ich hätte gerne gewusst, ob Sie in den kommenden ein bis drei Wochen für wenige Fragen ggf. 30 bis maximal 60 Minuten Zeit für ein Telefonat hätten. Ich würde mich terminlich nach Ihnen richten und über einen Termin und eine Telefonnummer freuen, unter der ich Sie anrufen darf.

Vielen Dank im Voraus.

Mit freundlichen Grüßen

Fabrice Gerdes

Caldenhofer Weg 257 b
59069 Hamm
f.gerdes@surrey.ac.uk

University of Surrey
Faculty of Business, Economics and Law Guildford Surrey GU2 7XH England
Dear Ms / Mr …

you have been so kind to support my doctoral research work by participating in my survey at the beginning of this year. You have also indicated to be willing to answer further questions and therefore I would like to know if you have time for a phone call which will last between 30 minutes and a maximum of one hour within the next three weeks. I would be happy if you could suggest a date and a phone number where I can reach you.

Thanks in advance

With kind regards

Fabrice Gerdes

Caldenhofer Weg 257 b
59069 Hamm
f.gerdes@surrey.ac.uk

University of Surrey
Faculty of Business, Economics and Law
Guildford Surrey GU2 7XH
England
Appendix F

Single responses to question 1

Source: developed for this research

Clustered responses to question 1

Source: developed for this research

Single responses to question 2

Source: developed for this research
Clustered responses to question 2

Source: developed for this research

Single responses to question 3

Source: developed for this research

Clustered responses to question 3

Source: developed for this research
Single responses to question 4

Source: developed for this research

Clustered responses to question 4

Source: developed for this research

Single responses to question 5

Source: developed for this research
Clustered responses to question 5

Source: developed for this research

Single responses to question 6

Source: developed for this research

Clustered responses to question 6

Source: developed for this research
Single responses to question 7

Source: developed for this research

Clustered responses to question 7

Source: developed for this research

Single responses to question 8

Source: developed for this research
Clustered responses to question 8

Based on training program and recommendation of consultants (n=3)

Case 1
Case 3
Case 4
Case 10

No structured process or rules (n=5)

Case 2
Case 5
Case 6
Case 7
Case 8

On what basis does your organisation decide how many paid days off designated expatriates receive for their preparation and training?

Source: developed for this research

Single responses to question 9

Today I believe that it is very important and that we will have to do it in the future

Case 7

It is important

Case 8

The topic is important

Case 9

This is an absolutely key issue

Case 10

How important is the family involvement in the cross-cultural assignment preparation process?

Case 1

Not very important

Case 2

Extremely important for the assignment

Case 3

It is a point but personally I do not believe that it is crucial

Case 4

Always very important, especially the preparation

Case 5

Very important, it is a key factor

Case 6

I guess this is important, we have to work on this

Source: developed for this research

Clustered responses to question 9

How important is the family involvement in the cross-cultural assignment preparation process?

Case 1
Not very important (n=2)

Case 3

Very important (n=8)

Source: developed for this research
Appendix G

SPSS output of quantitative data analysis

Significant results are presented in bold numbers and numbers highlighted in red denote results with adjusted standardized residuals greater than +2 or -2.

Expatriates: selection stage

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Source: developed for this research
Expatriates: preparation stage

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<td>Provide detailed information about the host country and its culture</td>
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Source: developed for this research
## Expatriates: training stage

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*Source: developed for this research*
# Expatriates: support during the stay

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*Source: developed for this research*
### Expatriates: Repatriation stage

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<td>4</td>
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<td>Using of the repatriate as trainer for future expatriates</td>
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**Source:** developed for this research
## Families: selection stage

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<td>2 Drug test/medical check</td>
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<td>.046</td>
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<td>3 Criminal background check</td>
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<td>.123</td>
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<tr>
<td>4 Aptitude/ability test</td>
<td>1.706</td>
<td>.123</td>
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<td>5 Personality questionnaire</td>
<td>3.442</td>
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<td>6 Trial period in the foreign culture</td>
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<td>7 Unstructured interview</td>
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<td>8 Structured interview</td>
<td>1.938</td>
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<td>9 Assessment center</td>
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<td>10 Foreign experience</td>
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<td><strong>.030</strong></td>
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<td>11 Language ability</td>
<td>2.411</td>
<td>.146</td>
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<td>12 Age and family situation</td>
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<td>14 Intercultural readiness check</td>
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*Source: developed for this research*
### Families: Preparation stage

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<td>Providing detailed information about fiscal impacts</td>
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<td>Providing detailed information about the compensation package</td>
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<td>Provide detailed information about the host country and its culture</td>
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*Source: developed for this research*
### Families: training stage

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<td>2. Culture assimilator</td>
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<td>3. Cross-cultural analysis</td>
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<td>4. Cross-cultural dialogues</td>
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<td>5. Immersion</td>
<td>.703</td>
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<td>6. Field experience in the target country</td>
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<td>7. Discussions with families of expatriates</td>
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<td>9. Area studies (information giving)</td>
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<td>.012</td>
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<td>10. Simulations</td>
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<td>12. Role playing</td>
<td>1.706</td>
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<td>.426</td>
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<tr>
<td>13. Stress reduction training</td>
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<td>14. Cultural-awareness training</td>
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<td>15. Critical Incidents</td>
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Source: developed for this research
### Families: support during the stay

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<td>Contact to families from other expatriates</td>
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*Source: developed for this research*
## Families: repatriation stage

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<tr>
<td>1</td>
<td>Return incentive payment</td>
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<td>2</td>
<td>Paid pre visits to home country to organize the returning</td>
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<td>3</td>
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<td>Using of the family as contact for future expatriates families</td>
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*Source: developed for this research*
## Reasons why not more resources are invested in the selection of expatriates

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<td>The lack of time prohibits a selection process</td>
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<td>3</td>
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<td>There is no need for such measures</td>
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<td>The company has not the financial resources to invest in selection measures</td>
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<td>The selection process is sufficient</td>
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*Source: developed for this research*

## Reasons why not more resources are invested in the preparation of expatriates

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<td>Preparation measures have no effect</td>
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<td>The lack of time between selection and relocation prohibits preparation measures</td>
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*Source: developed for this research*
Reasons why not more resources are invested in the training of expatriates

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<td>2</td>
<td>Former expatriates have been dissatisfied with training measures</td>
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<td>3</td>
<td>The lack of time between selection and relocation prohibits in-depth training</td>
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<td>4</td>
<td>The overseas assignment is relatively short (at least one year) it does not warrant budget expenditures on training</td>
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<td>There is no need for training</td>
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<td>The company has not the financial resources to invest in cross-cultural assignment preparation</td>
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<td>7</td>
<td>Former expatriates did not want to participate in training</td>
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Source: developed for this research

Reasons why not more resources are invested in the support of expatriates

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<td>Former expatriates have not engaged in support measures</td>
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Source: developed for this research
Reasons why not more resources are invested in the repatriation of expatriates

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<tr>
<td>5</td>
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Source: developed for this research

Application of at least one cross-cultural training method

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Source: developed for this research
Family involvement

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Source: developed for this research