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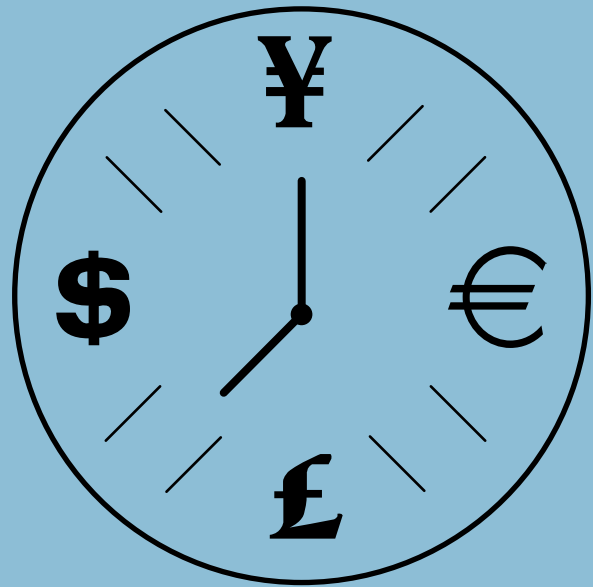
Paying Expatriates on Time and in the Right Currency

Daniel J. Bostwick

Delivering employee pay to staff scattered around the headquarters country is a challenge; delivering that same pay across international borders becomes complicated. Administrators with expatriates on the payroll face issues such as foreign currencies and changeable exchange rates, time lapses in payments sent abroad, and unfamiliar banking partners in the host country. Deciding how best to pay assignees depends not only on these and other outside factors but also the organization's own specific circumstances—the expatriate population, current pay delivery method, and the capabilities of the existing payroll system.

Global payroll decisions will affect internal administration and staffing needs, as well as determine whether or not expatriates have trouble when they cash their paycheck. Far from home, international assignees want the security of knowing that home-country bills are paid on time, their credit rating remains excellent, and savings and investments are easily accessible.

The following discussion provides an overview of the major issues that employers should consider regarding their overseas payroll. To optimize the decision, each organization should review its own circumstances, requirements, and desires to determine the method that best fits both corporate and employee needs, while effectively addressing external considerations.



Innovations in International HR seeks the submission of articles that present ideas and methods in the field of international human resources. Topics may address any recognized part of the field and may concern U.S. expatriates, third-country nationals, or local nationals.

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Expatriate Database: Gathering the Details

Before setting up a global banking and payroll system—or revamping the existing system—it is useful to inventory the expatriate population:

- ◆ If the organization is just starting to expand its presence in the world marketplace, relocations may only be for a limited number of employees on short-term (or full) assignments from one home country to one (or a few) locations.
- ◆ Larger organizations often have many expatriates, with multiple home countries and foreign locations to consider.
- ◆ In some cases, organizations hire local-national employees rather than pay more to send expatriates.

Chart 1 outlines just a few of the many factors in establishing an expatriate database.

Delivery of Payroll: Determining Currency

Once this database is compiled, the employer should consider the currency in which pay is currently delivered to expatriates. The method used typically depends on several factors:

- ◆ The logistics of the assignment might affect pay delivery (e.g., shorter assignments require less local spending and, therefore, less local currency).
- ◆ Economic conditions in home and/or host countries might be shaky due to unstable government regimes.

- ◆ The availability and/or reliability of foreign financial institutions may be questionable.
- ◆ Company policy might require certain restrictions on how certain elements of pay, such as allowances and premiums, are delivered (e.g., before, during, or after the assignment and/or in home-country or local currency).
- ◆ Job circumstances might necessitate a certain amount of expenses overseas due to unusual business expenditures (e.g., opening a new office).
- ◆ The employee may have large, outstanding financial obligations at home, thus preferring home-country currency.
- ◆ Payroll systems usually pay only in one currency. Consequently, the company uses multiple payroll and tax vendors, as well as financial institutions in foreign locations.

In response to these factors, organizations typically implement one of the following three methods to pay their global assignees:

- ◆ Paying solely in home-country currency
- ◆ Paying solely in local currency
- ◆ Splitting pay

What's the difference? And which is better?

Home-Country Currency Only.

Distributing funds completely in home-country currency offers easier and simpler administration for the employer. The typical

process involves centralized payments deposited in the employee's account at home—allowing the expatriate to determine not only the amount of income needed for foreign expenses, but also the frequency and timing of remittances. It also minimizes the amount of local currency needed abroad—helpful where foreign exchange rates are volatile.

However, even though payment is in one currency, administrators must still calculate equivalent amounts in host-country currency (and monitor significant changes). When exchange rates *do* fluctuate, employees have no protection. They cannot rely on stable payments at regular intervals because currency swings force them to purchase different amounts of local funds at each transaction. A direct result is often employee dissatisfaction based on the perception that his or her pay is being adversely affected. Payment in home-country currency may also impact the expatriate's participation in social security and pension programs due to foreign government regulations.

Local Currency Only.

Paying only assignment-location currency allows consolidation of the expatriate's business income and expenditures abroad. Whether pay is delivered through the employee's home-country bank or an employer-selected foreign institution, employers also find it easier to control and administer funds.

Yet those funds may be unstable due to local economic factors or restricted by host-country

EXPATRIATE DATABASE: TRACKING GLOBAL EMPLOYEES

In order to determine the best method for global pay delivery, the following information is necessary:

- * *Policy*—current (and/or desired) policy regarding paying expatriates
- * *Expatriates*—number of expatriates (current and projected); job level and employment classification of expatriates (professionals and executives? skilled technicians who receive overtime?); duration of the assignment—short-term, long-term, permanent, business travelers, back-to-backers, commuters?
- * *Locations*—home countries from which the expatriates are sent and those that have a tax and/or social security treaty with the host country; assignment locations to which the expatriates are sent that are in developing or remote sites, that experience volatile economic conditions, or that require union membership; the employer’s identity for tax purposes (e.g., headquarters or the foreign subsidiary)
- * *Local-nationals*— for local-nationals and/or expatriates scheduled to undergo “localization” (i.e., whereby the individual is treated comparably to local counterparts in terms of pay and benefits): the number of current and projected individuals, job level and classification, location, economic conditions, employer identification, bilateral treaties, and union membership

regulations. When currency is volatile, expatriates do not have a steady, reliable amount of funds to draw upon, either for home-country or local bills. And for those countries with limitations on the funds expatriates can take back home, employers sometimes find themselves in the losing position of guaranteeing the transfer of some portion of pay back to the home country.

Split Pay.

If the employer’s philosophy is that an expatriate should neither gain nor lose financially because of an international assignment, splitting pay works best. This delivery method considers the fact that expatriates have financial obligations in both the home country and assignment location.

Through split pay, the employer provides:

- ◆ Local foreign currency for day-to-day expenditures in the assignment location (e.g., food, recreation, transportation, clothing, medical care, personal care, domestic servants) and
- ◆ Home-country currency for ongoing obligations (e.g., mortgage payments, college tuition, home-country credit cards).

Split pay also protects the amount paid overseas from currency fluctuations by providing the funds needed in the assignment location in local currency—thus avoiding host-country currency restrictions.

On the other hand, payroll systems may not be able to split pay

because of its complexity. Many systems are typically geared to payment of a predetermined amount in a single currency at regular intervals. Split pay demands a more sophisticated use of multiple currencies in irregular amounts to protect the expatriate from currency swings.

Payroll: Assessing the System’s Capability

Once the organization reviews its internal specifications related to the expatriate population and the current form of pay delivery, the next step involves an evaluation of the existing payroll system. Chart 2 (on page 4) lists a sample of typical system-related questions to consider.

Understanding the capabilities of the payroll system also involves determining the number of bank intermediaries that stand between payroll’s cutting the check at headquarters and the expatriate’s cashing the check overseas. Common practice by

multinational organizations regarding bank intermediaries usually takes either of the following forms:

1. Disbursement from payroll to a central bank.

This method simplifies payroll delivery for all parties. Similar to a “direct deposit” concept, payroll transmits instructions to the bank for all international assignees in the desired currency: home-country, assignment-location, or both. The bank then disburses the funds to the expatriate’s foreign bank accounts (or home-country accounts, if requested).

Advantages of using a central banking institution include:

- ◆ Electronic data transmission eliminates the need for check clearance time, so the expatriate receives the funds as soon as possible.
- ◆ The company does not have to worry about initiating wire transfers (and fees) for expatriates accessing their own

home-country accounts because the financial institution is doing it.

- ◆ The bank handles payroll reconciliation, thus reducing administrative time, staff, and expense for the employer. (However, the employer is still responsible for providing this information to the proper government authorities.)
- ◆ Outsourcing the payroll through an established banking network consolidates the operation for international assignees by eliminating redundant vendors and multiple financial institutions overseas, thus gaining a measure of efficiency and control.
- ◆ Split pay is feasible, thus protecting the expatriate from exchange rate fluctuation.

However, this method has disadvantages:

- ◆ The employer may experience additional loss of control if both payroll and banking transactions are out-sourced.
- ◆ Some concerns might arise regarding use of the bank's overseas affiliates, whose reliability and credentials are unknown to the employer.

2. Disbursement from payroll to each individual expatriate's home-country bank.

Distribution is through each bank's own network or foreign branches. Although expatriates might be happier to deal with their own personal bank, the employer may find itself burdened with additional administrative tasks, staff, and costs.

More complicated, this method entails transmission of instructions to each bank using the desired currency. However, if the bank cannot handle global disbursement because it has

CHART 2

WHAT CAN YOUR PAYROLL SYSTEM DO?

Although the typical domestic payroll system cannot handle all the intricacies of expatriate compensation, it is important to review a number of critical questions to determine its capability. Gathering the following information makes it possible to reveal the system's strengths and weaknesses:

- * Are related databases linked (e.g., HRIS, benefits, payroll)?
- * How many payroll systems does the company use? Does each subsidiary have its own system?
- * Is the system operated in-house or through an external vendor? If external, how many vendors manage the system?
- * How often does the payroll system disburse payments? Weekly, biweekly, monthly, quarterly? Does this differ by location? Employee level? Pay element?
- * What amounts are paid? Base salary, overtime, differentials and allowances, premiums, expense reimbursements, variable commissions? Does the host country mandate 13- or 14-month payments?
- * How are perquisites handled?
- * Are any of these amounts combined in a lump sum or separately identified?
- * Can the system handle different sets of public holidays, work hours, etc., mandated by host countries?
- * Who is responsible for implementing changes in amounts to be paid?
- * Are benefit premiums or savings deducted from the expatriate's pay? Who implements changes into the system resulting from eligibility status (e.g., human resources, payroll)? What if the expatriates enroll in the host-country benefit plan or must contribute to foreign social security?
- * Does the system deduct a hypothetical home-country income tax from pay? Does the system deduct local host-country taxes from pay or does the organization pay all host-country taxes?
- * What happens when an expatriate terminates, retires, or goes on disability?
- * What happens when an expatriate returns home, transfers to a local-national status, or accepts another foreign assignment?
- * What currencies does the system use? What is it capable of using?
- * How many banking institutions are involved in pay delivery?

no international branches or foreign network of affiliates, additional steps might be necessary before the bank transfers funds to the assignee's overseas bank accounts.

Banking Services: Addressing Related Issues

Before the employer selects the method of disbursement that makes the most sense—in light of its expatriate population, pay delivery, and payroll capacity—several miscellaneous factors enter the decision:

- ◆ *Foreign Exchange Rates*—Some organizations guarantee exchange rates on payroll funds, usually matching the rate to that used for calculating cost-of-living differentials. The employer generally adjusts these rates periodically. Can the bank that interacts with payroll take over the administrative burden involved in tracking rates and ensuring timely reimbursements?
- ◆ *Reporting*—Inherent in payroll activities are mandatory reporting for company year-end summaries, tax reconciliation, benefit plan deductions, and financial audits. The bank should be able to provide typical reports, along with customized versions.
- ◆ *Fees*—Will the bank discount fees for the employer based on the size of its expatriate population (or any other reasonable criterion)? Will the bank discount fees to the expatriate?
- ◆ *Customer Service*—Some institutions assign a personal banker to each expatriate, allowing easy access to special services while on assignment (e.g., investment guidance, personal loans, continued payment of home-country bills to maintain a good credit track record).

◆ *Institutional Experience*—Rather than approach a local branch to handle the company's foreign payroll, it is better to make arrangements with the department that specializes in expatriate payroll matters.

The Best Fit Is Unique

Delivering employee pay across international borders requires employers to deal with changing exchange rates, host-country employment and tax restrictions, and impatient expatriates. To successfully manage these factors, the company needs an expert—either on staff or external—who knows the ins and outs of expatriate issues and host-country regulations.

Depending on the company's present systems capability, the employer must determine whether to operate the pay delivery mechanism through its own employees or through an outside vendor. Going a step further, the company must decide how best to get the necessary funds abroad—via one bank or many—with minimal hassle and delay. By reviewing its own circumstances and desires to determine what method best fits both corporate and employee needs, an employer can ensure a smoother flow of funds.

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Which Way Do You Pay Them?

Steven F. Riccobono

Some organizations find themselves faced with an unusual situation that arises in managing their international workforce: How should they pay an employee who is working as a local national in one country (i.e., the “adopted” country) and is then offered an assignment to the country from which he or she originated? This scenario can occur when:

- ◆ An individual from another country is hired on a temporary basis (e.g., “H1-B Status” in the United States) in the assignment location, and then sent back to the country in which he or she was born and raised;
- ◆ An individual from another country is hired on a permanent basis (e.g.; a U.S. “green card holder”) in the assignment location, and then sent back to the original country; or
- ◆ The employee is hired in the home country, expatriated to the assignment location, then localized, and then offered an assignment back to his or her home country.

If the transfer back to the “home” country is open-ended or permanent, the employer will almost always place the individual in the local salary and benefits structure. The

dilemma in relation to compensation design arises when the assignment is for a limited duration with the intention that the employee will return to the “adopted” country in which he or she is currently employed. How then should the employer deal with compensation issues when the assignment is of limited duration?

- ◆ Transfer the employee as a local-national in the country of origin?
- ◆ Send the employee home on a modified expatriate package?
- ◆ Treat the employee as a business traveler?

Although there is no set answer, there are some general factors to consider when seeking an appropriate solution. For example, if the time spent on assignment back in the country of origin is less than three months, it seems reasonable to keep the pay package as is and treat the individual as a business traveler (i.e., paying a per diem or actual expenses). However, if the employee is returning to the country of origin for a long-term (3-5 years) assignment, consider the following:

- ◆ Depending on the time spent in the “adopted” home country, the employee may already have ties there—for example, the employee may have married a local resident, purchased a home, applied for a school loan, or may need to maintain a certain immigration status.

As a result, it would not be feasible to send this employee back to the country of origin as a local national because he or she expects to return to the “adopted” home country. The solution might be to use a modified expatriate package based on an “efficient purchaser index (EPI)” to account for price differences during the period that the employee is back in the country of origin. After all, the employee is an experienced shopper back home—familiar with shopping outlets, the language, and so forth. A foreign service premium would likely be inappropriate as the employee would not be sent to an unfamiliar country. The employer might also consider paying “foreign” housing in full.

- ◆ The employee may not yet have developed strong ties in the “adopted” home country. He or she may have decided to rent a home rather than purchase one, or perhaps has not been on site long enough to have immigration complications. It might be reasonable to send the individual back to the country of origin as a local national—without the addition of goods and services allowances, foreign service premiums, etc.—if base pay and cost-of-living are broadly comparable. (If not, the employee will experience financial loss with the temporary transfer and is not likely to accept the assignment.)

- ◆ Another factor to consider is the tax situation. Virtually all countries do not require payment of income tax by an individual who is no longer a resident in the country. Since the United States is an exception to this general rule, employers sending employees (who fall within the parameters of this discussion) temporarily back home must be aware of the resultant tax liabilities. For example, assume an employee originally from the U.K. has a “green card” in the United States. Should that individual—considered a permanent resident in the United States—be transferred back to the U.K., he or she would still be liable for income tax under both U.S. and U.K. tax regulations.

In general, sending the employee back to the country of origin as a local national is more cost-effective. However, the employer must consider not only the particulars of the individual’s situation but also the regulations imposed by both the country of origin and “adopted” home country. Solutions do exist for this unusual scenario—but they may not be the usual answer.

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Short-Term Assignments: The Importance of Repatriation

Terry Hogan

Short-term assignments have become a frequently used vehicle for the transfer of technical knowledge between an organization's worldwide locations, as well as for the development of a global mindset. These assignments offer many of the same opportunities for personal and career growth, along with achievement of corporate objectives, as a traditional assignment—but at a much lower cost. The duration of the short-term assignment, typically three to eleven months, makes it attractive to a wider range of employees who might not be in a position to relocate for the usual three to five years.

The responsibilities that fall to human resources and business units for the coaching, communication, and follow through of a successful short-term assignment are no fewer or less time-intensive than for a traditional assignment. In fact, because the timeline is shorter, it sometimes seems that meeting all objectives becomes an all-consuming activity. That is, of course, if it is done right.

Though some may be surprised, the need for repatriation planning is as critical for short-term as for long-term assignments. Unfortunately, the statistics indicate that organizations do not follow good repatriation practices. According to the National Foreign Trade Council's 1999 survey:

- ◆ Only 17 percent of the participant companies discuss repatriation with their employees prior to departure.
- ◆ Ten percent invest no time at all in coaching or mentoring the expatriate, or otherwise ensuring the assignment's success.
- ◆ A staggering 50 percent of human resource professionals responded that they were not sure about the impact an assignment has on an expatriate's career.

Successful repatriation, however, is not as difficult to achieve as the statistics suggest. Cendant International Assignment Services (CIAS) developed a short-term assignment program—the Global Rotational Training Program (GRTP)—to meet its worldwide objectives through strategic deployment of short-term assignees. While focusing on company objectives, this internal program for Cendant employees helps relocated staff return to productive work back in the home country.

Cendant initiated the program about a year after opening its third regional office (in 1996) to ensure a transfer of knowledge among the offices, as well as to be certain that the company continued to grow as a global organization with a global work force. In other words, Cendant wanted to reinforce a global mindset so that it would truly operate as a global organization

to meet the needs of its multinational clients.

The task force responsible for the program included human resources, business owners in the regional offices, and recently returned short-term expatriates. The following discussion outlines the program highlights.

Essential Program Components

The task force geared all facets of the GRTP toward the desired benefits for both the organization and the assignees that would result upon repatriation. Having repatriation as the prime objective ensures that all components are unilaterally focused on meeting the company's business goals. The GRTP is the product of a business plan, cost-benefit analysis, and corporate philosophy, which states that continued globalization is tantamount to the company's competitive posture in the industry.

To prepare participants for their short-term assignment, each expatriate receives a six-page document that covers:

- ◆ Objective/Philosophy
- ◆ Selection
- ◆ Goals
- ◆ Reporting Lines and Mentoring
- ◆ Repatriation
- ◆ Roles and Responsibilities Checklist
- ◆ Offer Letter

A brief outline of each category follows, along with some practical examples.

**Objective/Philosophy:
Setting the Stage**

At the outset of any policy, it is important to describe the corporate philosophy and the company’s objectives in moving employees around the world. The GRTP initially explains why employees go out on short-term assignments. This opening statement is a philosophical, strategic, and logistical outline of the value placed on short-term assignments, what this means to the bottom line, and how the company anticipates the employee will benefit.

The statement may change, with time, as organizational needs change. For the moment, however, Cendant expatriates understand that their primary objective is to ensure excellent customer service through globalization of the company.

Selection: Finding the Right Assignee

The program document clearly describes the selection criteria for short-term assignment candidates. The price of entry into the program is meeting these criteria, which use the behavioral and technical dimensions considered by management to be competencies for global citizenship:

Interpersonal Skills

- ◆ Demonstrates exceptional technical skills that are matched or exceeded by cross-cultural curiosity

- ◆ Recognizes that succeeding at home does not guarantee success while abroad
- ◆ Anticipates developing social relations with persons other than the core affiliation group
- ◆ Recognizes that personal relationships and informal contacts are much more powerful than formal systems and structures of success in the office setting
- ◆ Builds trust to tap into knowledge transfer

Cultural Flexibility

- ◆ Is willing to experiment with different customs and styles
- ◆ Seeks to discover the local reasons for the way things happen
- ◆ Avoids nonessential benchmarking against the home-country culture
- ◆ Responds to cultural difference signals

Learning Focused

- ◆ Uses intercultural skills to transfer and generate knowledge
- ◆ Uses personal relationships to enhance professional learning
- ◆ Facilitates joint projects to develop and support common purpose and cooperation among international associates
- ◆ Searches the receiving professional environment for an idea, program, or process to master and introduce into the home environment

Communication

- ◆ Learns basic pleasantries of another language

- ◆ Demonstrates patient listening
- ◆ Uses “standard English” when speaking with international groups and persons using English as a second language
- ◆ Strives to hear what associates from other cultures really say or mean

Stamina

- ◆ Is physically able to travel
- ◆ Performs effectively on business trips after crossing four or more time zones
- ◆ Possesses tolerance for international calls and interaction in one’s free time due to the challenges of managing multiple time zones and virtual management and supervision

Goals: Directing Work Efforts

This section speaks to the standards, metrics, and measurables of a successful assignment. It determines how the overall project will be evaluated and by whom. For the actual exercise of goal setting, assignees and their managers use a separate form, “Goals of the Assignment.” The categories covered in the discussion include organization development (team needs), client needs, personal work goals (behavioral), work goals (technical), personal goals, and repatriation.

As an example, one current assignee’s primary “work goal” is to ensure standardization of process and procedures for a company product. To this end, the assignee is first responsible

for gathering best practices from offices in Asia/Pacific, the Americas, and Europe/Middle East/Africa. The next step is implementing them as standard operating procedures in all seven regional offices.

The goal-setting form provides an outline with discussion points for the conference call between managers and assignees. If timing permits, it is possible to give a copy of the final written document to the intercultural trainer charged with conducting a one-day assessment and one-day business briefing for the expatriate. Although it is sometimes tempting to skip these two sessions due to the added cost to what is, otherwise, an economy benefits package, the company elected to include them.

Although the short-term assignment program is brief, expectations are high. To ensure the desired outcome, the company decided that identifying the right candidates, as well as indoctrinating them to the host culture, is essential to the expatriate's achievement of shared goals.

Reporting Lines and Mentoring: Sharing Management Duty

This section specifies who is responsible for managing the expatriate at both the home and host locations. It also details the type, frequency, and content of communications necessary between the expatriate, managers, and

mentor. As an example, a current expatriate participates in technical-process calls three times a week, manager calls once a week, and worldwide team meetings once a month.

Roles and Responsibilities Checklist: Covering the Bases

The responsibilities checklist has a column for home and host locations for each segment of the assignment: pre-departure, at post, and repatriation (see sample charts, Global Rotational Management Roles and Responsibilities Checklist, on pages 10-11). The list is tactical in nature and covers all logistics involved in setting up and completing the assignment (e.g., meeting selection criteria, closing out the host apartment, achieving repatriation goals).

Repatriation: Coming Home

As repatriation has been discussed—either implicitly or explicitly—in each section of the document, this portion is short and to the point. It provides a concise description of what is expected of the expatriate upon return to the home office.

The document states that the expatriate will return to the same job left behind. Although promotion is not out of the question, the company felt it important not to set this expectation. Saying that the employee will return to the same position helps to assuage any concern that a short-term assignment means the individ-

ual will become displaced in the organization.

This section also outlines any ongoing responsibility the expatriate has to the host office. The assignee is expected to complete a number of projects—determined before departure from home—that are due either during the assignment or upon repatriation. As part of the internal program, these projects are add-ons to regular job duties (e.g., producing publications, preparing or giving internal presentations, mentoring future participants).

Offer Letter: Detailing the Package

The offer letter for a candidate is a one-page document that briefly describes the assignment duration, compensation, allowances, vacation, shipment of personal effects, transportation, travel, tax, work permit, health plan, housing, and repatriation. The template changes very little from assignment to assignment. Both the assignee and home-country manager sign the agreement to ensure that there is no confusion or misunderstanding.

Lessons Learned, Outlook Positive

For GRTP to work, all managers must have the same degree of commitment to a program that is intended to help Cendant employees at all levels, as well as “coaching” skills—which is where senior management needs to step in. The organization's top

layer is responsible for committing time—at least in the first year of a program rollout—to ensure that managers are appropriately mentored so that they, in turn, can mentor the assignees.

With this point in mind, the downside is the time it takes to mentor, coach, and ensure that all necessary communication actually occurs between appropriate parties. Taken a step further, the assignee program requires time and effort to see that communications translate into concrete plans that are followed through and implemented.

Cendant has been tracking results since 1998 to determine whether the time-intensive effort has been paying off. According

to the staff involved, the positive results have been evident, as, for example:

- ◆ The “repatriation” phase never ends as they take ownership of the regional offices and understand the complexity and, often, the frustration of being in a “remote” work environment.
- ◆ The concept of being part of a global company is no longer a memory of previous work or educational experiences; it is now part of their every day work responsibilities.

The advantages of the company’s internal program extend to all involved. Successful completion helps position the employee for advancement within the com-

pany. The regimented communication plan keeps managers connected to the challenges of their regional peers and allows for their continued growth as multinational leaders. And the concentrated efforts of both assignees and managers, in conjunction with the program’s focus on repatriation, achieve corporate goals aimed at a worldwide presence.

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GLOBAL ROTATIONAL MANAGEMENT ROLES & RESPONSIBILITIES CHECKLIST: REPATRIATION	
HOME CHECKLIST	HOST CHECKLIST
◆ Repatriation date confirmed.	◆ Repatriation date confirmed.
◆ Discussion of “swapping” case loads (with managers and international assignment consultants).	◆ Discussion of “swapping” case loads (with managers and international assignment consultants).
◆ Home-country manager discussed host-country project with host-country manager.	◆ Host-country project established with international assignment consultant and discussed with home-country manager. Project description: Completion date:
◆ Home-country manager established home-country repatriation projects.	◆ All logistics of assignment are closed out. Car rental, if applicable Temporary housing (keys returned) Telephone, if applicable Memberships (clubs/movie rental)
◆ Review of assignee with host-country manager conducted (for Total Performance Management).	
<i>Source: Cendant Mobility</i>	

**GLOBAL ROTATIONAL MANAGEMENT ROLES & RESPONSIBILITIES CHECKLIST:
PRE-DEPARTURE**

HOME CHECKLIST	HOST CHECKLIST
◆ Candidate selection criteria met.	◆ Assignment dates defined with home-country manager.
◆ Home-country manager contacted human resources to initiate work permit procedures.	◆ Host-country manager supplied necessary paperwork for work permit/visa to human resources and local authorities.
◆ File caseload lowered and coordination begun.	◆ Housing secured and payment of rent established with Accounts Payable. Location and date of lease start: Accounts Payable contact for rental payment:
◆ Back-up personnel identified. Name:	◆ Transaction identified and communicated to assignee.
◆ Assignment goals established and discussed. (*Attach rotational goals form)	◆ Assignment goals received.
◆ Current projects transferred. Project name: Responsible party:	◆ Office protocol/new hire packet sent and discussed.
◆ Intercultural training scheduled. Date of program: Location:	◆ Area orientation program arranged. Date of program:
◆ Host-country project defined with host-country manager and communicated to assignee.	◆ Host-country project agreed upon and communicated.
◆ CIAS worldwide announcement made via e-mail.	◆ Host-country office mentor designated. Name:
◆ Repatriation objectives/expectations made.	◆ Repatriation objectives/expectations shared with host-country manager.
◆ Reporting lines established.	◆ Communication schedule established between home and host managers.
◆ Communication schedule established with assignee and host-country manager.	◆ Communication schedule provided to host-country manager.
◆ Assignee benefits discussed.	◆ Copy of benefits discussed with assignee provided to host-country manager.
◆ Offer letter generated, approved by senior management, signed by assignee, and copied to host manager.	◆ Copy of signed offer letter received.
◆ Home-country manager to communicate home-country clients GRTP "swap."	◆ Host-country manager introduced GRTP assignee to host-country clients.
◆ Investigate any insurance needs to assignee.	
<i>Source: Cendant Mobility</i>	



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ORC'S Local National Salary Increase Survey

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For more information, to order a paper copy of the report or to participate in the Spring 2000 edition of the survey, please contact Victoria Hodgen at 212-719-3400 extension 131 or victoria.hodgen@orcinc.com.

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ORC wishes to thank all those companies that participated. We appreciate your time and effort.



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