

TABLE OF CONTENTS

CHAPTER I: STRATEGIES, MOTIVES AND STAGES OF EXPATRIATION.....	15
1. PREFACE	16
2. INTRODUCTION AND TERMINOLOGY	16
2.1 DEFINITIONS.....	16
2.1.1 Expatriate Assignment.....	16
2.1.2 Home Base/ Head Office.....	17
2.1.3 Expatriate/ Repatriate	17
3. IMPORTANCE OF EXPATRIATION IN THE GLOBALIZATION OF DIFFERENT ECONOMIES.....	17
4. POSSIBLE STRATEGIES OF GLOBALIZATION	18
4.1 INTERNATIONAL STRATEGY	20
4.2 MULTINATIONAL STRATEGY	20
4.3 GLOBAL STRATEGY	20
4.4 TRANSNATIONAL STRATEGY	20
5. MOTIVES FOR EXPATRIATE ASSIGNMENTS.....	21
5.1 COMPANY MOTIVES.....	21
5.2 EMPLOYEE MOTIVES.....	21
6. STAGES OF EXPAT ASSIGNMENTS	22
7. OVERVIEW OF THE BOOK	24
REFERENCES.....	25

CHAPTER II: HUMAN RESOURCES MANAGEMENT (HRM) ASPECTS OF THE PREPARATION STAGE OF AN EXPATRIATION PROCESS.....

27

1. PREFACE	28
2. THE RECRUITMENT AND SELECTION PROCESS OF FUTURE EXPATRIATES	28
2.1 DIFFERENT ROLES OF EXPATRIATES	28
2.2 TYPICAL SELECTION CRITERIA FOR EXPAT POSITIONS.....	29
3. DIFFERENCES BETWEEN THE TRADITIONAL LABOUR MARKET AND THE EXPAT MARKET	34
3.1 DOMINANCE OF INTERNAL RECRUITMENT.....	34
3.2 QUANTITATIVE PROBLEMS IN THE RECRUITMENT PROCESS	34
4. DIFFERENCES IN THE SELECTION PROCESS.....	35

4.1	RECOMMENDED METHODS FOR EXPAT SELECTION	36
4.1.1	Structured Interview for Expat Selection	37
4.1.2	Intercultural Assessment Centres.....	37
4.2	CRITERIA FOR THE SUCCESS OF AN EXPAT ASSIGNMENT	38
5.	EXPAT COMPENSATION PACKAGES	39
5.1	GOALS OF EXPAT COMPENSATION PACKAGES.....	40
5.2	MODELS OF EXPAT COMPENSATION	41
5.3	ELEMENTS OF EXPAT COMPENSATION PACKAGES	42
5.4	THE BALANCE SHEET APPROACH	46
	REFERENCES.....	47

CHAPTER III: AN OVERVIEW OF THE GENERAL CONDITIONS OF LABOUR LEGISLATION, SOCIAL INSURANCE LEGISLATION AND TAX LAW 49

1.	ASPECTS OF LABOUR LEGISLATION.....	52
1.1	GENERAL TERMS.....	52
1.2	THE TERM OF "POSTING OF WORKERS" IN LABOUR LEGISLATION	53
1.3	APPLIED LEGAL FRAMEWORK	53
1.4	BUSINESS TRIPS.....	55
1.5	POSTING OF WORKERS – APPLIED LAW	55
1.6	POSTING OF WORKERS AND SURRENDER	56
1.7	CHANGES OF THE EMPLOYMENT CONTRACT	56
1.8	WORK COUNCIL.....	57
2.	LEGAL TERMS OF SOCIAL INSURANCES	57
2.1	BASIC PRINCIPLES IN TERMS OF SOCIAL INSURANCES	57
2.2	SCOPE OF STATUARY REGULATION	60
2.3	POSTING OF WORKERS IN EU/ EEA STATES:	61
2.3.1	Responsible State for Social Insurance	61
2.3.2	Residence State according to Reg. 883/2004 – Reg. 987/2009	62
2.3.3	Certificate of Exemption	62
2.3.4	Performing an Occupation in several EU/ EEA States	62
2.3.5	Exclusion of the Obligation to contribute to Social Insurance	62
2.3.6	Other Aspects to the Processing	63
2.3.7	Voluntary Insurance within the EU/ EEA	63
2.3.8	Refunding of Social Insurance Contributions	63
2.3.9	Receipt of Services from Social Insurance in EU/ EEA States	64
2.4	POSTING TO STATES WITH SOCIAL INSURANCE TREATIES (NON- EU/EEA STATES)	65
2.4.1	Contents of social security treaties.....	65
2.4.2	Posting of Workers and Contribution to Social Insurance.....	66
2.4.3	Employment Status with the Foreign Employer	67
2.4.4	Receipt of Social Insurance Services.....	67

2.5	OCCUPATION IN STATES WITHOUT SOCIAL INSURANCE TREATY:	68
2.5.1	Principle of the Place of Employment	68
2.5.2	Posting with Work Place in a Foreign Country	69
2.5.3	Double Insurance-Collision	69
2.5.4	Permanent Occupation Abroad	69
2.5.5	Receipt of Services in States without a Treaty	70
2.6	VOLUNTARY INSURANCE IN THE SOCIAL INSURANCE	70
3.	ANCILLARY LABOUR COSTS	72
3.1	POSTING TO A STATE WITH OR WITHOUT A SPECIAL TREATY	72
3.1.1	Contribution by the Employer (DZ)	72
3.1.2	Local Tax (Kommunalsteuer)	72
3.2	POSTINGS TO A EU/EEA MEMBER STATE	72
3.2.1	Contribution of the Employer (DB)	72
3.2.2	Local Tax Postings to EU/EEA	73
3.2.3	Local Tax in Cases of Surrender	73
4.	ASPECTS OF TAXATION	74
4.1	GENERAL CONDITIONS	74
4.2	RESTRICTED AND UNRESTRICTED TAX LIABILITY	74
4.2.1	Consequences of the Restricted and Unrestricted Tax Liability	75
4.2.2	Meaning of Double Tax Treaties	75
4.2.3	When is a Double Tax Treaty applied and what are the Consequences?	76
4.3	TAX EXEMPTION AND FAVOURED OCCUPATION ABROAD	77
4.3.1	Favoured Occupations- Privilege of Assembling	77
4.3.2	Borderline Cases of Favoured Occupations	78
4.3.3	Not Favourable Occupations:	78
4.3.4	First Term of one Month and 183 Days in the Assembling Privilege	78
4.4	CHANGING THE STATE OF TAXATION	79
4.4.1	Structure of double Tax Treaties	79
4.5	CRITERIA FOR THE CHANGE OF TAX JURISDICTION ACCORDING TO THE DOUBLE TAX TREATY	81
4.5.1	Presence according to the 183-Day-Rule	81
4.5.2	The Term "Employer"	82
4.5.3	The Problem of Business Premises	82
4.5.4	Special Case of Cross-Border Commuters	83
4.6	DIVISION OF THE INCOME ACCORDING TO THE DBA/DTT	83
4.6.1	Credit Method and Exemption Method in the DBA/DTT	83
4.6.2	General Functions of the Exemption Method	84
4.6.3	General Functions of the Credit Method	84
4.7	SUGGESTION OF COSTING: CURRENCY RISK/ COST OF LIVING/ HARDSHIP:	85
4.8	APPENDIX	88
	REFERENCES	95

CHAPTER IV: PREPARATION OF EXPATS AND THEIR FAMILIES	97
1. PREFACE	98
2. BASICS CONCERNING THE PREPARATORY STAGE.....	98
3. TASK- AND ROLE-ORIENTED PREPARATION.....	101
3.1 CLEAR TASKS AND GOALS.....	102
3.2 THE JOB DESCRIPTION	103
4. ORGANIZATIONAL PREPARATIONS.....	104
5. PREPARATIONS CONCERNING THE ENVIRONMENT	105
5.1 CROSS-CULTURAL PREPARATION AND TRAINING.....	105
5.2 FAMILY RELATED PREPARATIONS	108
REFERENCES.....	112
CHAPTER V: ACCOMPANYING EXPATS DURING THEIR STAY	115
1. PREFACE	116
2. ACCOMPANYING ACTIVITIES IN THE HOST COUNTRY	116
2.1 MENTORING	117
2.2 SUPPORT DURING THE RELOCATION	118
2.3 SUPPORT FOR SOCIAL INTEGRATION	119
2.4 SUPPORT FOR THE EXPAT FAMILY	120
3. ACCOMPANYING ACTIVITIES IN THE HOME COUNTRY	121
3.1 HOME BASED MENTORING	121
3.2 ACTIVE CONTACT FROM THE SIDE OF THE HOME BASE.....	122
4. CONTROLLING AND REVISION	122
4.1 THE FUNCTIONS OF A CONTROLLING SYSTEM	122
4.2 THE SPECIFICS OF INTERNATIONAL CONTROLLING	123
4.3 REVISION	123
REFERENCES.....	124
CHAPTER VI: REPATRIATION	127
1. PREFACE	128
1.1 THE MEANING OF REPATRIATION.....	128
1.2 MODELS OF REPATRIATION	128
1.2.1 The "Person-Environment-fit" model	128
1.2.2 The Surprise and Sense Making Model of Louis (1980)	129
1.2.3 Adlers Typology (1991).....	131

1.2.4	The U-Curve-Hypothesis by Lysgaard (1955).....	133
1.2.5	The W-Curve-Hypothesis of Gullahorn und Gullahorn (1963).....	133
1.3	PREPARATION OF THE REPATRIATION.....	134
1.4	THE STAGES OF REPATRIATION.....	134
1.5	EARLY RETURN AND ITS CONSEQUENCES.....	135
2.	REPATRIATION PROBLEMS AND CHALLENGES.....	136
2.1	CHALLENGES FOR THE REPATRIATE AND FAMILY.....	136
2.1.1	Professional Challenges for Repatriates.....	136
2.1.2	Private Challenges for Repatriates.....	137
2.1.3	Re-integration Challenges for the Repat family.....	137
2.1.4	Special Challenges for Repats from Developing Countries.....	137
2.1.5	Sociocultural Challenges.....	138
2.1.6	Social Challenges.....	138
2.2	CHALLENGES FOR THE COMPANY.....	139
2.3	STRATEGIES FOR A SUCCESSFUL REPATRIATION.....	140
2.4	STRATEGIC POSSIBILITIES BEFORE REPATRIATION.....	140
2.4.1	Solutions for Professional Challenges before Repatriation.....	140
2.4.2	Solutions for private Challenges before Repatriation.....	141
2.5	STRATEGIC POSSIBILITIES DURING REPATRIATION.....	142
2.5.1	Solutions for Professional Challenges during Repatriation.....	142
2.5.2	Solutions for Private Challenges during Repatriation.....	144
2.6	STRATEGIC POSSIBILITIES AFTER REPATRIATION.....	144
2.6.1	Solutions for Professional Challenges after Repatriation.....	144
2.6.2	Solutions for Private Challenges after Repatriation.....	145
2.7	POSSIBILITIES TO USE THE REPAT´S EXPERIENCE.....	146
2.7.1	Knowledge Management (-Tools).....	146
2.7.2	Debriefing.....	147
2.7.3	Internal Data Banks.....	147
2.7.4	The Repatriate as a Mentor.....	147
2.7.5	The Expatriate in "Auto-Reverse"-Projects.....	148
	REFERENCES.....	149
CHAPTER VII: SPECIAL TOPIC; FEMALE EXPATRIATES.....		151
1.	INTRODUCTION.....	153
2.	MYTHS ABOUT WOMEN AND EXPATRIATE ASSIGNMENTS.....	154
2.1	MYTHS ABOUT WOMEN IN INTERNATIONAL MANAGEMENT POSITIONS.....	155
2.2	ADVANTAGES OF WOMEN IN INTERNATIONAL MANAGEMENT POSITIONS.....	156
3.	CONCLUSION.....	157
	REFERENCES.....	159