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MANAGING INTERNATIONAL ASSIGNMENTS AS A FACTOR IN FIRM INTERNATIONALISATION

DOCTORAL DISSERTATION

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AUTHORSHIP STATEMENT

The undersigned <u>Iris Koleša</u>, a student at the University of Ljubljana, School of Economics and Business, (hereafter: SEB), author of this written final work of studies with the title <u>Managing international assignments as a factor in firm internationalisation</u>, prepared under supervision of <u>Associate Professor Anže Burger, PhD</u> and co-supervision of <u>Associate Professor Gregor Pfajfar, PhD</u>

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"The possession of knowledge does not kill the sense of wonder and mystery. There is always more mystery." (Anais Nin)

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ZAHVALA

"Posedovanje znanja ne pokonča občutkov čudenja in skrivnostnosti. Misterioznost vedno obstaja." (Anais Nin)

Najlepše se zahvaljujem vsem neusahljivim virom znanja in zvedavim izpraševalcem, ki ste me pri nastajanju tega dela spodbujali in krepili mojo vedoželjnost: formalnima in neformalnim mentorjem (vključno s starši in prijatelji), članom komisije, intervjuvancem ter vsem ostalim razpravljavcem (udeležencem konferenc in delavnic, predavateljem, recenzentom, sodelavcem ter soavtorjem člankov, ki so nastali med doktorskim študijem). Bili ste izvrstni učitelji in motivatorji ter ste k besedilu, ki je pred vami, prispevali neprecenljiv košček sestavljanke. Doktorska disertacija je tako pripravljena za branje in nadaljnje razpravljanje.

MANAGEMENT NAPOTITEV NA DELO V TUJINO KOT DEJAVNIK INTERNACIONALIZACIJE PODJETIJ

POVZETEK

V doktorski disertaciji proučujem odločitve ter procese odločanja podjetij in posameznikov glede izvajanja in managementa napotitev na delo v tujino. Za to uporabim inovativen in izviren pristop večnivojskih mešanih metod. Osredotočim se na napotitve, ki se odvijajo v kontekstu manj razvitih držav kot pošiljateljic napotencev v tujino in v podjetjih iz teh držav. V kvantitativnem delu disertacije na osnovi podatkov o celotni populaciji podjetij v izbrani manj razviti državi pošiljateljici (Sloveniji) orišem dejavnike na ravni držav in podjetij, ki vplivajo na odločitev podjetij za uporabo mednarodnih napotitev ter na njihove odločitve o napotovanju zaposlenih bodisi v druge manj razvite države (tj. države Srednje in Vzhodne Evrope – SVE) bodisi v razvite države (tj. države izven SVE) v Evropi. V kvalitativnem delu raziskave se osredotočim na procese odločanja podjetij in managerjev iz manj razvitih držav o dolgoročnih napotitvah na delo v tujino. Prav tako v tem delu študije proučujem mehanizme, ki oblikujejo percepcije, izkušnje in izvedbo mednarodnih napotitev med napotenimi posamezniki in podjetji, ter medsebojen vpliv odločevalskih procesov na ravni posameznika in podjetja na odločitve, povezane z managementom napotitev.

Na podlagi podatkov o populaciji podjetij v Sloveniji pripravim prvo natančno mapiranje podjetij, ki uporabljajo napotitve na delo v tujino, glede na njihovo verjetnost napotovanja in lokacijske vzorce napotitev. Skladno s teorijami mednarodne menjave heterogenih podjetij pokažem, da so le najbolj produktivna podjetja, ki delujejo v manj razvitih državah, sposobna premagati visoke stroške napotovanja zaposlenih na delo v tujino – sploh za napotitve v druge manj razvite države. Rezultati kvantitativnih analiz pri tem ponazorijo vpliv velikosti in ravni razvoja ciljnega trga napotitve, geografske in institucionalne razdalje med državo pošiljateljico in državo sprejemnico napotenih oseb, kakovosti institucij ter smeri institucionalne razdalje med državami na tokove izhodnih napotitev iz manj razvitih držav. Ugotovitve potrjujejo tradicionalni gravitacijski model. V nasprotju z obstoječimi teorijami pa podjetja iz okolij z nizko kakovostjo institucij bolj verjetno svoje zaposlene napotujejo v razvite države z visoko kakovostnimi institucijami – kljub izdatnim institucionalnim razlikam med temi trgi. Različne institucije imajo pri tem različne učinke na verjetnost napotovanja zaposlenih v podjetjih na določen tip ciljnega trga. Medtem ko visoka kakovost ekonomskih in pravnih institucij države gostiteljice poveča verjetnost napotovanja iz manj razvitih držav na te trge, ima kakovost političnih institucij nasproten učinek na odločitev podjetja za napotitev. Ta rezultat nakazuje, da so izhodne napotitve zaposlenih na delo v tujino iz podjetij iz manj razvitih držav osredotočene predvsem na pridobivanje znanja z bolj razvitih trgov in manj na nadzor ali koordinacijo enot na manj razvitih trgih. Prav tako kaže na potencial napotenih oseb iz manj razvitih trgov za oblikovanje ugodnega poslovnega okolja za podjetja v državah gostiteljicah napotenih oseb in vzpostavitev legitimnosti podjetja v tujem okolju: tj. napotene osebe lahko za podjetja opravljajo vlogo ekonomskih diplomatov. Ugotovitve kvantitativnih analiz dodatno pokažejo tudi na različen vpliv, ki ga imajo enake spremenljivke na tokove izhodnih napotitev na različne trge držav sprejemnic. Moje ugotovitve dopolnjujejo tako

teorije mednarodne menjave heterogenih podjetij kot tudi institucionalno teorijo: prve z identifikacijo posebnosti napotujočih podjetij v primerjavi z nenapotujočimi podjetji in podjetji, ki pri internacionalizaciji uporabljajo druge oblike mednarodnega delovanja, drugo pa s ponazoritvijo, da tudi na odločitve in vzorce napotovanja vplivajo institucionalna kakovost in razdalja ter smer razdalje med institucijami države pošiljateljice in države sprejemnice napotenih oseb – tudi glede na vrsto institucij in tip trga.

V kvalitativnem delu raziskave, ki vključuje eksploratorni in eksplanatorni korak, s pomočjo pilotnih intervjujev orišem ključne teme in izzive mednarodne mobilnosti zaposlenih v kontekstu manj razvitih držav in njihovih podjetij ter razkrijem mehanizme, ki določajo procese odločanja, izvedbe in managementa napotitev v podjetjih iz manj razvitih držav na ravni podjetja in posameznika. Ugotovim, da podjetja k mednarodnemu kadrovanju pristopajo eksperimentalno (ne glede na stopnjo v razvoju ali stopnjo internacionalizacije) ter svoje strategije in prakse mednarodnega kadrovanja razvijajo postopno – prek izkustvenega učenja. Prav tako odkrijem, da podjetja mednarodne napotitve zaposlenih uporabljajo redko in imajo izkušnje z manj raznolikimi oblikami napotitev. Pomanjkljivosti na internih in eksternih trgih dela od teh podjetij zahtevajo večje vložke v privabljanje napotencev v podjetje ter njihovo kontinuirano motivacijo za mednarodno mobilnost v njem (npr. s pomočjo znamčenja delodajalca). Vendar pa ima redkost pojava tudi prednost: podjetjem omogoča boljši pregled nad internimi talenti in ostalimi ključnimi kadri ter bolj individualiziran pristop k managementu mednarodnih napotitev. Ta je v kontekstu manj razvitih držav uokvirjen kot pogajalski proces med podjetjem in zaposlenim.

V obsežni večnivojski primerjalni študiji primerov, osredotočeni na dolgoročne napotitve managerjev na delo v tujino v dveh velikih, zrelih multinacionalnih podjetjih iz Slovenije, razkrijem pomen (interakcij) makro, mezo in mikro determinant odločevalskih procesov o napotitvah na ravni podjetja in posameznika, kot so: pomanjkljivosti na trgih dela, zakonodaja s področja mobilnosti zaposlenih, socialni sistemi v državah pošiljateljicah in sprejemnicah napotencev, diskurzi, povezani z mednarodnim kadrovanjem, kulturne norme o managementu, organizacijska struktura (tj. soodvisnost entitet znotraj mreže podjetja in razlike med njimi) ter izkušnje, osebnostne in druge lastnosti zaposlenih (napotencev in njihovih sodelavcev). Prav tako identificiram prehode med vlogami in identitetno delo kot ključne mehanizme izvedbe in managementa napotitev na delo v tujino. Pri tem poudarim njihovo odnosno, situacijsko in s kontekstom pogojeno naravo. S poudarkom na večnivojskem značaju razvoja identitet in njihovih posledic (še posebej za odnose med podjetjem in zaposlenimi) v specifičnem kontekstu manj razvitih držav in za specifičen pojav (tj. napotitve na delo v tujino) razširim teorije vlog, prehodov med vlogami in družbene kategorizacije ter teorijo družbene identitete, v omejenem obsegu pa tudi teorijo principala in agenta, ki ji dodam pojasnilo trkov interesov, povezanih z mednarodnim napotovanjem, znotraj posameznih ravni analize in med njimi. S triangulacijo metod in teorij, ki odražajo različne vidike in ravni analize napotitev, izpopolnim razumevanje odločitev in procesov odločanja o mednarodnih napotitvah. V nalogi podam tudi praktične smernice za management mednarodnih napotitev iz manj razvitih nacionalnih ali organizacijskih okolij.

Ključne besede: napotitve na delo v tujino; večnivojski pristop mešanih metod; institucionalna teorija; teorija družbene identitete; manj razviti trgi.

MANAGING INTERNATIONAL ASSIGNMENTS AS A FACTOR IN FIRM INTERNATIONALISATION

SUMMARY

The doctoral dissertation uses an innovative mixed methods research design to uncover the multilevel determinants and mechanisms of firms' and individuals' decision-making processes as well as their decisions regarding the implementation and management of international assignments in emerging market and emerging market firm contexts. In the quantitative part of the dissertation, I outline the country-, firm-country-, and firm-level determinants of the firms' assignment implementation and location choices, distinguishing between Central and Eastern European (CEE) and non-CEE host countries in Europe, using data on the entire firm population in a selected CEE country (Slovenia). In the qualitative part of the study, I focus on the emerging market firms' and long-term managerial international assignees' decision-making processes regarding expatriation and the mechanisms determining their perceptions, experience, and realisation of international assignments. I also address how the individuals' decision-making processes inform the firm-level decision-making and decisions related to international assignment management at this stage.

I provide one of the first mappings of internationally assigning firms based on their likelihood to assign, and explain the firms' assignment location patterns. Consistent with theories of heterogeneous firms and trade, my quantitative findings show that only the most productive firms can overcome the high costs related to international employee mobility from the focal emerging market – especially the costs of expatriation to other emerging markets. The results of the quantitative analyses furthermore show that host market size and level of development, geographic proximity, institutional quality, and institutional distance, as well as the direction of the latter, influence expatriation flows from an emerging market context. While the traditional gravity model variables perform as expected for international assignment decisions, against what theory would predict, the firms from a low quality institutional context are more likely to expatriate and expatriate more to dissimilar developed markets with high quality institutions. However, different institutions have a different effect on the firms' likelihood to assign to a specific host market. While firms are more likely to assign their employees to host countries with a higher quality of economic and legal institutions, the quality of political institutions has the opposite effect on their expatriation decisions.

I argue that this reflects that emerging market firms are motivated by the desire to achieve knowledge acquisition from the more developed markets rather than control and coordination of their entities through expatriation to the less developed markets. It also indicates their assignees' potential for working towards creating a favourable business environment for a firm in the host country and establishing the firm's legitimacy abroad as its commercial diplomats. Finally, I also show the different effects that the same variables have on expatriation flows to emerging (CEE) and developed (non-CEE) host markets. I thereby refine both the theories of heterogeneous firms and trade with respect to the specificities of internationally assigning firms relative to non-assigning firms, or firms using other forms of international engagement. I also present a more nuanced view of institutional theory with respect to the institutional determinants of expatriation

decisions by showing that the latter are influenced by institutional quality, distance, and direction of distance between assignee-sending and receiving countries – by institution and market type.

In the qualitative part of the study, comprising exploratory and explanatory stages aimed at theory building, I outline the main issues pertaining to international employee mobility in emerging market and emerging market firm contexts and reveal the mechanisms determining international assignment decision-making, implementation, and management processes in emerging market firms at firm and individual levels. I discover that emerging market firms employ an experimental approach to international staffing (irrespective of their developmental and internationalisation stage) and gradually evolve their international staffing strategies and practices through experiential learning. I moreover observe an overall scarcity of international assignments in both scale and scope in emerging markets and emerging market firms. While (internal and external) labour market deficiencies necessitate more organisational efforts to attract assignees to the firm and continuously motivate their international mobility for the firm (e.g. through employer branding), the scarcity of the phenomenon also affords firms a better overview of their internal talents and key potentials, and allows them to develop a more individualised approach to international assignment management. The latter is framed as a negotiating process between the firm and the individual in emerging market contexts.

In a comprehensive multilevel comparative case study on long-term managerial international assignments in two large, mature emerging market multinational enterprises (MNEs), the context with the greatest theory-building potential, I further demonstrate the importance of the macro, mezzo, and micro determinants of international assignment decision-making at both firm and individual levels, and the interactions among them. Some of these determinants include labour market deficiencies, legislation pertaining to international employee mobility, social systems in assignee-sending and receiving countries, international staffing discourses within and across levels of analysis, cultural norms regarding management, organisational structure (in terms of the MNE network interconnectedness and the differences across individual entities), and the employees' (assignees' and their colleagues') experience, personality traits, and other features. I uncover role transitions and identity work as the crucial mechanisms of international assignment implementation and management. I reiterate the relational, situational, and contextual nature of role transitions and identity work and expand on role (transition), social categorisation, and social identity theories (and to a limited extent agency theory to address the individual and multilevel clashes of interests pertaining to international assignments) by stressing the multilevel nature of identity work and its outcomes (especially in terms of the firm-employee relationships) in a specific (emerging market) context and for a specific phenomenon (i.e. international assignments). Overall, my research refines the understanding of international assignment decisions and decision-making processes through the triangulation of methods and theories that reflect the different perspectives of expatriation at different levels of analysis. It also provides several practical implications for managing expatriation from the less developed national or organisational environments, such as emerging markets and emerging market firms.

Keywords: international assignments; multilevel mixed methods research; institutional theory; social identity theory; emerging markets.

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LIST OF ABBREVIATIONS

CEE – Central and Eastern Europe(an)
CEFTA – Central European Free Trade Agreement
CEO – Chief executive officer
CFO – Chief financial officer
CSR – Corporate social responsibility
DMNE – Developed market multinational enterprise
EEM – Emerging economy market
EMNE – Emerging market multinational enterprise
EU – European Union
FDI – Foreign direct investment
GATT – General Agreement on Tariffs and Trade
GVC – Global value chain
H – Hypothesis
HCN – Host-country national
HR – Human resources
HRM – Human resources management
HQ – Headquarters
IA – International assignment
IB – International business
IHRM – International human resources management
IPR – Intellectual property rights
IT – Information technology
MNE – Multinational enterprise
PCN – Parent-country national
ROA – Return on assets
RQ – Research question
R&D – Research and development
SME – Small and medium-sized enterprise
TCN – Third-country national
TFP – Total factor productivity

INTRODUCTION

International assignments: definition, trends, research problem and focus

In this dissertation, I focus on international assignments in an emerging market-sending context and by emerging market firms. I define **international assignments** as various forms of employee mobility arrangements during which an employee or a group of employees is designated to work in a country other than their 'home'[1] country on a temporary basis and with a specific purpose (CIPD Reward Management, 2007; Dickmann, Suutari, & Wurtz, 2018; Reiche & Harzing, 2014). Over the past few decades, these mobilities have increased tremendously, not only in scale but also in scope (Cartus, 2014; Doz, 2011; PwC, 2012). At the company level expatriate-experienced employees typically make up between 0.5% and 2.5% of the overall staff (PwC, 2006) – a share that (as also foreseen by industry studies, such as PwC, 2010, 2012; KPMG International, 2016, 2019) may increase further as individual firms intensify their international activities (Gallon, Busato Scheffer, & Magalhães Bitencourt, 2014; Gregersen & Black, 1992). Traditional international assignees alone represent 1% of the overall global workforce. Together with the newer non-traditional (i.e. alternative) types of international assignees, they represent an even more noteworthy 7–8% share of the entire working population (PwC, 2012).

Each assignment type is better suited to specific goals. Hence, long-term and short-term assignments cannot act as (perfect) substitutes. On the one hand, short-term mobilities are best suited for (often *ad hoc*) engineering-related or technical problem solving and corrective actions; transferring specialised knowledge of business operational functions; and temporarily importing staff on a needs basis (Cartus, 2016; Melone, 2005; Meyskens, Von Glinow, Werther, & Clarke, 2009; Salleh & Koh, 2013; Tahvanainen, Welch, & Worm, 2005). Long-term assignments, on the other hand, are well matched to control and coordination tasks, position filling, and organisational or management development (Edström & Galbraith, 1977), as well as the more complex and tacit knowledge transfer motives (Hocking, Brown, & Harzing, 2004). Since the two categories of assignments vary in purpose and the skills required, they are usually also executed by different categories of employees. While traditionally international assignees were in general members of senior management, who operated abroad as either general managers, marketing or accounting executives for relatively long periods of time (Boyacigiller, 1990), international assignments now also include employees from other levels of an organisation and performing various professions

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[1] Since the sending country is not necessarily an organisation's or the assignee's home country, I use the term 'sending' country (or market, entity, and unit) instead of the 'home' country (or market, entity, and unit) to indicate the direction of mobility. Use of the term 'home' as an implication of direction is namely especially vague in the context of entities with international ownership and/or personnel structure. In this dissertation, the term 'home' is thus only used, when organisations or individuals reference a country as part of their identity. 'Host' and 'receiving' country, market, entity or unit are used interchangeably as they have no identity-related implications, however.

(Beaverstock, 2004; Grainger & Nankervis, 2001; PwC, 2012). The broader range of employees engaged in international employee mobility and their diverse backgrounds thereby imply the two types of assignments need to be managed differently.

Regardless of their type and format, international assignments are particularly valuable to firms for their boundary spanning role (Reiche, Harzing, & Kraimer, 2009) – especially in the context of globalisation and the changed firm-employee relations. Globalisation has resulted in a more integrated world economy (Baskaran, Blöchl, Brück, & Theis, 2011; Fan, Ren, Cai, & Cui, 2014), but also in more dispersed businesses (Adler, 1986; Hall, 1986; Gregersen & Black, 1992; Kindleberger & Audretsch, 1983; Kobrin, 1987), as well as in a firm-employee relationship that is no longer based on relational contracts, loyalty, and long-term service, but is (in light of a multitude of opportunities) rather centred around transactional project-based contracts (Hall, 1976; Hall and Associates, 1996; Herriot & Pemberton, 1995; Knoke, 2001). As the boundaries across nation-states and firms become more permeable, employee mobility both within and outside the firm or within and outside a nation-state increases. This means that individuals can now realise their career aspirations and work-related goals with a much greater range of employers, and either domestically or internationally.

On the one hand, this increases the individuals' negotiating power relative to a single firm in the firm-employee relationship. On the other hand, it also triggers organisational efforts aimed at employee retention. International assignments can thereby present a tool for an organisation to provide challenges for its employees and enable their career development within the permeable boundaries of the firm, as well as capitalise on the permeability of country borders for individuals and organisations. Although assignees themselves become less easily reachable for an organisation (assignees' continuous connectedness to the organisation is disrupted by their sporadic absence from either their sending or receiving units), their periodic physical movements to diverse and often multiple locations assist businesses in maintaining at least partial control over their increasingly detached employees and their individual or joint contributions to business performance. International assignments thus act as an instrument for strengthening not only the firms' connectedness to external stakeholders, but also their connectedness to internal stakeholders (i.e. employees).

Despite recognising the importance of international assignments for their strategic global expansion (Cartus, 2014), and the wide use of such assignments, businesses have recorded high rates of international assignment failure. Studies show that between 40% and 70% of international assignments end in premature assignee returns – the higher rates of premature returns referring to returns from the less stable emerging market host economies (Andreason, 2003; Yeaton & Hall, 2008).[2] Between 16% and 61% of returnees leave the organisation within the first 2–4 years after completing an assignment (Brookfield Global Relocation Services, 2010; Reiche, Kraimer, &

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[2] Researchers have noted an increase of international employee mobility in all directions: both intra-firm (i.e. between the different units within the MNE) and in terms of the development level of the sending and receiving market target locations (Groysberg, Nohria, & Herman, 2011; Kong & Wu, 2016; Noorderhaven & Harzing, 2009; Worldwide ERC, 2017).

Harzing, 2011). Repatriates' turnover rates and assignees' premature returns are not the only measures of expatriate failure, however. Additional aspects of failure also include under-performance, (re)integration issues, and repatriation failure (Jassawalla, & Sashittal, 2011; Thoo & Kaliannan, 2013). This suggests that not all firms are capable[3] (or in need) of implementing international assignments as an internationalisation mode. However, little is known about businesses employing international assignments in the process of internationalisation, the determinants of their decisions to implement international assignments for firm internationalisation (in general or in a specific location), their assignment-related decision-making process (also relative to the individuals' decision-making process in light of the changed firm-employee relationship), and the variations in assignment management practices for a specific type of firm or assignment.

International assignment patterns and decision-making in emerging markets or by emerging market firms are particularly underexplored in this respect – although it has been suggested that assignments from emerging market countries and by emerging market firms may be implemented and managed differently to assignments by firms from developed economies (Briscoe, 2014; Caligiuri & Bonache, 2016; Dabic, Gonzalez-Loureiro, & Harvey, 2015).[4] I attribute these differences in international staffing by the two groups of firms by country of origin to emerging market firms' (and their employees') limited international (business) experience and knowledge (see e.g. Petersen, Pedersen, & Lyles, 2008), scarce resources, specific knowledge needs, and lower employer attractiveness (for a detailed outline of emerging market and emerging market firms' features see section 2) (see e.g. Alkire, 2014; Jaklič, 2007). These are likely to be reflected in both (1) the volume, directions and locations, purposes, and formats of international assignments, and (2) specific managerial approaches to international assignments, such as a greater organisational emphasis on employer branding or on building a favourable international staffing discourse to be able to compete with developed market firms for quality (international) staff (see e.g. Williamson, 2015).

Since both emerging markets and emerging market firms are under-investigated and under-theorised, in investigating these contexts I initially apply a broad research design to my study of emerging market international assignments. Quantitative analyses are thus performed on population data and aimed at mapping the firms that employ any type of international assignments from a selected emerging market (Slovenia),[5] as well as identifying the multilevel factors that

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[3] The first-year costs of sending employees on international assignments have been estimated at three times the base salaries of their domestic counterparts at the minimum (Wiederspahn, 1992). However, the costs of international assignments are not merely monetary: they involve costs of adjustment to a new mode of operation and environment (see e.g. Black, Mendenhall, & Oddou, 1991) – by both the firm and the assignee.

[4] Most research on emerging market-related assignments focuses on assignments from developed rather than emerging markets (see e.g. Harvey, Speier, & Novecevic, 1999, 2001; Horwitz & Budhwar, 2015; Stanley & Davidson, 2011; Tan & Mahoney, 2004).

[5] I classify Slovenia as an emerging market economy based on (1) the poor quality of institutions in the country, (2) its political instability, and (3) its regional affiliation to Central and Eastern

impact the organisational decision to expatriate and to do so to a specific location from an emerging market. In the preliminary qualitative analyses, I similarly investigate a broad set of diverse firms from the same market to try and establish whether they use any additional international assignment formats unrecorded by official statistics, at what growth and internationalisation stages firms start to contemplate international employee mobility, how firms and employees perceive, frame, experience, and realise different types of mobilities, and what are the main issues related to assignments that arise in emerging market firms. This stage of research is further used for identification of the theoretically most fruitful cases (at firm and individual levels).

When considering the country-level context, I focus on international assignments from emerging markets (either from firms headquartered in emerging markets or foreign affiliates operating in emerging markets) to either emerging or developed market host environments to address another deficiency in current international assignment research. The majority of existing studies have focused on assignees' impact on the receiving unit (e.g. Au & Fukuda, 2002; Bonache & Brewster, 2001; Riusala & Suutari, 2004), and less on their influence on the sending unit (for the latter perspective see e.g. Reiche et al., 2009). An integrative approach to both perspectives in an emerging market sending context (i.e. consideration of sending and receiving environments comparatively and with respect to the direction of the institutional distance between them) could thus be particularly useful for generating theory.

Since the extant literature on expatriation and international business falls short of an in-depth contextualised explanation of firms' assignment implementation and location choices (Buckley, Devinney, & Louviere, 2007; Cantwell, 2009), I set out to address the largely unexplored effect of the sending and receiving country-level institutional contexts on international assignments (although it should be noted that Moreira & Ogasavara, 2018 also touch on this topic). When firms operate across nation states, they and their internationally mobile employees need to adjust and adapt to multiple and diverse economic, political, social, legal, and cultural contexts (Bartlett & Ghoshal, 1989; Zaheer, 1995). Understanding the impact of institutional differences on international employee mobility is particularly relevant, since differences in market environments have been identified as one of the main barriers to business internationalisation (Hilmersson & Jansson, 2012) through creating uncertainties regarding suitable business practices for the inexperienced firms and individuals in a particular environment (Moreira & Ogasavara, 2018) as well as inhibiting the transferability of knowledge among units in different countries (Bhagat, Kedia, Harveston, & Triandis, 2002; Li & Hsieh, 2009). I combine several strands of institutional theory to best capture the dynamic interactions between institutions and organisations that results

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Europe (CEE) and the related emerging market country image rather than economic indicators of the level of development in a country (see also GlobalEconomy.com; Gov.si; Jaklič et al., 2015–2018; Meyer & Peng, 2016). These criteria are consistent with the focus of my study on the institutional context at the macro level of analysis (for a more detailed overview of the criteria for classifying Slovenia as an emerging market economy see section 1.3.1).

in strategic choices by firms (see section 3.3.1). See Aguilera and Grøgaard (2019) for an overview of the main characteristics of different strands of institutional theory.

When individuals and firms make decisions (either separately or together) on international assignments, a multitude of individual- and organisation-level factors interact with the wider country-level context factors (see e.g. Stanley & Davidson, 2011). A literature review on international employee mobility reveals that most international assignment research is focused on a single level of analysis in the firm-employee relationship, and largely ignores their interdependence. Most often, either the individual (see e.g. Firth, Chen, Kirkman, & Kim, 2014) or the organisational level of analysis (see e.g. Lazarova & Taylor, 2009) is the central focus of international assignment research. Even when researchers do investigate such interrelationships, they tend to remain fixated on a single level of analysis rather than on multiple ones: i.e. they either explore the manager-employee relationship at the individual level of analysis or the headquarters-subsidiary relationship at the organisational level of analysis while failing to establish a link between the two (see e.g. Bonache & Noethen, 2014; Dabic et al., 2015; Szkudlarek, Nardon, Osland, Adler, & Lee, 2019).

I thus design my study so that it accounts for the mezzo- and micro-levels of analysis next to the macro-level, explored mainly quantitatively and through desk research. The firm and individual levels of analysis are predominantly investigated through a combination of qualitative research methods. I also address the interactions between the different levels. Throughout the research, I apply a process view of international assignments and analyse the related decision-making at different stages of expatriation (i.e. pre-assignment preparation, expatriation, and repatriation) (Zellmer-Bruhn & Gibson, 2006; Oh, Labianca, & Chung, 2006). I explicitly focus on how the firm-employee relationship changes during the international assignment process, and the related individual-level identity and role shifts (as framed and determined by the firm and as perceived, experienced, and performed by the individual). Identity and role shifts thereby emerge as a crucial topic during the interviewing stage of the study.

At the level of the organisational context, I study the under-researched organisational discourses about or related to international staffing and international assignments (see also Belderbos & Heijltjes, 2005; Collings, Scullion, & Dowling, 2009; Gomez & Scanchez, 2005; Scullion & Brewster, 2001; Zellmer-Bruhn & Gibson, 2006). Research suggests that discursive practices in particular may have the 'soft' power control over employees – e.g. through helping to shape their identities according to the organisational needs and objectives (e.g. Bruner, 1990; Clarke, Brown, & Hailey, 2009; Czarniawska-Joerges, 1994; Giddens, 1991; Linde, 1993, 2001; Polkinghorne, 1988; Riessman, 1993). Since 'soft' approaches to international assignment management, such as support for **identity work and employer branding** through favourable narratives, are particularly well suited to study the firm-employee relationship in the context of a changed employment contract (this is because they target the employees' value-based decision-making), I reflect on their use by organisations as well as their (potentially reciprocal) impact on the individual-level discourses related to international staffing and international assignments. I thereby define identity work as a combination of cognitive, discursive, physical, and behavioural activities that individuals assume in order to form, repair, maintain, strengthen, revise, or reject collective, role,

and personal self-meanings as bounded by social contexts (Caza, Vough, & Puranik, 2018), whereas employer branding refers to the process of strategically building an identifiable, unique employer identity and brand, and thus managing the awareness and perceptions about an organisation through promoting the functional, economic, and psychological benefits of employment in it among employees, potential employees, and related stakeholders (Ambler & Barrow, 1996; Backhaus & Tikoo, 2004; Sullivan, 2004). Qualitative methods are best suited for investigating such approaches (see e.g. Kohonen, 2008).

Overall, I consider multiple levels of analysis through a mixed methods research design: I investigate country-, firm-country-, and firm-level factors in organisations' decision to engage in international assignments from an emerging market, and implement international assignments from an emerging market to a specific location, with a quantitative study of the firm population in a selected emerging market (Slovenia). I then focus on the decision-making processes and underlying mechanisms of international assignment implementation and management at the firm, firm-individual, and individual levels of analyses in emerging market firms. I select cases at all three levels of analyses based on their theory-generating potential. I thus study the emerging market sending context, the emerging market firms, and long-term managerial internal assignments as those assignments that emerging market firms are most likely to invest in (despite their limited resources).

When studying the firms' international assignment decisions as outcomes of the decision-making processes at the firm level, I first focus on the multilevel determinants of the firms' binary choice to either use or not use international assignments (in a specific location). These decisions are analysed mainly with quantitative methods. I then analyse both the firms' and individuals' international assignment decision-making, where I consider the cognitive processes leading the firms and the individuals to the decision to expatriate or inpatriate. I include the individual level in the analysis, because I recognise the reciprocal impact the decision-making processes at different levels have on one another and the execution and management of an assignment. When investigating the firms' and individuals' international assignment decision-making, I do not limit my study to the cognitive processes leading to the firms' and individuals' decision to expatriate (or inpatriate), but instead also address the firms' and individuals' decision-making processes related to how an international assignment is managed at both levels (separately and combined as they inform one another) and at different stages of an international assignment. For this purpose I focus on the organisational and individuals' assignment (management)-related narratives and discourses through a combination of qualitative methods.

Research objectives and questions

The overall objective of the dissertation is to explain the firms' and their employees' decision-making processes and decisions related to international assignments and their management during business internationalisation from a multilevel perspective for international assignments originating from an emerging market or emerging market firm. **Specific research goals** pertain to (1) the identification of the types of firms more inclined to employ such international assignments

and the multilevel determinants of their assignment-related decisions (including decisions on assignment frequency and location), and (2) the identification of the mechanisms determining international assignment decision-making, implementation, and management at firm and individual levels in the studied contexts. I address the following **research questions** (RQs):

– **RQ1**: What is the impact of (1a) the firm's characteristics and (1b) the firm's sending and receiving country institutions on the firm's decision to expatriate its employees from an emerging market?
– **RQ2**: What is the impact of (2a) the firm's characteristics and (2b) the firm's sending and receiving country institutions on the firm's decision to expatriate its employees from an emerging market into an emerging (CEE) or a developed (non-CEE) market location?
– **RQ3**: What mechanisms influence the international assignment decision-making, implementation, and management processes at the organisational and individual levels?

Methodology

In the dissertation I employ **a mixed methods approach** combining both quantitative and qualitative methods and deductive, inductive, and abductive reasoning in a series of studies, as this provides a better understanding of the complex phenomenon and the related processes in a specific emerging market and emerging market firms' context (see Creswell, 2003; Creswell & Plano Clark, 2007). The quantitative part of the study is aimed at addressing the research question (RQ) on whether and how firms in emerging markets differ in their decisions regarding international assignment implementation. In this part of the study, I analyse the patterns of international assignments (i.e. their occurrence, frequency, and location) based on firm-level population data from four datasets: (1) a dataset on international assignments gathered by the Health Insurance Institute of Slovenia (2015–2016),[6] (2) a dataset on the entire population of enterprises in Slovenia collected annually by the Agency of the Republic of Slovenia for Public Legal Records and Related Services (including foreign-owned enterprises) (AJPES, 1994–2016), (3) a dataset on international trade in both goods and services provided by Statistical Office of the Republic of Slovenia (SURS, 1994–2016); and (4) a Bank of Slovenia (2008–2016) dataset containing data on foreign direct investments (FDI). To account for the institutional environment of both assignee-sending and receiving countries, I also use data on country-level variables from the World Bank Group's Worldwide Governance Indicators dataset (1996–2018).

Summary statistics comparing internationally assigning firms with other internationally engaged enterprises and a median population firm in Slovenia are reported in order to provide the first comprehensive mapping of international assignment-implementing firms. Country-level data, such as data on the quality of economic, political, and legal institutions, size and level of market development in assignee-sending and receiving countries, as well as geographic distance between them, is used for specifying additional determinants of firms' assignment-related decisions

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[6] Only outward international assignments to European Union (EU) member states, Lichtenstein, Switzerland, Iceland, and Norway lasting up to 24 months are captured by this dataset.

(especially regarding assignment location). I study the firm's likelihood to assign (and to assign to a specific location) by applying different binary response models, whereas the determinants of the number of assignments by a firm in a year are uncovered with count data models. A broad set of control variables at the firm-, firm-country-, and country-levels is introduced to reduce the omitted-variable bias. Due to data limitations regarding international assignments as captured by official statistics (including the lack of differentiation between assignment types, non-inclusion of data on assignee inflows to Slovenia, and absence of individual-level data), quantitative research does not enable an inquiry into the firm-employee relationship and interactions between firm- and individual-level factors within the emerging market (firm) context in assignment-related decisions. It moreover does not allow research into the decision-making process, but rather provides insights into the firm-, firm-country, and country-level determinants of the final outcome of the latter (i.e. the organisational decision to implement an assignment). It also does not support the inquiry into the underlying mechanisms of international assignment decision-making, implementation, and management (e.g. assignee identity construction and work) at the individual and organisational levels (individually or relationally).

The second (qualitative) part of the study thus addresses the question of the mechanisms that influence the international assignment decision-making, implementation, and management processes at organisational and individual levels throughout the international assignment process as determined, perceived, and performed at firm and individual levels. Through a combination of methods, it identifies assignees' role or identity shifts relative to their colleagues and firm-employee relationships as crucial mechanisms in these processes. A two-stage approach to the qualitative part of the study is employed. The first stage involves several pilot interviews conducted with firm representatives and (where applicable) individual assignees in diverse emerging market firms. These include (1) a business accelerator and two startups, (2) one high-tech small and medium-sized enterprise (SME), (3) two mature emerging market large multinational enterprises (MNEs) – one manufacturing and one service firm, (4) a developed market subsidiary located in the focal emerging market, and (5) two sole proprietors (i.e. micro firms).[7]

Through the pilot interviews, I outline the main issues related to international assignment implementation and management in emerging markets and emerging market firms, polish the firm- and individual-level sampling criteria (e.g. regarding firm size or internationalisation stage and type or format of international assignment), as well as focus and clarify the research question (see also Stroppa & Spieß, 2011). These interviews show that the more strategic consideration of and approach to international assignments and their management only develops with emerging market firms' growth, which leads to the elimination of startups and SME firms from the further qualitative data collection and analyses. They also demonstrate the limited diversity of international assignments by emerging market firms and their focus on control and coordination purposes, which focuses my research further: i.e. on long-term managerial international

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[7] Sole proprietors are uncovered as an additional assignment format by the two central cases at the second stage of the qualitative study, but included in the research design as pilot interviews due to their specificities as well as for anonymity purposes.

assignments by large emerging market MNEs (EMNEs). Based on their intensity and strategic relevance for the firms, these assignments represent the greatest theory-generating potential from the perspective of the research questions examined in this study. Due to the limited use of international assignments in pilot cases (despite their selection being grounded in the population data on assignment implementing firms), these cases are discarded from in-depth analyses (their inclusion in the analyses would also endanger the firms' and interviewees' anonymity). They nevertheless inform the interview guide and later interpretations of the responses in the two final cases from the comparative case study (i.e. the second stage of my qualitative research).

A multilevel comparative case study in the two selected firms[8] (one a manufacturing and the other a service firm to account for possible organisation-level differences in discourses by the two groups; one globally-oriented and one more regionally-focused to account for location decision-making differences) involves multiple data sources and data collection methods to increase the validity and reliability of the research findings (see e.g. Iacono, Brown, & Holtham, 2011; Sousa & Voss, 2001). The rigorous purposeful sampling of cases (i.e. individual firms and employees) (see Poulis, Poulis, & Plakoyiannaki, 2013) is based on a literature review, the results of the complementary quantitative part of the study, and the findings from the pilot interviews. Semi-structured in-depth interviews with multiple informants (a focal part of the study) within each firm are performed due to the varying perceptions, experiences, and expectations regarding international staffing not only at the level of an individual, but also across levels of analysis.

I argue that comparisons of the different viewpoints within and across levels can reveal the mechanisms determining international staffing practices (see also Welch, Steen, & Tahvanainen, 2009). Altogether, 14 interviews with 15 interviewees in two large, mature EMNEs from Slovenia are reported.[9] I follow a critical incidents approach during all interviews to capture the key events during the entire international assignment process (see Flanagan, 1954). I thereby also capture critical incidents in my findings through additional analysis of individuals' career development (e.g. by investigating interviewees' LinkedIn profiles and inquiring about the issue during interviews) and studying organisational histories and the changes in discourses over a longer period (by analysing annual reports for the period between 2012 and 2017, as well as using supplementary data from corporate websites, internal acts, and news captions about the sample firms in print if available). Finally, I include content and critical discourse analyses of annual reports in the research design, to capture the organisational discourses and narratives framing individual-level (international) staffing discourses, narratives, decision-making, and actions. This analytical approach is also used for studying interview transcripts and summaries.

To sum up, the quantitative part of my study uncovers firm-, firm-country-, and country-level (focusing on both sending and receiving country institutional environments) determinants of international assignments, whereas the qualitative part of the study focuses on two EMNEs'

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[8] A multiple (comparative) case study approach is chosen as it typically provides a stronger base for theory building (Yin, 2004).

[9] The difference in the number of interviews and interviewees emerges because one of the interviews was conducted with two firm representatives simultaneously.

international staffing discourses as reflecting or reflected in the macro, mezzo, and micro levels of analysis focused on the international assignment-related decision-making. Such a research design provides multilevel insights into international assignment implementation and management by firms in emerging markets, and uncovers the underlying mechanisms that determine both the organisational and employee decision-making processes related to international assignments in light of the changed firm-employee relations requiring multilevel identity work.

Theoretical framework

The quantitative and qualitative part of the study are connected through a focus on institutions, identities, and roles that determine firm internationalisation and international staffing practices in emerging market firms. Institutions, studied in the quantitative part of the study, are acknowledged as a crucial factor in countries', organisations', and individuals' identity work (identified as an important international assignment-related mechanism through the exploratory part of qualitative study). They, for instance, determine the level of a country's attractiveness to businesses and employees, an employer's attractiveness to employees and other stakeholders based on the practices expected by firms from a specific institutional environment, and the discourses determining organisational, collective or individual practices (see e.g. Alkire, 2014).[10] According to Lawrence and Suddaby (2006) identity work is a form of institutional work since (like institutions) identities determine the relationship between an actor and the field they operate in. Institutions thereby provide the resources for identity construction as well as the context for their realisation (Chreim, Williams, & Hinings, 2007; Creed, Dejordy, & Lok, 2010; Glynn, 2008; Thornton, Ocasio, & Lounsbury, 2012). Institutional (c.f. DiMaggio & Powell, 1983; Scott, 1995), role (transition), social categorisation, social identity (see e.g. Ashforth, 2001; Hogg & Terry, 2000; Tajfel & Turner, 1979, 1986), and to a limited extent agency theories (e.g. Tan & Mahoney, 2004; Yan, Zhu, & Hall, 2002) are thus employed in this dissertation to explain the multilevel interactions among the variables and contexts of international staffing in emerging markets and emerging market firms. Theories of heterogeneous firms and trade (Bernard, Jensen, Redding, & Schott, 2007; Melitz & Redding, 2012; Redding, 2011) are also included to account for firm-specific determinants of international assignment implementation.

A combination of **institutional theory and theories of heterogeneous firms** provides reasoning for inter-firm differences in international assignment implementation (i.e. the likelihood and capability to assign – once, multiple times, or to a specific location) as well as a contextualised explanation of international assignment-related location decisions at the firm level. It provides a theoretical basis for the mapping of firms according to their inclination and capability to engage in international assignments, as well as studying assignment location choices by considering both internal and external determinants of firms' (international) growth through cross-border experiential knowledge acquisition, transfer, and implementation (see also Flores & Aguilera,

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[10] See also the liability of foreignness literature (e.g. Nachum, 2015; Zaheer, 1995) and the institutional theory literature (e.g. DiMaggio & Powell, 1983; North, 1990; Scott, 1995; Xu & Shenkar, 2002).

2007; Welch, Nummela, & Liesch, 2016). **Role (transition), social categorisation, social identity, and agency theories** (see e.g. Bouchikhi & Kimberly, 2003; Tajfel & Turner, 1986; Turner, 1982; Watson 2008; Yan et al., 2002), on the other hand, provide an explanation of international assignment-related decision-making processes as determined by firm- and individual-level (as well as macro country-level) interests, and the narratives that the firms and individuals (can) both use or draw from to enhance their long-term international assignment-related goal alignment (viewed as a social process) and strengthen favourable firm-employee relationships during international employee mobility. Throughout the study, I reference the relevant expatriation literature focusing on assignment management and its use in internationalisation (e.g. Bhaskar-Shrinivas, Harrison, Shaffer, & Luk, 2005; Bonache, Brewster, & Suutari, 2001; Feldman & Tompson, 1993; Gregersen & Black, 1992; Harzing, 2001a; Shaffer, Harrison, & Gilley, 1999; Smale & Suutari, 2011; Tung, 1987; Wang, Tong, Chen, & Kim, 2009). I thereby also address the calls for greater integration of international business and international human resources management (IHRM) theories (Andersson, Brewster, Minbaeva, Narula, & Wood, 2019).

Relevance and scientific contribution

The contribution of the quantitative part of the study to international business and international human resources management literatures is three-fold. First, I expand the scarce knowledge of internationalisation and expatriation patterns by emerging market firms and provide the first empirical assessment of international assignment decisions at the firm level, as determined by firm-, firm-country-, and country-specific factors for an entire firm population in a country. Consistent with the theories of heterogeneous firms and trade, I show that only the best performing firms from emerging markets can expatriate to other emerging markets. Against the prediction of the institutional literature that firms are more likely to send expatriates to countries with weak institutions in order to manage risk and uncertainty, I find that companies assign their staff predominantly to states that are characterised by strong and stable institutional contexts.

Second, I advance and nuance the expatriation, international human resources management, and international business theories by emphasising the importance of diverse institutional contexts. I outline some of the challenges of weak institutions and identify the role of commercial diplomat that expatriates could undertake in order to manage these uncertainties.[11] In other words, I argue that international assignees engage in activities that usually pertain to commercial diplomacy, such as trade policy-making and business support activities (see e.g. Naray, 2008; Saner & Yiu, 2003), and also facilitate business through co-designing the business environment that their firms operate in. Third, I identify different patterns in relation to firms assigning employees to emerging and developed markets. The qualitative part of the study contributes to the international business and international human resources management literatures by introducing the concept of identity work as a mechanism linking the individual, organisational, and institutional levels of decision-making

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[11] Lawrence and Suddaby (2006, pp. 215) term such "purposive action of individuals and organizations aimed at creating, maintaining and disrupting institutions" as institutional work.

regarding international assignment implementation and management. By integrating the multiple levels of analysis it also contributes to a more relational and interactive understanding of international assignments.

Overall, this multilevel mixed methods approach to the phenomenon enables a more comprehensive empirical assessment of international assignment decisions in a specific (emerging market) context at firm and individual levels and an in-depth understanding of the interactions between the different levels of analysis (resulting in multilevel identity work and firm-employee relationship changes) throughout the different stages of international assignments and engaging different (managerial) assignees. Such an approach is a methodological innovation in itself (I specifically connect process tracing, content and discourse analysis within multilevel case studies with quantitative analyses on population data). To the best of my knowledge, this is one of the first international assignment studies using such a complex multilevel mixed methods research design that enables a more holistic and integrated understanding of international assignment implementation and management in emerging market firms. The dissertation also provides relevant practical implications related to managing international assignments for both policymakers and management practitioners.

Structure of the dissertation

The dissertation is structured as follows. The introduction is followed by a methodological chapter, presenting the main characteristics of the mixed methods approach used in the study (along with the philosophical stance and quality criteria employed), as well as the individual quantitative and qualitative methods used (including the analytical and interpretative procedures, sampling criteria, and sample description). I then provide an overview of extant research on emerging markets, emerging market firms, Slovenian and Slovenian firm contexts (including international human resources management in emerging markets and Slovenia in particular). The contextual chapter is followed by quantitative and qualitative analyses and results (with separate theoretical frameworks for each). In the final chapter, I synthesise my findings from multiple levels of analysis and multiple sources, whereby I explicitly address the relationships and interactions among the institutional environment, a firm's corporate strategy, expatriate policies and practices (see also Belderbos & Heijltjes, 2005; Collings et al., 2009; Gomez & Scanchez, 2005; Scullion & Brewster, 2001) and their impact on firm- and individual-level international staffing discourses, perceptions, and actions.

1 METHODOLOGY

This chapter discusses the methodology used in the doctoral study. It begins with a justification of the mixed methods research approach (see section 1.1) and continues with a description of the philosophical assumptions guiding my work (see sections 1.2.1 and 1.2.2). It then proceeds to explaining the quality criteria applied (see section 1.2.3). Individual quantitative and qualitative methods integrated in the study are presented together with an outline of the respective data collection and analysis procedures (see sections 1.3 and 1.4 respectively). The chapter also includes a discussion of the sampling strategy and multilevel criteria for sample selection employed: the country-, firm-, and individual-level factors determining the choice of the cases for further study are discussed (see sections 1.3.1 and 1.4.3). I conclude the chapter with an explanation of within- and cross-case analytical procedures (see section 1.4.4).

1.1 Mixed methods research approach

I employ a mixed methods research approach in my doctoral dissertation. This involves the collection and analysis of data through a mixture of quantitative and qualitative methods in either a single study or a series of studies. The mixing of methods is thereby aimed at providing a more holistic and in-depth understanding of the focal research problem than that provided through the use of either the quantitative or qualitative methods alone (Collins, Onwuegbuzie, & Jiao, 2007; Creswell, 2003, 2006; Creswell & Plano Clark, 2007; Johnson & Onwuegbuzie, 2004).

The mixing of quantitative and qualitative research techniques in this doctoral dissertation corresponds with the overall objective and specific goals of the study, as well as the three research questions posed in the introduction. Based on population data on all firms from the selected emerging market (Slovenia), **the quantitative part of the study** provides insights into country-, firm-country, and firm-level determinants of the firms' decisions to implement single or multiple expatriate international assignments for internationalisation purposes (RQ1), as well as into the factors affecting the location and dispersion of international assignments initiated by individual firms operating in an emerging market economy (RQ2). Particular attention is thereby paid to the differences in the firms' decisions to send employees to either other emerging (CEE) or developed (non-CEE) markets. In short, the quantitative part of the study provides one of the first mappings of firms operating in an emerging market and implementing international assignments compared to non-assigning firms in the same emerging market.

The qualitative part of the study, on the other hand, helps identify the key issues that emerging market firms and their employees face in implementing and managing international assignments at different stages of their growth and internationalisation, as well as any alternative types of international employee mobilities they may use that are not recorded in the official statistics on expatriation in the corporate context. It thereby helps focus the study. It consists of two stages: (1) the preliminary exploratory study comprised of pilot interviews in diverse assigning and non-assigning emerging market organisations, and (2) an explanatory comparative case study in two large assigning EMNEs. The preliminary (i.e. pilot) study involves semi-structured interviews with firm-representatives and individual assignees (where applicable) in a business accelerator, two

startups, two micro entities registered as sole proprietors, a small and medium-sized high-tech firm, two emerging market-headquartered large MNEs and an emerging market-located foreign affiliate of a large developed market MNE (DMNE).[12] The types of firms included in this first stage of qualitative analyses are determined based on the results of the quantitative study, the acknowledged limitations of the official datasets (e.g. exclusion of assignee inflows to Slovenian-located firms, non-differentiation of assignments by type, and absence of data on alternative types of assignments), and the identified gaps in expatriation research (see e.g. Dabic et al., 2015). The preliminary analyses are thus broadly designed and aimed at identifying the factors influencing organisational and individual-level decisions for (or against) different types of international employee mobilities – also considering firm size, maturity, and level of internationalisation. While sectoral differences are implied, the sample is too small to study assignment patterns by industry or sector. The interviews are also designed to account for any firm-employee discrepancies in assignment perceptions, implementation, and experience across levels of analysis, as well as aimed at defining the departments engaged in international assignment management or support.

Due to the limited use of international employee mobility (especially in the initial stages of firm development and internationalisation – with the exception of mostly transitional international assignments aimed at establishing an entity or a business process), *ad hoc* approaches to international assignment implementation and management, lack of assignment diversity (with most firms reporting mainly traditional long-term managerial international assignments from the headquarters to foreign affiliates as a constant, with only rare use of short-term project-based assignments or alternative types of mobility, such as inpatriation, flexpatriation, commuter assignments or engagement of former employees in international mobilities), as well as the progressive development of international staffing strategies in emerging market firms that learn international staffing through practice,[13] the second part of the qualitative study centres on traditional long-term managerial international assignments implemented by large EMNEs.

The focus on international assignments implemented by large EMNEs is moreover grounded in the results of the quantitative part of the study showing a greater likelihood of large EMNEs using international assignments and sending employees to either other emerging or developed market host locations. This focus is also based on these firms being more likely to address international employee mobility strategically – and being more likely to address managerial international assignments in particular more strategically. Research shows that strategic consideration of international assignments by organisations is rare (Connelly, Hitt, DeNisi, & Ireland, 2007). I posit this is even more true in emerging market firms with limited resources. However, since managers of foreign affiliates are crucial in connecting these entities to the headquarters and other entities in the MNE network, as well as for promoting the individual entity's value creation and thus contributing to the overall MNE business performance, MNEs are nonetheless likely to invest in these employees. Studies suggest that MNEs are likely to invest more resources in a single expatriate manager than in any other employee – with an exception of the chief executive officer

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[12] For larger firms, the corporate websites and annual reports are also studied as part of interview preparation and contextualisation of the findings.

[13] For more detailed results of pilot interviews see section 1.4.3.1 on interview data analysis.

(CEO) (Selmer, 2001). Finally, long-term managerial assignments are deemed as the most demanding from the role transitioning and identity work perspectives (from both organisational and individual viewpoints), as well as from the perspective of the support required for them. This claim is based on the findings from my pilot interviews (see section 1.4.3.1) as well as past research on international assignments (e.g. Bozkurt & Mohr, 2011; Janssens, 1995; Shay & Baack, 2004; Starr, 2009), that both suggest an absence of formal changes in positions and a reduced need for (the highly skilled) short-term assignees' integration into the host entity and country due to these assignees' reliance on domestic support and the type of tasks performed. This in turn reduces the need for (relational) role transitioning and identity work by short-term international assignees – despite their possibly multiple and frequent relocations. Long-term managerial international assignments, on the other hand, often involve an official change in an individual's position and require in-depth immersion of an assignee in both their host organisation's and country's as well as home organisation's and country's environments, that all necessitate extensive (relational) role transitions and identity work by an individual. Such cases are thus more likely to provide relevant theoretical insights.

With preliminary interviews indicating the importance of firm-employee relationships and respective narratives or discourses for the international assignment implementation and management, the second part of the qualitative study focuses on these and their interactive effects. Uncovering the underlying (and expected to be multilevel) mechanisms requires in-depth and contextualised research, however. A comparative case study is thus conducted. The latter includes two purposively selected emerging market firms (as nested cases to the country-level case study in the quantitative part of the investigation into the phenomenon). Semi-structured in-depth interviews with both the employees involved in international assignment management (e.g. general management and/or HRM department representatives) and the international assignees, chosen based on criteria granting maximum variation in terms of employees' assignment- and/or work experience (either expert or managerial), along with the content and critical discourse analyses of the firms' annual reports, present the focal part of the qualitative study. Discourse analyses (also of interview transcripts) in particular provide additional insights into the organisations' and individuals' perceptions and rationalisations of the international assignment-related decision-making (RQ3) as well as the related organisational and individual behaviours, that cannot be captured with quantitative data. Breaking down the qualitative part of the study into a two-stage research process allows for both an overview of the international assignment-related issues specific to emerging market contexts, and a more focused investigation of the emergent issues that demonstrate the greatest theory-generating or theory-building potential and are at the same time also relevant to practitioners. The mixed methods research design is summarised in Figure 1.

Figure 1. Mixed methods research design used in the dissertation

QUANTITATIVE METHODS (population data)	QUALITATIVE METHODS (multilevel nested samples)
Summary statistics	**Stage 1**: Pilot interviews (theory-laden multilevel sample 1)
Binary response models	**Stage 2**: Comparative case study (multilevel sample 2)
Count data models	
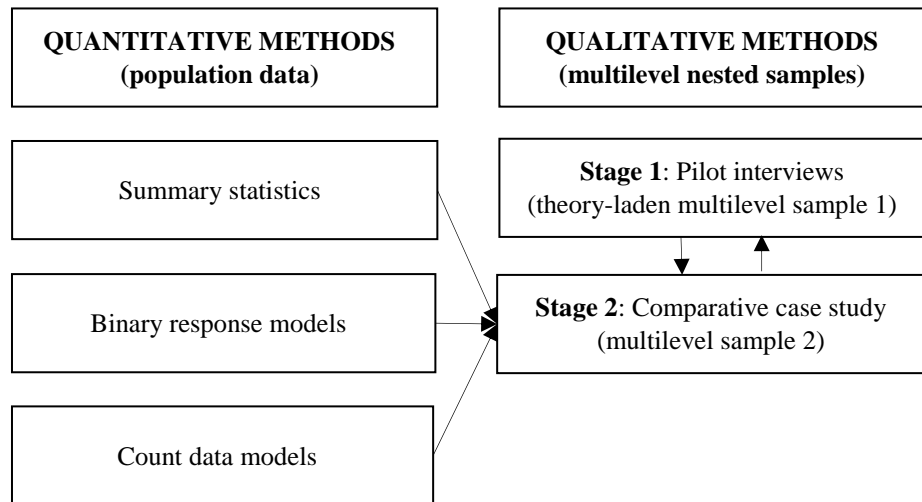
Legend. → Findings informing further sampling

Source: *Own portrayal.*

Such a research design provides **multilevel insights** (i.e. insights at the macro/country, mezzo/firm, and micro/individual levels) into (1) the firms' decisions related to international assignments aimed at firm internationalisation from an emerging market, and (2) the assignment-related management processes in these firms (see also Greene, Caracelli, & Graham, 1989; Tashakkori & Teddlie, 1998). A combination of quantitative and qualitative research approaches thus results in both a broader and deeper understanding of the international assignment implementation and management processes in emerging market firms or emerging market-sending contexts. Data gathered in the two parts of the study are complementary and allow further elaboration, mutual enhancing, and clarification of the results obtained based on the two types of methods used. While quantitative data analyses shed light on the statistical trends regarding organisational international assignment decisions as determined by country-, firm-country, and firm-level factors (i.e. they provide a basis for statistical generalisations on the determinants of the international assignment implementation as an outcome), complementary qualitative data analyses result in analytical generalisations on the more in-depth stories and experiences of firms and individuals with international assignments and their management as a process (Collins et al., 2007; Creswell, 2015; Creswell & Plano Clark, 2007; Johnson, Onwuegbuzie, & Turner, 2007).

The mixing of quantitative and qualitative research techniques in mixed methods research occurs at multiple stages of the research process (Creswell, 2006). In my doctoral dissertation, it pertains to the definition of the purpose of the study and research questions, sampling, and drawing conclusions and inferences from the results, while the data collection and analysis for quantitative and qualitative parts of the study are separate. Such mixing of the different research techniques at multiple stages of the research process increases the overall quality and results in a study with greater explanatory power (Pavasović Trošt, 2017). Neither the quantitative nor the qualitative approach takes priority in the research design. The two types of data and analyses rather explain the phenomenon under study from different perspectives and at different analytical levels.

I employ a concurrent strategy in mixing the two approaches. More specifically, I follow the convergent parallel mixed methods research design. According to this, the researcher collects both quantitative and qualitative data at the same time during the study and integrates the information in the interpretation of the overall results. One form of data is thereby nested within the larger data collection procedure, which enables the researcher to analyse different questions or levels of units in an organisation (Creswell, 2003). The main mixing of the qualitative and quantitative parts of the study (which are of equal importance) thus occurs at the interpretation of the results stage (Bazeley, 2009; Creswell & Plano Clark, 2007; Plano Clark & Ivankova, 2016). There is no mixing during data collection or analysis (e.g. through data transformation or joint displays) – with the exception of the quantitative analyses informing sampling for qualitative analyses. The clear division of the two strains of the study is enforced to preserve the value and benefits of each type of data in terms of the multilevel and multi-perspective research findings. It moreover allows for greater methodological and interpretive transparency and thereby enhances the credibility and promotes replication of the study. Methodological transparency thereby pertains to the detailed descriptions of steps taken to collect and analyse data, as well as explicit specifications of which results derive from what type of data or data analysis (Creamer, 2018).

By using mixed methods research, I combine inductive (i.e. discovery of patterns), deductive (i.e. testing of theories and hypotheses), and abductive reasoning (i.e. uncovering and relying on the best of a set of explanations for understanding the research results) throughout the dissertation (Johnson & Onwuegbuzie, 2004). This facilitates continual refinement of theories during the course of the research process (Modell, 2009). It simultaneously supports **retroduction**: i.e. the process of making inferences from the (empirically grounded) explication of events, structure and context, and hypothesising possible causes (i.e. generative mechanisms and structures) for a phenomenon (not) to occur in a specific context or situation (Bhaskar, 1998a; Danermark, Ekstrom, Jakobsen, & Karlsson, 2002; Sayer, 2004; Zachariadis, Scott, & Barrett, 2013).

1.2   Philosophical stance and assumptions

By combining quantitative and qualitative methods, mixed methods research is often marked by conflicting paradigmatic foundations (Ghiara, 2019; Ma, 2012; Tashakkori & Teddlie, 2003a).[14] While the quantitative methodology is for the most part associated with a positivistic paradigm assuming a realist or objectivist ontology and an empiricist epistemology, the qualitative methodology is predominantly associated with an interpretivist epistemology and a constructionist ontology (Antwi & Hamza, 2015).[15]

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[14] Paradigms are *"systems of beliefs and practices that influence how researchers select both the questions they study and methods that they use to study them"* (Morgan, 2007, pp. 49).

[15] Quantitative and qualitative research approaches are not synonyms for paradigms, but rather present approaches to data and methods that may be more likely associated with a specific paradigmatic underpinning (Biesta, 2010; Greene & Hall, 2010; Shannon-Baker, 2016).

Mixing these diverse ontological and epistemological assumptions may suggest the acceptance of *"multiple realities"* (Ma, 2012, pp. 1859). To resolve the fundamental questions related to the conflicting ontological and epistemological assumptions in mixed methods research methodology, mixed methods researchers have sought to provide guidance in terms of the selection of methods to be mixed, the related paradigmatic assumptions, and their implications for theorising. Recognising that not all paradigmatic perspectives may be suitable for mixed methods research, and that the choice of a paradigmatic perspective has implications for both the research design and its execution as well as research results, mixed methods researchers have been increasingly advocating greater transparency regarding the paradigmatic choices made and the explicit discussion of their implications for methodology and theorising for individual studies (see e.g. Creswell & Plano Clark, 2007; Greene, 2006; Welch & Piekkari, 2017). A clear paradigmatic positioning of a study is namely a basis for quality research (see also Johnson, Buehring, Cassel, & Symon, 2006; Welch & Pikkari, 2017).

I share the view that the mixing of paradigms in mixed methods research can be beneficial, for example, in terms of developing a more holistic and in-depth understanding of the phenomenon under investigation by incorporating multiple perspectives[16] and levels of the phenomenon in the research design, as well as through the constant questioning of conclusions and inferences made in the research process due to contradictory ideas that arise from different methods (see also Jick, 1979; Patton, 1990). However, I agree that it only results in credible and quality theorising when it is systematic[17] and transparent. In this section, I thus clarify the ontological and epistemological positions shaping my own work, justify the choice of critical realism as the paradigmatic perspective used, and discuss what implications the underlying assumptions of critical realism have for both my methodological choices and theorising. I end the section with presenting the quality criteria applicable to my research based on the paradigmatic position taken.

1.2.1 Critical realism

In the dissertation I adopt a critical realist position, which assumes the compatibility of worldviews, supporting the point that quantitative and qualitative research can complement one another and each address the other's limitations. This position is particularly suitable for addressing the research questions presented in the introduction, as it stresses the importance of incorporating multiple perspectives, relationships (among individuals or organisations, events and ideas), processes, and contexts in the research design in order to make contextualised yet generalisable causal inferences about phenomena (Shannon-Baker, 2016). Here, generalisation refers to providing a convincing explanation of the underlying structures of reality and the core mechanisms generating a phenomenon under investigation (in my case specific international staffing decisions and their outcomes for firms and assignees from emerging markets) rather than

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[16] Modell (2009) suggests that the diverse perspectives can facilitate theorising.

[17] The selection of methods (between- or across-method triangulation) should be based on their potential contribution to solving the research problem (Hurmerinta-Peltomäki & Nummela, 2004).

to a search for general laws that predict particular outcomes (Bisman, 2010; Bygstad, Munkvold, & Volkoff, 2016; Tsoukas, 2011).

Combining a realist ontology with a subjectivist (interpretive) epistemology (Bhaskar, 1998b; Bygstad et al., 2016; Welch & Piekkari, 2017), I acknowledge that, while reality can exist outside of perception (Bhaskar, 1998b; Maxwell & Mittapalli, 2010), it is also constructed through social actors' standpoints, perceptions (Creswell & Plano Clark, 2007), and narratives. This means that, in accordance with critical realism, I recognise that both the social actors with their subjective knowledge and independent structures (e.g. institutions) constraining and facilitating the (possible) actions by actors influence the phenomena and their outcomes in a specific context (Wynn & Williams, 2012).

In identifying the interactions between actors (i.e. individuals and organisations), mechanisms and structures at various levels (i.e. individual, organisational, and country), and events, I follow the logic of **stratified ontology**. Critical realists conceptualise reality as stratified into three domains: the real, the actual, and the empirical. The first (i.e. the real) domain consists of the physical and social structures of objects capable of behaviour. These causal structures explaining phenomena are called mechanisms and may (or may not) trigger events and processes in the second (i.e. the actual) domain. Finally, the events (if they occur) may (or may not) be observed in the third (empirical) domain (Bhaskar, 1975; Bhaskar, 1998b; Fairclough, 2005). From the perspective of critical realism, understanding the real domain is the crucial role of science. The conceptual decomposition of reality into domains implies, however, that the sensing of an event does not equal the actual event. The latter can occur regardless of whether it is observed and can be observed only partially as well as differently depending on the observer (Johnston & Smith, 2010). I thus incorporate multiple voices (and their narratives) in a multilevel mixed methods research design to facilitate identification of causal mechanisms and structures generating specific international staffing decisions and outcomes in firms from an emerging market as a basis for theorising. I discuss the implications of critical realism for the methodology employed in the following section (i.e. section 1.2.2).

1.2.2 Implications for methodology

The identification and explication of the underlying structures and generative mechanisms that trigger the phenomena of interest require **abstract research and logical argumentation**. Since the structures and mechanisms a researcher aims to uncover are often unobservable,[18] rather than trying to directly grasp them, critical realists suggest that researchers should observe their components, layers (along with their interactions and relationships to one another), and manifestations. The latter include both the tangible effects (such as events – e.g. the occurrence of international assignments to a specific location observed in quantitative datasets or individual-experienced events related to an assignment identified through content analyses of interviews with assignees) and the intangible effects (such as informants' and researchers' perceptions, (false)

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[18] The description of unobservable mechanisms inevitably contains concepts that do not appear in empirical data (Bunge, 2004).

beliefs, illusions, and reflections observed through the narratives and discourses in the current study) (Bhaskar in Piekkari & Welch, 2018; Bygstad et al., 2016; Modell, 2009; Piekkari & Welch, 2018; Shannon-Baker, 2016).

To capture the complexity of the phenomena and develop a holistic understanding of the underlying structures and mechanisms of reality, critical realists have developed **five methodological principles** that apply to research assuming this paradigmatic perspective: (1) explication of events, (2) explication of structure and culture, (3) retroduction, (4) empirical corroboration, and (5) triangulation. Explication of events involves the detailed identification of the components and sequence of events under investigation through the abstraction of experiences (as perceived by both the researcher and the informant) and documentation of their outcomes. Explication of structure and context is the next step for critical realist researchers. It includes the identification and decomposition of the structure that is causally relevant into its constituent parts (e.g. actors, rules, and the relationships among components, and between components and the outcome of interest with the help of existing theories and frameworks) based on event descriptions (Bhaskar, 1975; Elder-Vass, 2007). Retroduction is the process of making inferences from the (empirically grounded) explication of events, structure and context, and hypothesising possible causes (i.e. generative mechanisms and structures) for a phenomenon to (not) transpire in a specific context or situation (Bhaskar, 1998a; Danermark et al., 2002; Sayer, 2004; Zachariadis et al., 2013). The objective of retroduction is to form the most convincing and complete logical argument about how the phenomenon is triggered through the emergent properties of the structure interacting within the study context (Wynn & Williams, 2012). To explain why a correlation between two constructs expresses itself only in certain contexts but not in others, researchers thus need to look for a set of plausible explanations (Piekkari & Welch, 2018).

The final two principles refer to thought trials (Weick, 1989), i.e. iterative cycles of reflection on the extant theories, data, and propositions developed through abstraction during analyses, critically assessing and eliminating the alternative explanations (Zachariadis et al., 2013). The principle of empirical corroboration refers to validation of alternative explanations with empirical evidence from the study, ensuring that the proposed mechanisms adequately represent reality, have sufficient causal depth, and better explanatory power than alternative explanations for the phenomenon under study. This requires researchers to consider a full spectrum of data describing the social structures, conditions, agency, and events (e.g. by involving multiple participants or studying multiple cases and events) (Wynn & Williams, 2012). In mixed methods research such corroboration involves comparison between the findings or inferences produced by diverse methods (i.e. meta-inferences (Venkatesh, Brown, & Bala, 2013)), as well as the use of complementary theoretical interpretations explaining how different mechanisms interact and contribute to the phenomenon under investigation in a specific context (Bhaskar, 1998a; Bygstad et al., 2016; Danermark et al., 2002; Sayer, 2004). Finally, the principle of triangulation reflects the importance of incorporating multiple approaches and capturing multiple viewpoints in the research design in order to support causal analysis. It is aimed at developing knowledge about the many types of structures with different emergent properties, powers, and tendencies assumed by critical realism (e.g. physical, social, conceptual, and motivational) – an aim that cannot be accomplished through the use of a single method, theory, or data source. Triangulation also helps

to control for the influence of various biases on the research process and results generated. It involves combining different data sources, theories, investigators, and methods (see e.g. Denzin, 1978a). In applying these principles, the researcher takes on the role of the interpreter positioned between the layers of reality (Wynn & Williams, 2012).[19] This enables the researcher to expose false or incomplete understandings of a phenomenon through data, theory, and methodological triangulation and replace them with better understandings that inform future action (Bhaskar in Piekkari & Welch, 2018; Piekkari & Welch, 2018).

Critical realists put great emphasis on the continual refinement of theories (Modell, 2009), and also provide justification for mixed methods research. They argue that quantitative methods are mostly descriptive and can thus only be used for identifying demi-regularities (i.e. partial event regularities that imply occasional rather than universal actualisation of a mechanism in a specific context (Bache, 2003; Lawson, 1997)), focusing the research design, and developing propositions about possible causal mechanisms based on indicative patterns. However, they can neither uncover generative mechanisms, patterns, and relationships, nor can they be used for theory testing (Zachariadis et al., 2013). According to critical realists, quantitative research should thus always precede qualitative research: either as a preparatory step or an intermediate stage in the research process informing the retroductive process (Downward & Mearman, 2006).[20] Although critical realists suggest the role of qualitative methods to be more profound than that of quantitative methods (see e.g. Bengtsson, Elg, & Lind, 1997; Zachariadis et al., 2013), I do not agree. I rather argue that both groups of methods contribute to a more holistic and contextualised understanding of complex organisational processes and the related causal mechanisms (Bengtsson et al., 1997; Zachariadis et al., 2013). Outliers can only be identified and explained relative to the general patterns.

As critical realists are interested in *"particular situations and events, rather than addressing only general patterns"* (Maxwell & Mittapalli, 2010, p. 156), a mixed methods research design is particularly well suited to the critical realist position. The prevalent purpose of mixing methods in critical realism is thereby gaining complementary views about the same phenomena, whereby different methods allow for different levels of abstraction of a multi-layered world, which is also the case in my study. Another key purpose of using a mixing methods approach, as claimed by critical realists (and pursued in this dissertation), is achieving completeness (i.e. ensuring a complete or as detailed as possible picture of the studied phenomenon).[21] For these reasons, critical

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[19] Data production, case description, and fact construction are inevitably influenced by the researcher's interpretation (Alvesson & Sköldberg, 2000). I acknowledge and reflect on my role as a researcher in the research process in section 1.4.2.

[20] Validating qualitative findings with quantitative research would constitute an epistemic fallacy (Zachariadis et al., 2013).

[21] Other purposes for mixing methods include the developmental purpose (i.e. raising questions in one type of research based on inferences in another type of research), expansion of previous (quantitative) research, corroboration or confirmation of findings from other studies, compensation of the weaknesses of one method with the strengths of another, and incorporating a diversity of views on the same phenomenon (Zachariadis et al., 2013).

realists most commonly approach mixed methods research by using extensive (i.e. quantitative) methods to identify and establish demi-regularities with data patterns, and use these results to guide intensive (i.e. qualitative) research to uncover the generative mechanisms and social structures triggering specific behaviours and events (Zachariadis et al., 2013). They achieve the latter objective by systematically analysing the interactions among events, mechanisms, and the evolving (layers and components of) structures in a limited number of cases that allow for more in-depth examinations (Bygstad et al., 2016).

I conduct my intensive mixed methods study in line with these methodological implications. This means that I use quantitative and qualitative research methods as complementary approaches to studying the same phenomenon from different perspectives. A concurrent study design thereby facilitates retroductive processes. The quantitative and qualitative research results inform one another and are constantly contrasted to trigger reflection (a similar process is employed for extant theories relevant to expatriation). This in turn provides a more holistic understanding of international assignment decision-making in emerging market contexts, and results in a more plausible explanation of the mechanisms determining organisational and individual perceptions and actions related to international employee mobility. The findings on general international staffing patterns based on quantitative analyses of firm-level population data in a specific (emerging market) context are thereby complemented with the findings from pilot interviews and in-depth case studies in two purposively selected emerging market firms.

Mixing methods has several advantages for identification of the generative mechanisms and structures underlying specific international staffing decisions by firms. First, the use of multiple methods and multiple data sources (i.e. country-level statistics datasets, firm population datasets, and datasets on assigning firms together with firms' annual reports, corporate websites, interviews with firm representatives and assignees, as well as interviewees' LinkedIn profiles and relevant media appearances for additional career development insights) facilitates:

– **Macro-level insights** into the sending and receiving country contexts determining firms' international staffing decisions as well as the types of firms more inclined to employ international assignments from an emerging market (i.e. it facilitates firm mapping);
– **Mezzo-level insights** into firm-country and firm-level determinants of the firms' decisions to expatriate and their decisions to expatriate to a specific location (with implications for international assignment purposes) as well as the rationalisation of these decisions (through analyses of organisational international staffing and related discourses);
– **Micro-level insights** into the individuals' assignment-related perceptions, expectations, decision-making processes, actions, and experiences;
– **A contextualised understanding** of interactions between the multilevel determinants of international assignment implementation and management practices in a particular emerging market business environment (Slovenia);
– **A broad overview** of the international assignment strategies and practices employed by emerging market firms and the related issues, as well as the outcomes of specific international staffing decisions as presented in official documents, on corporate websites, in interviewees' LinkedIn profiles or by interviewees during interviews; and

- **The identification of the intangible forces**, such as firm- and individual-level perceptions, beliefs, narratives, and reflections on international staffing (management) strategies, and practices impacting the latter.

Overall, my research design involves the collection of data on both the observable and the intangible forces impacting international assignments at multiple levels and allows for thick descriptions (see e.g. Danermark et al., 2002) as a basis for developing a more convincing and accurate argument for the proposed causal mechanisms and structures in international assignment implementation and management by firms when expatriating from emerging markets (see e.g. Yin, 2004). Thick descriptions and the inclusion of rich quotations from the interviews in the dissertation when reporting the research results establish a clear cognitive path that leads from the empirical material through to the results. This path explicitly links data with the inferences made and thus allows readers to draw their own conclusions (see also Avenier & Thomas, 2015).

Second, the inclusion of multiple voices, especially in the qualitative part of the research design, further contributes to the more holistic understanding of international staffing practices and their outcomes in emerging market contexts, as interviews with employees at different levels of the organisational hierarchy and with different roles in (managing) international staffing provide insights into both the firms' and individuals' (planned or executed, actual or perceived) activities and the informants' perceptions, (false) beliefs, illusions, and reflections on these activities, events, and relationships (as influenced by the organisational culture, as well as the social interactions in the organisation or with business partners and colleagues outside the organisation, rumoured experiences of others, and individuals' own experiences). I thereby acknowledge that organisational and individual voices are not represented solely through interviews, but rather also through the firms' official documents and corporate websites and in professional social media such as employees' LinkedIn profiles.[22] Inclusion of these additional sources in the analysis thus supports reflection on the organisational culture, discourses, actual events and practices in the firms, and how they are perceived, as presented by the interviewees.

Third, the breadth and depth of data[23] supports the iterative approach to research. The latter refers to the constant cycles of reflection between theory, data, and propositions developed and polished throughout the study. It enhances the analytical stability about the (activated or inactivated) mechanisms triggering an event or an outcome and helps eliminate the less plausible alternative explanations (see also Ahonen, Tienari, & Vaara, 2011; Strong & Volkoff, 2010; Zachariadis et al., 2013). Iterative comparisons of multiple data sources and perspectives with extant theories

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[22] Analysis of organisational LinkedIn profiles is beyond the scope of this study, but offers potential for future research – especially from the perspective of both internal and external employer branding through various international employee mobilities (see also Point & Dickmann, 2012).

[23] This is further facilitated through the case selection described in more detail in sections 1.3.1 and 1.4.3. In accordance with a critical realist stance, intensity sampling, which is focused on information-rich cases illuminating the phenomenon of interest in a particular context, is used (Welch, Welch, & Worm, 2007).

enable clearer inferences regarding what the (diverse) actual informants' and organisational experiences with international staffing and employee mobility are, and what constitutes the actual event and mechanism causing a specific strategy or practice and its outcome (see also Ahonen et al., 2011; Eisenhardt, 1989; Langley, 1999; Locke, 2003). Dissimilarities and conflicts between data and theories are considered as a source for theorising rather than a limitation of the research design (see e.g. Eisenhardt, 1989).

In summary, the research design of this doctoral dissertation reflects the five methodological principles of critical realism: (1) explication of events, (2) explication of structure and culture, (3) retroduction, (4) empirical corroboration, and (5) triangulation. Mixing of methods, data sources, and informants (whereby both what is and what is not being reported is reflected upon) provides insights into the phenomenon under investigation from multiple perspectives and levels, exposes inconsistencies in informants' responses and between data sources, repetitive patterns and extremes, as well as reveals the generative mechanisms of international assignment rationalisations, decision-making, and behaviours in an emerging market context at firm and individual levels. While quantitative analyses provide a basis for identifying demi-regularities and developing propositions about possible causal mechanisms based on the indicative patterns in an emerging market (firm) context (accounting for country-, firm-country, and firm-level determinants of firms' international staffing decisions), qualitative analyses provide an in-depth understanding of firm- and individual-level determinants of international staffing decisions.

Combined, these findings help to uncover how these determinants interact at multiple levels and how they form the causal mechanisms and structures triggering specific international staffing decisions and their outcomes. Constant questioning and juxtaposing of the findings against one another and extant theories and consideration of alternative explanations thereby eliminates the less plausible explanations (see also Glaser, 2004; Wynn & Williams, 2012), and results not only in a more holistic understanding of international assignment flows from an emerging market, but also in more credible theorising about the studied phenomenon. The latter nevertheless remains open to further (re)interpretations. This characteristic of the mixed methods findings according to critical realism is related to the conceptualisation of generalisation. According to critical realists, the latter refers to a study providing a convincing account of the generative mechanisms (Tsoukas, 2011), which can be modified and enriched without limitations through further (qualitative) testing and continual comparisons with accumulating data (Glaser, 2004). In other words, comparison rather than replication is the objective because of the importance of context in explaining the phenomena of interest (Tsang & Kwan, 1999; Tsoukas, 1989).

1.2.3   Implications for quality criteria

Quality criteria present an additional challenge in mixed methods research (see e.g. Creswell & Plano Clark, 2007), as they are defined differently for quantitative and qualitative research (Maxwell & Mittapalli, 2010).[24] Critical realists address the issue of quality in mixed methods

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[24] For a detailed discussion on the differences in the definition and utilisation of validity in qualitative and quantitative research, see Venkatesh et al. (2013) and Zachariadis et al. (2013).

research by arguing that each research strand should be subjected to **a separate set of criteria and validation principles** established for quantitative or qualitative research, respectively (see Venkatesh et al., 2013). This implies that the researcher needs to be systematic, transparent, and explicit about linking conclusions and inferences to specific data sources by type. Validation of inferences should not be limited to testing claims against empirical evidence (the nature of the evidence relevant to a claim is contingent upon the nature of the claim), but should rather address plausible alternative explanations for a claim as well. Thereby, critical realists focus attention on the specific plausible threats to the conclusions drawn in a given study and stress considering the dependence of these conclusions on the context and purposes of the study, as well as on the methods used (Maxwell & Mittapalli, 2010).

In my doctoral dissertation, I consider (and explicitly address) potential threats to my conclusions at different stages of the research process, as well as design the research so that the quantitative part of the study reflects the quality criteria established in quantitative research, while the qualitative part of the study reflects the quality criteria established in qualitative research. These criteria (as well as how they have been applied in my research) are elaborated upon in the following sections, whereby the critical realist implications for each set of criteria are also taken into account. Specifically, I follow the recommendation to ensure that the research quality criteria are in line with the philosophical orientation applied in the research process (see e.g. Welch & Pikkari, 2017).

1.2.3.1 *Conventional and critical realist validation in quantitative research*

In quantitative research, **the reliability and validity of measures** are the two primary validation criteria. Reliability is a precondition for validity and refers to a measure producing the same result with repetition (for a detailed discussion on reliability see Straub, Boudreau, & Gefen, 2004). Validity, on the other hand, refers to the accuracy of the findings in terms of their representation of the truth in the objective world (Venkatesh et al., 2013). Three types of validity are pursued in quantitative research: (1) measurement validity, which estimates how well an instrument measures what it claims to measure in terms of its match with the definition of the construct, (2) design validity, which constitutes internal validity (i.e. the extent of approximate truth about inferences regarding causal relationships in a scientific inquiry (Shadish, Cook, & Campbell, 2002)) and external validity (i.e. the extent to which the results of a research study can be generalised to other settings and groups), and (3) inferential or statistical conclusion validity, which refers to the appropriate use of statistics to infer whether the presumed independent and dependent variables covary (Cook & Campbell, 1979; Shadish et al., 2002; Venkatesh et al., 2013).

For critical realists, each of the three forms of validity operates in a different domain of the real. Construct validity as a type of measurement validity refers to whether the empirically available data reflect the actual events (as opposed to extant theoretical ideas) triggered by the proposed generative mechanism (i.e. whether the observations are a manifestation of the actual phenomenon of interest). Internal and external validity are part of design validity. Internal validity denotes establishing that the generative mechanism is the cause of the actual events observed. External validity is concerned with the likelihood that the generative mechanism causing the actual events in the study also causes similar or related events to occur in other settings (i.e. it refers to the

generalisability of the knowledge claims on one or more generative mechanisms (Zachariadis et al., 2013)). Assessing the different forms of validity jointly, critical realists aim to establish the extent to which the generative mechanism can be said to cause the actual events in the problem domain (Johnston & Smith, 2010). Finally, inferential validity in critical realism refers to the findings based on statistics providing information about the relationships among events in the empirical domain. However, such findings cannot result in causal assumptions (Zachariadis et al., 2013).

Because the domain of actual events is under-specified by their empirical manifestations, construct validity cannot be established solely by statistical analysis of the latter, but rather requires other procedures to demonstrate the connection of what is measured in one ontological domain to what is occurring in another. A valid connection between what can be observed empirically and what some community (e.g. practitioners, the general public, or researchers) agrees to be the actual event, occurrence or experience needs to be established. For establishing internal validity, on the other hand, critical realists suggest the following three steps: (1) explanation of the mechanism, (2) confirmation that the mechanism has operated as described, and (3) elimination of alternative explanations. This means that the link between the generative mechanism and the actual event is indirectly detected based on empirical manifestation of the event and not with the logic of theory deduction (though this is also important). By making sure that the events assessed, the individuals or organisations included in the research design, and the research setting, resemble the real-world phenomenon that a researcher is claiming to investigate, critical realists establish external validity. Inferential statistics are not a major concern in assessing external validity for critical realists (Johnston & Smith, 2010).

In reference to reliability, critical realists do not refer to this in terms of replication of the research findings, since this would contradict the epistemological underpinnings of the critical realist position. Because critical realists acknowledge that social phenomena are shaped by individuals (as well as researchers, who act as research instruments and interpreters of data (Welch & Pikkari, 2017; Wynn & Williams, 2012)) and through social interactions, reliability in the conventional sense may be impossible to achieve (Avenier & Thomas, 2015; Bhaskar, 1998c). In addition, as the mechanisms under investigation are unobservable and operate in contexts that are defined as open systems, multiple explanations of the same phenomenon can arise during research (Wynn & Williams, 2012). Abductive reasoning is furthermore inhibited when assuming the critical realist position, because the theoretical choices are made in parallel with the data analyses and a different researcher might choose a different theoretical framework for analysis of the same phenomenon (even with the same data) – ending up with different conclusions (Vaskelainen, 2018). Reliability in critical realist terms thus refers to the intelligibility and cogency of the cognitive path: i.e. researchers need to provide an explicit description of how they progress from the formulation of research questions to data collection, coding, analysis, and making inferences and conclusions based on data analyses (Avenier & Thomas, 2015; Charmaz, 2006; Sandberg, 2005; Schwartz-Shea, 2006).

Several measures are taken in the quantitative part of the doctoral study to guarantee its reliability and validity. First, the analyses are based on official data consistently and systematically collected

by national or international agencies. Data on country-level variables is taken from the World Bank Group's Worldwide Governance Indicators dataset (1996–2018), whereas firm- and firm-country level data on businesses operating in the case market (Slovenia) and their internationalisation activities is compiled from four different datasets. Data on international assignments, which records expatriation flows to EU member states, Lichtenstein, Switzerland, Iceland, and Norway, is provided by the Health Insurance Institute of Slovenia (2015–2016). Data on the entire population of enterprises in Slovenia, which includes detailed balance sheets and income statements of companies, on the other hand, is provided by AJPES (i.e. Agency of the Republic of Slovenia for Public Legal Records and Related Services) (1994–2016). Two additional data sources complement these datasets with data on business internationalisation: i.e. the dataset maintained by the Slovenian Customs Administration (1994–2016) with detailed data on trade in goods and the dataset maintained by the Bank of Slovenia (2008–2016) with data on trade in services and firm-level foreign direct investment data (see also section 1.3.2).

Second, the content domains of the constructs used are clearly delimited and the limitations of the datasets (especially non-differentiation of international assignments by type and duration as well as non-inclusion of data on assignee inflows to Slovenia) are clearly stated. Third, explicit definitions of the key concepts are provided. A clear conceptualisation of the focal constructs is the starting point for development of valid and reliable scales (Clark & Watson, 1995). Fourth, established measurement scales and proxies for concepts are used. Fifth, a broad set of control variables is introduced to limit the omitted-variable bias. For a description of the analytical procedures applied in the quantitative part of the study, see section 1.3.3.

1.2.3.2 *Conventional and critical realist validation in qualitative research*

The evaluation criteria for validation in qualitative research are less agreed upon compared to the criteria set in quantitative research (Kirk & Miller, 1986; Lee & Hubona, 2009; Maxwell, 1992; Pratt, 2009; Ridenour & Newman, 2008). Nevertheless, qualitative researchers follow several broad principles to guarantee the quality of their work. They aim to achieve **consistency and dependability of data and analyses** as equivalents of reliability (Lincoln & Guba, 1985; Welch & Piekkari, 2017) and wish to foster validity, which is described as the extent to which data is plausible, credible, and trustworthy, and therefore defendable when challenged in qualitative research (Venkatesh et al., 2013).

The principles that help researchers to reach these goals include transparency, authenticity, deep engagement, and reflexivity (Welch & Piekkari, 2017). Transparency refers to the provision of explicit and thick descriptions of data sources, data collection and analysis procedures, and research findings, as well as establishing a clear connection between data and theoretical conclusions – along with a disclosure of and reflexion on the researcher's and research participants' roles in the research process (Bansal & Corley, 2011; Creswell & Miller, 2000). Authenticity is concerned with making sure that the analyses reflect the meanings communicated by study participants (e.g. by presenting minimally edited illustrative materials such as direct quotes from the interviews supporting the inferences made) (Lewis & Ritchie, 2003). Deep engagement means that the researcher spends sufficient time in the field to develop rapport with

the research participants (preferably representing multiple perspectives on the phenomenon), and gain both in-depth and broad contextualised insights into the phenomenon of interest (Lincoln & Guba, 1985). Finally, reflexivity refers to acknowledging the impact of the research context (also referred to as context sensitivity), the researcher (including their philosophical commitments and theoretical preconceptions), and the researcher's field interactions on data and research results (Alvesson & Sköldberg, 2000; Lincoln & Guba, 1985; Patton, 2002; Welch & Pikkari, 2017).

Valid research findings are a result of a researcher following the described principles. Venkatesh et al. (2013) discuss **three broad categories of validity** in qualitative research: (1) design validity (i.e. the quality of the research design and execution aimed at credible and transferable findings), (2) analytical validity (i.e. the quality of data collection and analysis aimed at dependable, consistent, and plausible findings), and (3) inferential validity (i.e. the quality of interpretation that reflects how well the findings can be corroborated by others). These categories of validity address two types of validation issues in qualitative research: rigour in the application of methods (design validity) and rigour in the interpretation of data (analytical and inferential validities).

Zachariadis et al. (2013) discuss the three categories of validity in terms of critical realism. In relation to design validity, they suggest that descriptive validity and credibility together refer to explaining the mechanisms in action, while considering the conditions they are interacting with, and to appreciation of the field by identifying, prioritising, and scoping the boundaries of the study. They moreover propose that transferability in critical realist terms refers to the idea that similar or related events that (may) occur in other settings are caused by the generative mechanism that caused the actual events in the field. Finally, the authors summarise the critical realist conception of analytical validity as a composite of theoretical validity, dependability, consistency, and plausibility – reframed in critical realist terms. They define theoretical validity as when theory is used for hypothesising about the mechanisms and providing explanations for events that have occurred. They describe dependability as a crucial part of the retroductive process and identification of contingent factors. They relate consistency to challenging and informing the terms of (quasi-)closure and process of ongoing inquiry in retroductive analysis. Finally, they describe plausibility as a reflection of whether the empirically available data gives valid knowledge about the actual manifestation of the proposed generative mechanisms in the field. They similarly reframe inferential validity, which typically consists of interpretive validity and confirmability, and propose it is established if the research findings can provide information about the mechanisms that cause the events at the empirical level.[25]

Reflecting a critical realist philosophical stance, the assessment criteria used in interpretive research seemed the most appropriate to follow in my research. In this study, I thus follow the guidelines for quality (i.e. trustworthy) qualitative research proposed by Lincoln and Guba (1985). To enhance the credibility of the study (i.e. confidence in the 'truth' of the research results – a counterpart to internal validity in quantitative research), I engage in peer debriefings. These include discussions with supervisors, colleagues, academics and practitioners at conferences and

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[25] For an overview of the conventional conceptualisation of validity by types also see Zachariadis et al. (2013).

specialised workshops, as well as co-authors and written correspondence with the reviewers of various journals. Such exchanges facilitate (1) uncovering unacknowledged biases, perspectives, and assumptions introduced to the research process by myself as a researcher, (2) further raising of awareness regarding my impact on data collection and analysis, (3) highlighting additional explanations and perspectives not considered prior to such discussions, and (4) polishing the arguments for proposed causal mechanisms and structures as the best explanation available for the phenomenon of interest (making them more convincing). I moreover conduct negative or deviant case analysis. That means that I explicitly address the elements of the data that do not support or appear to contradict the patterns or explanations that are emerging from data analysis in order to refine my conclusions. I do not force the outliers into classes or ignore inconsistencies, but rather use deviant cases as an important resource for understanding the firms' international staffing decisions or for theory development (see also Lewis & Ritchie, 2003). The negative case analysis is reflected in preliminary analyses of pilot interviews (also in light of quantitative results), cross-case comparisons of individual-level cases (within a single firm or across two firm-level cases) and comparatively between Firm A and Firm B, cross-case comparisons of firm-level cases, and comparisons of findings across levels and methods.

To strengthen the credibility of the study further, I also keep an archive of raw data, including verbatim transcripts and audio recordings of all interviews, copies of annual reports, copies of relevant content from corporate websites and news captions, and business performance data on the firms included in the study collected from official databases. Member checks, however, are only conducted during the data collection phase, rather than in the analyses and interpretative phases. Several interviewees are contacted for additional explanations of their initial responses or for further information on the emergent themes after the interviews – either in writing (23) or through a follow-up interview (4). This is aimed at my better understanding and interpretation of the cases, and ensuring that I had a good grasp of data as well as establishing rapport with interviewees by giving them an opportunity to review their responses (not for censorship but to ensure the correct interpretation). Out of the 19 interviewees with individuals from nine diverse entities participating in 18 pilot interviews (one interview is conducted simultaneously with an HR department representative and the CEO of the firm), 15 interviewees request or comply with the request to read through their transcripts. In the two comparative firm-level case studies, where 14 interviews with 15 interviewees are conducted,[26] eight interviewees review and/or amend their responses (see also Terblanche, 2019).

The decision to limit member checks to the data collection phase is grounded in the desire to maintain the focus of the research on its aim, and to avoid confusion caused by informants changing the information provided for various reasons. Informants can, for example, present their perceptions, experience, and selves through different narratives and discourses – depending on their particular interests, such as establishing a positive image and self-portrayal to colleagues, superiors, the researcher or other relevant stakeholders, and to help with their career progression (see also Gergen, 1992). The differences in interviewee storytelling may also result from subconscious or conscious sensemaking after the interviews. The second reason for member

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[26] Again, one interview included simultaneous interviewing of two firm representatives.

checks being employed only during the data collection phase is for the study to comply with the critical realist philosophy according to which there is no one fixed truth that a researcher and respondents can account for, but rather the understanding of reality is co-created by the researcher and the informants (see also Angen, 2000; Morse, 1994; Sandelowski, 1993 for further arguments on the drawbacks of using member checks in qualitative research). This means that with each (re)investigation, different meanings are attributed to phenomena under investigation as both parties to the research process evolve in their thinking.

The third tactic used to enhance the credibility of the findings in the research design of my study involves triangulation of data types and sources in order to develop more accurate descriptions of the studied phenomena (Creswell, 2013; Lincoln & Guba, 1985). I thus conduct interviews with different groups of respondents (representatives of top management and human resources (HR) departments, as well as international assignees to subsidiaries in developed and emerging markets, which implies unit triangulation as part of the research design as well).[27] Pratt and Foreman (2000) also advocate the inclusion of multiple interviewees in research designs to strengthen the credibility of qualitative findings. The research design also involves the analysis of corporate documents (e.g. annual reports) and websites in order to check sources and methods against each other. Detailed field notes are also included in the analytical corpus to facilitate my self-reflection on the research material (see also Terblanche, 2019).

For greater transferability of the qualitative part of my study (i.e. to demonstrate that the research results are also applicable in other contexts, which acts as a counterpart to external validity in quantitative research), I provide thick descriptions of the case companies and their international staffing practices. I elaborate on business strategies, practices, and the organisational cultures as well as narratives relevant to international staffing based on (especially the critical discourse) analyses of annual reports, corporate websites, and interview transcripts as the perceptions and experiences of these practices by employees at various levels of the organisation (i.e. with various roles in international assignment implementation and management) and the organisation itself can vary. For the reader to be able to draw their own conclusions, I also include rich quotations from the interviews with multiple informants from each firm and prepare summary tables of key themes and sub-themes that emerge during interviews. I do not engage in the traditional coding, however, as the latter would result in a circular argument. The themes most likely to emerge are those determined by semi-structured interview questions. Only rarely do themes outside the research guide (regardless of how vague or defined it is) arise on interviewees' self-initiative. Such themes in my study, for example, include role shifting, identities and identity work, and the network breaking assignment role. I nevertheless provide a clear cognitive path from data to inferences (one acknowledging the impact of interviewees on the findings).

To establish the dependability of the study (i.e. to demonstrate that the research results are consistent and could be repeated), I keep detailed records and descriptions of the research

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[27] For a definition of unit triangulation see Marschan-Piekkari, Welch, Penttinen, and Tahvanainen (2004). In the qualitative part of the study, it involves a comparison of the accounts provided by subsidiary units and headquarters.

procedures, including the separate interview guides for firm-level and individual-level interviews (see Appendices D and E respectively), audio recordings, field notes, preliminary notes with initial interpretations of the data, and copies of documents (see also Halpern, 1983 in Lincoln & Guba, 1985), for an inquiry audit. To develop a comprehensive audit trail, an archive including the following types of data sources and information categories is built:

− Raw data: e.g. interview transcripts, audio recordings, copies of documents and corporate websites' content;
− Data reduction and analysis products: e.g. interview summaries, condensed notes, quantitative summaries of international staffing strategies based on case firms' annual reports and corporate websites and theoretical notes;
− Data reconstruction and synthesis products: e.g. summary tables of the main findings, findings and conclusions, a final report including connections of findings to the existing theories, an integration of concepts, relationships, and interpretations (summarised in the concluding chapter of the dissertation);
− Process notes: e.g. notes on methodological procedures, designs, strategies, and rationales; notes on trustworthiness relating to credibility, dependability, and confirmability, and audit trail notes;
− Materials relating to intentions and dispositions: e.g. reflexive notes and notes on motivations, notes on theoretical shifts, predictions, and intentions; and
− Instrument development information: e.g. pilot forms and notes on advice by supervisors and other researchers as external auditors of my research process (see also Halpern, 1983 in Lincoln & Guba, 1985). The comments provided by external auditors (i.e. connoisseurs of individual methods or experts in international assignment research at various academic workshops, doctoral colloquia, and conferences) have particularly enhanced the adequacy of data collection, analyses, and the strength of my conclusions.

A clear audit trail (i.e. a transparent description of the research steps taken throughout the research process and the theoretical and methodological decisions made in the study – along with the rationale for these decisions) furthermore contributes to the confirmability of my study (i.e. the degree of neutrality or the extent to which the findings of a study are shaped by the respondents, rather than the researcher) (see also Shah & Corley, 2006). Confirmability is also supported by data, methods, theory and informant triangulation (see also Denzin, 1978b; Patton, 1999), ensuring a comprehensive account and in-depth understanding of the phenomenon under investigation as well as reflexivity. The latter refers not only to a constant and conscious awareness of the researcher's effect on knowledge construction, but also to systematically addressing the context of knowledge construction throughout the research process. I achieve this by keeping a separate reflexive diary recording the researcher's methodological decisions and reasons for them, interim interpretations of data, as well as theoretical shifts emerging during research. I moreover explicitly acknowledge that my marketing and diplomatic backgrounds influence my sensemaking processes during data collection, analyses, and interpretations. Finally, I am transparent regarding the paradigmatic position assumed in the study – along with its impact on the research process (see also Lincoln & Guba, 1985).

I also ensure confidentiality for both the individual research participants and the case companies included in the study. This is both an advantage and a limitation of the study, however. While it enhances rapport with interviewees and eases access to firms, it also precludes disclosure of much of the contextual data (especially that at firm level). Due to the relatively small make-up of the Slovenian industry, provision of explicit details regarding individual companies could result in identification of the companies and interviewees participating in the study (see also Welch et al., 2009). See also the publication consent form, which serves as the confidentiality agreement, in Appendix F.

1.2.3.3 Additional criteria for validation in mixed methods research

Mixed methods research presents additional validity challenges to those encountered in quantitative or qualitative research alone (Creswell & Plano Clark, 2007). More specifically, conducting separate high quality quantitative and qualitative studies within mixed methods research does not guarantee the high overall quality of mixed methods research (Venkatesh et al., 2013). In addition to paying attention to the validity of each research strand, mixed methods researchers thus need to follow additional validation procedures that pertain to mixing of the methods – especially when integrating inferences from quantitative and qualitative parts of research into meta-inferences through comparisons, contrasting, infusion, linking, and blending (Bryman, 2007).[28]

Venkatesh et al. (2013) develop **an integrative framework** (see Table 1) **for assessing inference quality** in mixed methods research (a synonym for mixed methods research validity that denotes the accuracy of inductively and deductively derived conclusions (Teddlie & Tashakkori, 2003)). The framework incorporates both aspects of inference quality suggested by Teddlie and Tashakkori (2009): i.e. design and explanation quality. Design quality refers to the degree of appropriateness of procedures based on the research questions addressed (Teddlie & Tashakkori, 2009). Explanation quality is concerned with the degree to which credible interpretations of empirical observations are made (Lincoln & Guba, 2000; Tashakkori & Teddlie, 2003b).

In mixed methods research, researchers need to consider both these aspects, and for both research strands. On the one hand, quantitative and qualitative studies performed within a mixed methods research design need to be designed and executed rigorously – following the established norms regarding data collection and analyses in their respective strands (Venkatesh et al., 2013). On the other hand, for explanation quality, the quality of quantitative, qualitative, and integrative inferences needs to be considered in mixed methods research. In relation to the latter category of inferences, Venkatesh et al. (2013) propose three validation criteria specific to the mixing of methods: integrative efficacy, integrative correspondence, and inference transferability. Integrative efficacy refers to inferences being effectively integrated into a theoretically consistent meta-inference, integrative correspondence denotes meta-inferences satisfying the initial purpose

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[28] This process differs for concurrent and sequential research designs (Venkatesh et al., 2013).

of doing a mixed methods research study, and inference transferability reflects the generalisability of meta-inferences to other contexts (Tashakkori & Teddlie, 2008; Teddlie & Tashakkori, 2009).

In addition to stressing that the focus of mixed methods researchers should be on the quality of integrative inferences (i.e. meta-inferences that provide holistic insights into the studied phenomena), Venkatesh et al. (2013) propose that researchers should also clearly specify the boundary conditions of meta-inferences and thereby delineate the generalisability of meta-inferences to other contexts.

Table 1. Integrative framework for mixed methods inference quality

Quality aspects	Quality criteria	Description
Design quality: The degree to which a researcher has selected the most appropriate procedures for answering the research questions (Teddlie & Tashakkori, 2009).	Design suitability/appropriateness	The degree to which methods selected and research design employed are appropriate for answering the research question. For example, researchers need to select appropriate quantitative (e.g. survey) and qualitative (e.g. interview) methodologies and decide whether they will conduct parallel or sequential mixed methods research.
	Design adequacy	*Quantitative*: The degree to which the design components for the quantitative part (e.g. sampling, measures, data collection procedures) are implemented with acceptable quality and rigor. Indicators of inference quality include reliability and internal validity (Shadish et al., 2002; Teddlie & Tashakkori, 2009).
		Qualitative: The degree to which the qualitative design components are implemented with acceptable quality and rigor. Indicators of inference quality include credibility and dependability (Teddlie & Tashakkori, 2009).
	Analytic adequacy	*Quantitative*: The degree to which the quantitative data analysis procedures/strategies are appropriate and adequate to provide plausible answers to the research questions. An indicator of inference quality is statistical conclusion validity (Shadish et al., 2002).
		Qualitative: The degree to which qualitative data analysis

Quality aspects	Quality criteria	Description
		procedures/strategies are appropriate and adequate to provide plausible answers to the research questions. Indicators of quality include theoretical validity and plausibility.
Explanation quality: The degree to which credible interpretations have been made on the basis of obtained results (Lincoln & Guba, 2000; Tashakkori & Teddlie, 2003b).	Quantitative inferences	The degree to which interpretations from the quantitative analysis closely follow the relevant findings, consistent with theory and the state of knowledge in the field, and are generalizable. Indicators of quality include internal validity, statistical conclusion validity, and external validity.
	Qualitative inferences	The degree to which interpretations from the qualitative analysis closely follow the relevant findings, consistent with theory and the state of knowledge in the field, and are transferable. Indicators of quality include credibility, confirmability, and transferability.
	Integrative inference/meta-inference	*Integrative efficacy*: The degree to which inferences made in each strand of a mixed methods research inquiry are effectively integrated into a theoretically consistent meta-inference.
		Inference transferability: The degree to which meta-inferences from mixed methods research are generalizable or transferable to other contexts or settings.
		Integrative correspondence: The degree to which meta-inferences from mixed methods research satisfy the initial purpose for using a mixed methods approach.

Source: *Venkatesh et al. (2013, pp. 24).*

Because the quantitative and qualitative analyses in my study are conducted to achieve different specific research goals and respond to separate research questions, the mixed methods do not have a high degree of integrative correspondence (see e.g. Venkatesh et al., 2013). In my doctoral dissertation, I thus mainly apply quantitative validation procedures to the quantitative part of the study and qualitative validation procedures to the qualitative part (see sections 1.2.3.1 and 1.2.3.2 above). However, the two goals somewhat coincide and at times require concurrent use of both quantitative and qualitative methods. For instance, firm-level determinants of international

assignment-related decision-making are studied through a combination of population data analyses, pilot interviews, and case studies. Explaining how determinants and mechanisms at multiple levels of analysis interact further necessitates the mixing of inferences. Furthermore, the overall objective of the study (i.e. to explain the emerging market firms' and their employees' decision-making and decisions related to international assignments and their management aimed at firm internationalisation at multiple levels) is common to and connects both parts of the research project, which implies a certain level of mixing throughout the research process.

I thus also employ some of the quality procedures specific to the mixing of methods from the integrative framework proposed by Venkatesh et al. (2013) – in particular to guarantee the inference quality of my (integrated) conclusions. I develop a rigorous strategy for the integration of findings and inferences, which includes (1) specifying how different types of data are combined, compared, contrasted, linked and blended, (2) enhancing data comparability (e.g. by employing a nested sampling strategy and focusing on a single sending country context) and complementarity (e.g. through data and informant triangulation) as well as the clarity of the cognitive path leading to meta-inferences through the use of a single researcher for data collection, analyses, and interpretation, along with explicit classification of data according to data source and type carried along the entire research process, (3) reflecting on the theoretical implications of conclusions (i.e. making continual comparisons of the accumulating data and relevant theories), and (4) defining boundary conditions of meta-inferences aimed at clearly delimiting the generalisability of meta-inferences to other contexts.

In the following sections (i.e. in sections 1.3 and 1.4), I explain the individual methods used in the study in more detail as well as explicate the sampling strategies pertaining to each level of analysis (see Appendix B for a summary of sampling criteria at multiple levels of analysis).

1.3   Quantitative methods: population data analyses

With quantitative analyses, I address two research questions. The first (RQ1) pertains to the (individual or combined) impact of the firm's characteristics and the firm's sending and receiving country institutions on the organisation's decision to expatriate its employees from an emerging market. The second question (RQ2) relates to the impact of the same factors on the firm's decision to expatriate its employees from an emerging market to an emerging (CEE) or developed (non-CEE) market location. In this part of the study, I thus investigate the mezzo- (firm- and firm-country-), and macro- (sending and receiving country-) level determinants of the firms' assignment-related decisions. I base my analyses on the population data from **a single country case study** – Slovenia. In this section, I provide the reasoning for country-level case selection (see section 1.3.1), describe the datasets used for analyses (see section 1.3.2), and define the analytical procedures employed (see section 1.3.3).

1.3.1 Country-level case selection

The selection of Slovenia as the focal sending market for further analyses is purposeful and based on the theory-building potential of the case. The primary criterion for selecting Slovenia as the country-level case for my study is its **classification as an emerging market economy**. I classify Slovenia as an emerging market economy based on (1) the poor quality of institutions in the country, (2) its political instability, and (3) its regional affiliation to Central and Eastern Europe (CEE) and the related emerging market country image rather than economic indicators of the level of development in a country (see also GlobalEconomy.com; Jaklič et al., 2015–2018; Meyer & Peng, 2016), which is consistent with the focus of my study on the institutional context at the macro level of analysis.

Slovenia ranks in the lower half of EU countries according to many of its institutional indices, including government effectiveness, regulatory quality and power, the rule of law, control of corruption (data for 2018), and trade, investment, financial, and the overall economic freedom (data for 2020) (GlobalEconomy.com). It is also politically unstable – having changed 14 governments between 1990 and 2020 (Gov.si) – and records high perceptions of corruption (data for 2019, GlobalEconomy.com). According to these factors, Slovenia is thus more comparable to the emerging CEE economies in the EU (mostly to Estonia, Latvia, Lithuania, and the Czech Republic, but also to Slovakia, Poland, Romania, and Bulgaria in some aspects, such as the overall economic, financial, and investment freedom (GlobalEconomy.com)) than the developed non-CEE economies in the EU.

This conclusion is further supported by the studies among foreign investors in Slovenia conducted annually by the Centre of International Relations at the Faculty of Social Sciences, University of Ljubljana, since 2008. These consistently show that investors perceive poor institutional quality (especially in terms of the rule of law and inefficient public administration) as the main barrier to doing business in Slovenia. They explicitly list inefficiency of the judicial system, corruption, payment indiscipline, difficulties with contract enforcement, and complicated legislation and administrative procedures as some of the most pertinent issues for foreign investors related to the institutional environment in Slovenia (Jaklič et al., 2015–2018). The poor quality of institutions in Slovenia is also reflected in investors' (and most likely also employees') perceptions of Slovenia as an emerging market economy. Investors frequently compare the country to the less developed CEE markets in terms of its overall business environment and practices; most often to Croatia, the Czech Republic and Slovakia, but also to Poland, Romania, Hungary and Estonia. Around two thirds of respondents to the survey on Slovenian business environment conducted among foreign investors compared Slovenia to one or more CEE markets in 2017 (Jaklič et al., 2017).

Finally, based on the combination of its institutional spheres (corporate governance, industrial relations, training and education, inter-firm relations, and employee relations) the varieties of capitalism literature classifies Slovenia as a coordinated market economy. Authors from this literature stream define Slovenia as an economy with institutionalised rather than market-based coordination (Feldmann, 2006; Friel, 2011), which lends additional support to the argument that Slovenia is not yet a developed market economy as well as to its relevance for research from the

perspective of institutional theories. I nonetheless acknowledge that the level of development is measured on a continuum, which is why Slovenia may resemble developed market economies based on some factors.

A review of the international assignment literature demonstrates a lack of research into international staffing in emerging markets and by emerging market firms (see also Briscoe, 2014; Dabic et al., 2015; Szkudlarek et al., 2019). It also establishes that these markets generate different conditions for doing business compared to developed market economies (see e.g. Buonanno, Durante, Prarolo, & Vanin, 2015; Chan, Isobe, & Makino, 2008; Estrin & Uvalic, 2015; Fey, Nayak, Wu, & Zhou, 2016; Hennart, Sheng, & Pimenta, 2015; Meyer, Estrin, Bhaumik, & Peng, 2009), and that these (contextual) conditions also affect international staffing – in terms of the motives, purposes, formats, frequency, and location patterns of international employee mobility (see e.g. Meyer & Xin, 2018).

Furthermore, extant research indicates that firms originating and/or operating in emerging market contexts demonstrate **different internationalisation and international staffing behaviours** than their counterparts from developed market economies (see e.g. Alkire, 2014; Banerjee, Prabhu & Chandy, 2015; Caligiuri & Bonache, 2016; Horwitz & Budhwar, 2015; Khanna & Palepu, 1997, 2000). For example, while developed market firms mainly use expatriation to fill positions and achieve knowledge transfers to markets with insufficient pools of skilled local employees (Boyacigiller, 1990; Gong, 2003a; Harzing, 2001b; Tung, 1982), emerging market firms send their top performers to more developed markets with well-developed local business skills to achieve reverse knowledge and skill flows (PwC, 2012; Zhu, De Cieri, Fan, & Zhang, 2018) or engage in inpatriation for similar knowledge acquisition purposes (see e.g. Arp, 2014). Emerging market firms can also demonstrate different expatriation patterns (and not just purposes) compared to the patterns recorded by developed market firms thus far. Research suggests that while emerging market firms experience knowledge gaps regarding foreign markets relative to international firms from large developed economies (Petersen et al., 2008), they may have an advantage in internationalising to other emerging markets based on their domestically acquired experience with risky and unstable business environments (see e.g. Cuervo-Cazurra & Genc, 2008; Dawar & Frost, 1999; Jain, Lahiri, & Hausknecht, 2013; London & Hart, 2004). Quantitative research of these contexts may thus be revelatory regarding the different location choices for expatriation from emerging markets and indicative of the purpose of assignments to a specific type of location, whereas qualitative research may additionally reveal the specificities of decision-making processes at the firm and individual levels with regard to different locations and assignment types.[29]

Studying Slovenia as a country-level case not only has great theory-building potential based on the lack of exploration of the Slovenian or similar emerging market contexts, and the specific internationalisation and international assignment patterns associated with their (institutional, among other) particularities compared to developed markets. The second reason for Slovenia

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[29] For more details about the emerging market and emerging market firm specificities (including their human resource management features) and an outline of the characteristics of the Slovenian economy and human resources management practices, see section 2.

presenting a relevant case study in international business and international staffing research is its **small market size and the related high propensity to internationalise** (Bellak & Cantwell, 1998; Svetličič, Rojec, & Trtnik, 2000). I find Slovenia, a small country, to be a particularly suitable case-study for analysing foreign assignment patterns because it has a very open economy in terms of trade (exports represent approximately 78% of GDP and imports 69%) and has relatively large inward and outward FDI stock (32% and 14% of GDP, respectively) (2016 data from Bank of Slovenia, 2017).

Slovenia's economic activity is overall highly dependent on foreign markets (Bank of Slovenia, 2018; Invest Slovenia, 2019; OECD, 2017), which suggests businesses from Slovenia are also more likely to engage in international employee mobility. Another specificity of the Slovenian environment that makes it relevant for theorising based on mixed methods research is its **large share of domestically owned MNEs** compared to other emerging market economies (Jaklič, 2006), as well as their high level of international dispersion of affiliates. The latter is comparable to the numbers of foreign affiliates recorded by developed market MNEs (Jaklič & Svetličič, 2011). This characteristic facilitates further nested sampling of cases for firm-level case studies in the qualitative part of the study.[30] For the quantitative part of the study, strong internationalisation flows to and from both the developed (especially EU) and other emerging markets (especially former Yugoslav republics, due to the country's historic ties to the region) (see e.g. Bank of Slovenia, 2018; Invest Slovenia, 2019; Jaklič & Svetličič, 2011; SURS, 2018) by Slovenian firms are very important. Taken together, these facts make such firms particularly suitable for studying international assignment location patterns based on country- or firm-country-level determinants.

Although Slovenia's high propensity to internationalise enhances the firms' need for internationally mobile employees for control, coordination, knowledge transfer or position filling purposes, several country of origin factors also hinder the latter. According to Stanley and Davidson (2011), emerging and smaller, less resource-rich markets both need additional assistance in terms of people to implement new practices. However, they may lack employees interested in working for them, as **the small emerging market country of origin image** renders emerging markets and emerging market employers less attractive (see also Alkire, 2014; Chang & Taylor, 1999; Chang, Mellahi & Wilkinson, 2009; Ferner, Almond & Colling, 2005).[31] They may also be facing shortages of skilled or internationally experienced employees (managers and experts alike)

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[30] Another feature making research of the Slovenian context potentially theoretically rich is the specific roles and business functions that Slovenian firms' affiliates usually perform (see e.g. Jaklič et al., 2017) along with their generally small size relative to the developed market affiliates. Subsidiaries from Slovenia are most often SMEs with less than 100 employees.

[31] However, industry studies predict an increase in emerging market firms' attractiveness for internationally experienced employees from emerging markets compared to developed market firms after 2020 (see e.g. PwC, 2012). Both emerging and developed market firms operating in emerging markets will thus need to understand the specificities of these contexts to be able to compete for the best performing emerging market employees, whereby expatriation in particular will probably have important implications for the domestic staffing of emerging market firms as well. This additionally enhances the relevance of my study.

(see e.g. Dickmann, 2018; Jaklič, 2007; Jaklič, Koleša, & Rojec, 2016–2018; Jaklič & Svetličič, 2008a, 2011; Meyer & Xin, 2018; Svetličič, 2006).

Finally, they may encounter employees' unwillingness to engage in long-term international employee mobility in the direction of either expatriation or inpatriation (see pilot interviews). These factors imply that Slovenian firms need to address the need for international employee mobility more strategically and systematically to motivate and prepare employees for mobility. It also suggests that firms from Slovenia may be more prone to employ alternative international staffing practices, such as recruitment of host-country nationals with prior work experience in the firm's country of origin or employment of members of the diaspora living in the host country (see also Meyer & Xin, 2018). As such, the Slovenian environment might be particularly revelatory regarding the different types of international employee mobility from emerging markets and by emerging market firms. I set out to uncover the nuances in firms' international staffing practices in the qualitative part of the study, however, as quantitative data does not enable differentiation of employee mobilities by type.

As a small emerging economy, Slovenia may also demonstrate specific internationalisation and international assignment patterns compared to the larger emerging economies. Emerging markets are diverse, and do not constitute a homogeneous group of countries – both in terms of country-level features and their firm's business practices (including expatriation) (Briscoe, 2014; Ernst & Young, 2012; Wilkinson, Bacon, Redman, & Snell, 2010). In addition to the greater inclination of Slovenian firms to internationalise, the population of firms may thus also demonstrate specific international assignment patterns by foreign-owned affiliates located in Slovenia (also included in the dataset). Extant research shows that foreign-owned affiliates located in Slovenia often perform specific business functions that may impact their international staffing decisions. The annual survey among firms with foreign equity in Slovenia conducted by Jaklič et al. (2015–2018), for instance, shows a large (approximately 40% in 2017) share of strategically autonomous foreign affiliates in Slovenia, as well as a relatively high share of foreign-owned Slovenian affiliates establishing their own subsidiaries abroad (this holds for almost 15% of the sample firms in 2017). This implies that foreign affiliates in Slovenia (and not only firms headquartered in Slovenia) might be more likely than the industry studies suggest for other kinds of firms to engage in expatriation to both their parent firms and subsidiaries in their own or the parent firms' networks. Since most foreign affiliates in Slovenia also perform multiple business functions (Jaklič et al., 2017)[32] the analyses of the assignment location decisions of the firm population in Slovenia may also provide insights into assignment purposes by developed market firms, and how these differ from extant findings on their expatriation from developed markets.

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[32] The business functions by foreign affiliates in Slovenia usually mirror the business functions performed by the parent firm. Manufacturing, marketing, and sales prevail. Many (17% in 2017) foreign-owned affiliates in Slovenia moreover perform the research and development (R&D) function as a separate and independent function for the parent firm. Logistics is performed by 10% of the sample firms, purchasing by 7%, and human resources management (HRM) function by 2.3% (Jaklič et al., 2017).

A final reason to choose Slovenia is **data access**, which provides the opportunity to explore the entire firm population in the country with respect to actual international assignment patterns. Conducting academic investigations into international assignment patterns for an entire firm population from Slovenia is likely to be theory-generating for both domestic and foreign-owned firms, which is a further advantage of my study. This is because existing research in the field focuses solely on a sample of firms or a specific firm segment, which constitutes a limitation (Dabic et al., 2015). Researching a single national context thereby focuses the research on a specific emerging market firm context, and limits host-country national culture bias.

1.3.2 Quantitative data description

The quantitative part of the empirical study uses national data from several separate datasets. Data on international assignment records expatriates' change in the country of residence for up to 24 months (without differentiating assignments by length), and is gathered by the Health Insurance Institute of Slovenia (2015–2016). Data for 2015 includes a list of all firms with international assignments and the total number of assignments per firm. Data for 2016 additionally includes the number of different employees sent abroad and the number of assignments to each host country. Information on international assignments is reported solely for EU member states as well as Lichtenstein, Switzerland, Iceland, and Norway. For 2015, international assignments to these countries are recorded for 4,882 firms operating in Slovenia (excluding sole proprietors). The dynamics of the expatriate landscape can be inferred from the growth to 5,529 businesses in 2016. Despite data being limited to one region of host countries, the European context provides a basis for a more homogeneous environment in terms of regulatory regimes related to factor mobility and international business. Firm-level data on the entire population of enterprises in Slovenia (i.e. both the headquarters and foreign affiliates located in Slovenia) is collected yearly by AJPES (1994–2016). I use detailed balance sheets and income statements of companies for the period of 2015–2016.[33] This data is expressed in euros and deflated using the appropriate producer and consumer price indices with the baseline price level of 2016. For 2015 and 2016, the dataset includes 65,220 and 65,603 firms, respectively. I link these two data sources with detailed data on trade in goods from the Slovenian Customs Administration (1994–2016), and data on trade in services and firm-level foreign direct investment data from the Bank of Slovenia (2008–2016). Finally, data on country-level variables is taken from the World Bank Group's Worldwide Governance Indicators dataset (1996–2018).

1.3.3 Quantitative methodology in brief

Quantitative analyses of the population data described in section 1.3.2 are focused on studying outward patterns of international assignments by firms from Slovenia. The analyses are divided

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[33] The AJPES dataset includes detailed balance sheets and income statements of companies for the period of 1994–2016. For firm-level total factor productivity calculations, I use data for the entire period available (i.e. the period of 1994–2016) to make the estimates more consistent (see AJPES, 1994–2016).

into two segments. First, **summary statistics** comparing the assigning firms with other internationally active enterprises from Slovenia between 2015 and 2016 are presented (see section 3.2.2). Assigning firms are thereby operationalised as firms employing at least one outward international assignment by their employees lasting up to 24 months (i.e. the international employee mobility can be either short- or long-term), that takes place to either an emerging or a developed foreign market. Assigning firms can thereby be firms headquartered in Slovenia or affiliates based there. Five categories of internationally active firms are considered:[34] (1) assigning firms, (2) firms assigning to the CEE region (to control for the institutional effect on assigning firms' decision to expatriate), (3) exporters, (4) foreign-owned firms, and (5) firms with outward foreign direct investment. Values for the median population firm are also reported. The second part of the quantitative analyses focuses on testing the hypotheses, developed in sections 3.2.1 and 3.3.1. It includes identification of the effect of firm-, firm-country-, and country-level determinants of the firms' likelihood to assign at least one assignee abroad or to a specific location by applying different **binary response models** (for details see section 3.1). When studying the determinants of the number of assignments implemented by a firm in each year, I also apply **count data models**.

A broad set of control variables beyond those that test the hypotheses is also included in the analyses, as exclusion of these would produce an omitted-variable bias. At the firm level the following controls are introduced: the firms' geographical patterns of exports, imports, and outward and inward FDI, firm size, total factor productivity (TFP), human capital, relative factor intensity in production, financial indebtedness, profitability, firm tacit knowledge, firm age, establishment of the firm before 1994, when the available dataset begins, region, and industry. Host-country-specific control variables include market size, level of development, and production cost. Finally, the firm-country-specific set of control variables includes information on firm i's exports of goods to host country c, its imports of goods, exports of services, imports of services, outward FDI to country c, and foreign ownership over firm i from country c. Initially, these variables enter the model in binary form, followed by specification using logarithmic values of these variables (for a specification of calculations of control variable proxies see section 3.1).

Theoretical development of the hypotheses, detailed notes on methodology, empirical tests, and results of quantitative analyses are presented in section 3.

1.4 Qualitative methods: a comparative multimethod and multilevel case study

The qualitative part of the study responds to the final research question (RQ3) about which mechanisms influence the international assignment decision-making, implementation, and management processes at organisational and individual levels. Particular attention is paid to the

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[34] International business activity rather than a firm having an office abroad is considered as a condition for international assignment implementation, since both internal mobilities (i.e. assignments within the firm's network of foreign affiliates) and external mobilities (e.g. assignments to business partners) are possible.

perceptions, experience, and implementation of international assignments at firm and individual levels, and how they impact the implementation and management processes. Methodologically, this part of the research is conducted in two stages. The first (preliminary) stage involves **semi-structured pilot interviews** with firm-representatives and individual assignees (where applicable) in one business accelerator, two startups, two micro entities registered as sole proprietors, a small and medium-sized high-tech firm (all headquartered in Slovenia), two emerging market-headquartered large MNEs and an emerging market-located foreign affiliate of a large developed market MNE. The preliminary interviews help to identify the key international assignment-related issues in emerging market firms, the alternative types of international employee mobility not recorded in official statistics, as well as the level of assignment implementation, diversification, and strategic management by firm type and internationalisation level. They thereby provide a holistic overview of the phenomenon as well as a basis for a more focused in-depth analysis in the second part of the qualitative research. Since pilot interviews are conducted to inform further case selection and interview guides, the findings stemming from these are reported in this section (see section 1.4.2).

The second (central) step of the qualitative study is **a complex comparative case study** conducted in two large, mature EMNEs. The case study combines several methods: content and critical discourse analysis of texts (annual reports, corporate websites, interview transcripts and summaries, and employees' LinkedIn profiles) (see section 1.4.1) as well as semi-structured interviews (see section 1.4.2) at the firm and individual employee levels (analysed by applying content and critical discourse analytical procedures). In so doing, it addresses the focal phenomenon from a multilevel perspective. The design of the comparative case study is crafted in a way that it promotes the identification of the mechanisms explaining organisational- and individual-level decision-making and actions regarding international employee mobility from a multilevel perspective. This is achieved not only through a combination of methods, data sources, and analytical procedures, but also through purposeful case selection at the organisational and individual levels (for the selection criteria at both levels of analysis see section 1.4.3).

The selection of a case study approach is grounded in the limitations of quantitative methods. The quantitative analyses provide answers to the research questions on whether and how firms differ in their decisions to implement international assignments (in general or in a specific location). They also help to identify macro (sending and receiving country-level) and mezzo (firm- and firm-country-level) determinants of firms' assignment-implementation related decisions. However, they cannot provide insights into the organisational and individuals' decision-making processes related to international assignments. They only report the final outcome of a decision based on a specific set of factors: i.e. to expatriate or not (to a particular location). The third research question (i.e. the question related to the mechanisms of organisational- and individual-level decision-making regarding international assignments and assignment (co-)management during internationalisation) can thus only be addressed through a contextually rich, detailed and in-depth account of the phenomenon (Cornelissen, 2017; Dubois & Gadde, 2002; Iacono et al., 2011; Halinen & Törnroos, 2005). It thus requires a case study research approach, as this enables the researcher to generate a holistic, yet specific causal explanation of the mechanisms driving the outcomes of each case under investigation (at both the organisational and the individual levels,

and combined). It moreover facilitates identification of patterns across cases (Emigh, 1997; Piekkari, Welch, & Paavilainen, 2009; Ragin, 1992).

The focus of theorising in case study research is on tracing the causal processes (i.e. a specific combination of conditions rather than focusing on single variables) that generate outcomes in specific contexts. Case study-based explanations are always highly contextualised, necessarily local and 'historical' rather than law-like (Piekkari & Welch, 2018; Piekkari et al., 2009; Ragin, 1997). The selection of a case study approach is thus also grounded in the complex nature and contextual embeddedness of the phenomenon under investigation, which prevents it from being studied outside its natural setting (see e.g. Benbasat, Goldstein, & Mead, 1987; Benbasat & Zmud, 1999).[35] International employee mobility takes place in internationalised (often multinational) enterprises that comprise of multiple and diverse units and operate cross-nationally – in multiple, diverse, and often relatively uncontrolled and dynamic contexts (see also Birkinshaw, Brannen, & Tung, 2011; Fitzgerald & Dopson, 2009; Poulis et al., 2013; Vissak, 2010). This means that international assignees (who also occupy different levels and professions within the organisation) operate in diverse environments both internally (i.e. within the organisation and its network of units) and externally (i.e. in sending and receiving countries and partner organisations). These environments (their institutions, national and organisational cultures that require cross-unit and cross-national adjustments) need to be taken into consideration during assignment management, which makes the latter particularly complex. This complexity is further heightened as engagement in assignment management is also dispersed (i.e. employees from multiple levels within an organisation, such as general and human resources managers, managerial and expert assignees, as well as their colleagues in sending and receiving units, often need to take part in assignment implementation and management for it to be successful).

The complexity of international employee mobility and international assignments in particular is probably one of the reasons why to date there is no overarching theory on managing international assignees (see e.g. Dabic et al., 2015). The absence of an international assignment management theory and a need for combining too many (also conflicting) theories to explain the phenomenon further support the selection of a case study approach. Despite the lack of an overarching theory on managing international assignees, my research design is not completely phenomenon-driven, but rather uses theories from other fields (e.g. international business, organisational studies, sociology, and psychology) to explain certain aspects of the phenomenon studied. Although sampling is somewhat theory-laden and interview questions informed by past research, the theories and research used are mostly internationalisation-based and not international staffing- or assignment-focused. They are thus merely proxies for multilevel factors determining the firms' likelihood to engage in international employee mobility and use specific international assignment approaches. They do not imply what mechanisms drive the firms' and individuals' decision-making related to international assignments and their management. As such they cannot be

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[35] I account for the context (at least partially) in the quantitative part of the study as well: e.g. by considering the institutional environments of the sending and receiving countries and differentiating foreign-owned firms from domestic entities.

considered as a theoretical basis for theory elaboration (for an explanation of theory-driven research and theory elaboration see e.g. Lee, Mitchell, & Sablynski, 1999).

To sum up, the selection of a case study approach is based on the overall objective of the dissertation, which is to explain the firms' and their employees' decision-making processes and decisions related to international assignments and their management in a specific context (i.e. an emerging sending market) during firm internationalisation at multiple (i.e. country, firm, and individual) levels. A multimethod and multilevel comparative case study conducted in addition to quantitative analyses performed on population data helps in fulfilling this objective. This is an innovative research design that to the best of my knowledge has not yet been employed in international staffing research. In the multimethod and multilevel comparative case study, I do not solely compare single-level cases (e.g. firms with other firms or individuals with other individuals), but rather also compare nested cases across levels (see e.g. Stake, 2006). Such an approach enables a more in-depth understanding of similarities and differences in international assignment management practices, mechanisms driving organisational and individual assignment-related behaviours, and individual or organisation-level outcomes of international assignment management practices in EMNEs.

As is characteristic for case studies, I combine a variety of data sources and methods to confront a combination of different theories with the empirical world (Halinen & Törnroos, 2005; Piekkari et al., 2009; Ragin, 1992), provide a deeper (rather than more valid, reliable, or objective (Iacono et al., 2011; Sousa & Voss, 2001)) understanding of the phenomenon under study (Denzin, 1978a), and develop more accurate descriptions of the studied phenomena, as well as strengthen my interpretation of the data (Creswell, 2013; Lincoln & Guba, 1985; Stake, 1995). In addition to the semi-structured interviews with company representatives and assignees, I systematically analyse annual reports and corporate websites, to account for the relevant organisational discourses. Public records on sample firms' business performance, media coverage on their HRM strategies and practices, as well as internal acts and assignee reports, are also considered. They are used for the purpose of contextualisation, however, and not for the purpose of directly addressing the research questions: i.e. they provide insights into the organisational structure, history, and general context, internationalisation and HRM strategies (Fitzgerald & Dopson, 2009; Stake 1995), as well as insights into critical events related to a firm and the context determining interviewees' sensemaking and storytelling pre-, during, and post-international assignments, as the organisational context determines individuals' perceptions of international employee mobility within the firm.

For a more complete overview of the international assignment process, I also combine **retrospective and real-time nested cases** in the study (see also Hoon-Halbauer, 1999; Leonard-Barton, 1990). The retrospective cases (i.e. cases of assignees who have already returned from an assignment and thus experienced repatriation as well) provide insights into all stages of expatriation as well as into assignees' rationalisation of their experience (i.e. a mechanism of interest). They moreover provide an opportunity to identify patterns indicative of dynamic processes: e.g. changes in international assignment strategies and practices at the firm level depending on its development and internationalisation stage, or developments in coping

mechanisms by individuals with increased diversity and extent of assignment experience, or through the international assignment process. Organisations also provide a retrospective view, as firm-level interviewees report the historic developments of the international staffing approaches in their firms rather than solely focussing on current (international staffing) strategies and practices. This is because all firm-level interviewees are experienced managers or human resources managers, involved in expatriation management for extended periods. The real-time cases (i.e. analyses of individuals' and firms' experience of international employee mobility around the time of interviews), on the other hand, enhance the quality of the findings through providing insights into current assignment experience and counter-balancing the recall bias typical of retrospective studies (Leonard-Barton, 1990). They also allow contrasting of the interviewees' sensemaking, and thus further promote a better understanding of international assignment-related rationalisations relevant to individual and organisational assignment decision-making, experience, and behaviours.

This research approach is not without limitations, however. The principle **limitations of the qualitative part of the study** include (1) a limited ability to generalise findings to the larger population (because mixed methods focus on different levels and aspects of the phenomenon, the quantitative part of the study does not counteract this limitation – despite it being based on population data); (2) the related inability to capture the entire variety of international assignment types, management approaches, and individuals' experience in EMNEs due to in-depth research being feasible only on a small sample; (3) the difficulties associated with data presentation due to the tremendous amount of material and complex (often cross-level) connections among variables (Boyle, Nicholas, & Mitchell, 2016); (4) the challenging process of making sense of the data; and (5) potentially biased conclusions due to the impacts of the researcher and interviewees on the research process. In addition, due to the focus on a process, my conclusions are by default a function of the time at which the study was conducted (Dubois & Gadde, 2002). Finally, since I am looking for explanations of the studied phenomenon and aim for mechanism-based theorising, no predictions can be made based on my conclusions (Davis & Marquis, 2005).

The rich qualitative findings nonetheless have important methodological, theoretical, and practical implications (presented in the conclusion). In the following two sections (i.e. sections 1.4.1 and 1.4.2), I clarify the principles, advantages, and limitations of each qualitative method comprising my case study design and explain how these principles are applied, how the advantages are capitalised upon, and how the limitations are addressed. Since the principles for interviewing are consistently applied throughout the research process, they are explained for both the pilot and central interviews simultaneously (see section 1.4.2).

1.4.1 Content and discourse analyses

Since the qualitative analyses in this doctoral dissertation are aimed at (1) identification of key issues (reduced to codes, themes or categories (see e.g. Spencer, Ritchie, & O'Connor, 2003)) related to international assignments by emerging market firms and from emerging markets (as perceived and experienced by organisations and individuals) – with a focus on emergent patterns, trends or structures; as well as (2) the uncovering of the underlying mechanisms determining international assignment-related decision-making processes and their outcomes at firm and

individual levels, both content and critical discourse analyses are applied. I explain the main principles of each approach and how they are applied in my study in the following sections (i.e. sections 1.4.1.1 and 1.4.1.2).

1.4.1.1 Content analysis

Content analysis is a descriptive method that examines textual data for patterns, trends, and structures. The main value of content analysis is rather in organising and reducing data into perceptible constructs (i.e. codes, categories, and themes (Spencer et al., 2003)) that allow researchers to elicit meaning from texts and draw realistic conclusions related to it (Bengtsson, 2016; Gray & Densten, 1998; Shoemaker & Reese, 1996; Stemler, 2001; Vitouladiti, 2014). Since it highlights the quantity and quality of disclosure (see e.g. Haji & Hossain, 2016 in Hossain, 2017) – i.e. it focuses on which themes occur, how they are treated or presented (including the contexts they appear in), and the frequency of their occurrence (Spencer et al., 2003; Vitouladiti, 2014) – content analysis cannot directly uncover the underlying mechanisms that impact phenomena. Similar to quantitative analyses, however, it can help the researcher to expose these mechanisms. Occurrences of specific themes and the tone of voice used in communication related to them in particular contexts (or lack thereof) can expose patterns in thought processes or even behaviours and interactions among them that can act as the implications of the underlying mechanisms.

To uncover the mechanisms, however, one needs to consider the potential reasons for the (non)occurrence of themes and their intentional or unintentional (non-)use. I therefore argue that content analysis is a key step to identification of such mechanisms (e.g. by pointing out patterns and breaks in patterns), but cannot perform this function independently. It should thus be performed in combination with the more in-depth methods aimed at uncovering the intangible forces behind the studied phenomena, such as critical discourse analysis. Used alone, however, content analysis has several limitations: (1) overlooking the hidden meanings in texts, (2) missing the (intentionally) left out messages, or (3) making false inferences regarding the impact of texts based on the decontextualised quantification of words that arise from reducing large volumes of text to quantitative data (see e.g. George, 1959; Shoemaker & Reese, 1996; Newbold, Boyd-Barrett, & Van Den Bulck, 2002; Pool, 1959). In my study, I thus perform content analysis as a preliminary step to familiarisation with the emphasis put on the phenomenon under study and the themes related to it by the firms or individuals. I then apply discourse analysis to evaluate how organisations and individuals tell, interpret and apply individual meanings to talk about international assignments (see also Starr, 2009) and in turn expose their sensemaking processes (as a crucial part of decision-making) regarding the latter.

Condensation of data into themes is the central part of content analyses of annual reports, since these present a source that is not influenced by the researcher and the research project. The annual reports are created autonomously as presentations of the organisational self, and target the organisations' business partners, employees, shareholders, supervisory bodies, and other relevant stakeholders (i.e. they are created for a specific purpose, which is unrelated to this research project). Content analysis of these texts thus provides insights into organisational self-presentations, as strategically and systematically developed internally. A similar analysis of

interview data is also conducted. However, due to the semi-structured nature of the interviews, that increases the researcher's influence on the (non-)emergence of specific topics and themes during the interview process, content analyses of interview data are focused on the emphases that the different interviewees attribute to a specific topic or theme defined in the interview guide. In content analyses of interview data, I also consider how the discussion of these topics and themes reflects the presentation of related themes and topics at the organisational level (for individual-level interviewees) and how consistent the presentation is between sources (for firm-level interviewees) and across levels. I code the annual reports and interviews manually, whereas corporate website posts and other publicly available materials do not provide sufficient content for content analysis, and are only used for contextualisation. They are included in the discourse analyses, however (see section 1.4.1.2 for a more detailed description of the corpus structure and the reasons for including individual text in analyses).

In the analytical process of abstraction, I follow the steps summarised by Erlingsson and Brysiewicz (2017). The initial reading and re-reading of the texts thereby allows me to develop a general sense of the phenomenon in the studied context (with the research objective and questions constantly in mind), whereas codes help me to establish patterns. In abstracting the texts, I constantly iterate between levels of abstraction (i.e. condensed meaning units, codes, categories, and themes) in analyses of individual texts (i.e. individual annual reports or transcripts), as well as in comparing them to polish the coding and inferences based on the abstraction. I thus also keep returning to my initial notes of impressions after each interview or the initial reading of a report. In other words, I abide by the principle of the hermeneutic spiral. This refers to the process of contrasting the parts to the whole in order to establish if the impressions of the whole verify the analysis of the parts throughout the different stages of the analytical process. During the analyses, I also constantly reflect on my own pre-understandings that might bias the results and pay attention to any unexpected findings or perspectives. I consider any surprising results as especially revelatory, and include data that may not fit the overall patterns in the analyses to further illuminate the central topic (see also Erlingsson & Brysiewicz, 2017).

Since I use content analyses as a preparatory stage for critical discourse analysis,[36] I apply the **conventional approach** to it. The latter is also appropriate, since I am studying a phenomenon on which no holistic theory yet exists. This approach focuses on generating descriptions of the phenomenon without using preconceived categories, and instead allows themes to emerge from data (see Hsieh & Shannon, 2005; Kondracki & Wellman, 2002). This means that categories are developed inductively (Mayring, 2000) – with acknowledgment of the impact of researcher's pre-conceptions on this process. Finally, in line with the selected approach, I discuss relevant theories and research findings by other authors (either supporting or contrasting the findings from this study) in the discussion section of the qualitative study (see section 4.3.4) (Hsieh & Shannon, 2005). I apply quality criteria for the qualitative methods presented in section 1.2.3 to both content and critical discourse analyses.

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[36] The results of content analyses and critical discourse analyses are presented together. See section 4.

1.4.1.2 Discourse analysis

In discourse analysis, **discourses** refer to *"concepts, expressions, or other linguistic devices that, when deployed in talk, present explanations for past and/or future activity that guide interactants' interpretation of experience while molding individual and collective action."* (Kuhn, 2006, pp. 1341). They are specific and controlled ways of representing certain parts or aspects of the physical, social, and psychological world (see e.g. Fairclough, 2005; Foucault, 1972, 1978–1980, 1981). They have their own internal rules and mechanisms and link statements that have the meaning, power, and consequences within the social context. Each discourse is inclusive and exclusive at the same time in the way that it defines (and allows) what and how one can say or think and what is considered as knowledge or know-how within a discourse (see e.g. Foucault, 1972, 1981). It also determines who can state certain statements. Only selected individuals have this institutional power (Mills, 2003). Discourses are thus deterministic as they constitute and position the subject they refer to, as well as establish mechanisms that prescribe behaviour in line with the norms within a specific discourse (see e.g. Foucault, 1972, 1978–1980, 1981).

Discourse analysis is the analysis of texts in relation to the context and involves deconstructing the reality constructed through language (Hossain, 2017; Howitt & Cramer, 2011; van Dijk, 1990). It focuses on explaining how a particular issue is disclosed through an in-depth language- (or presentation-) based analysis and assumes a constructivist approach, positing that the use of language and discourse is contextualised and aimed at constructing rather than mirroring a particular reality (Fairclough, 2005; Hossain, 2017; Jokinen, Juhila, & Suoninen, 1993; van Dijk, 1990). **Critical discourse analysis** is an interdisciplinary interpretative qualitative approach to studying discourses, one that focuses on relations between (and changes in) discourses and other social elements (Fairclough, 2005) to uncover the 'surface illusion' (Cavana, Delahaye, & Sekaran, 2000) generated through the language by powerful groups in the society (Hossain, 2017).

I employ the latter approach, as it is most consistent with my research objectives. It also addresses power relations, and is thus particularly useful in the research on corporate narratives. Corporations as well as their (also internationally mobile) managers often take the role of power seekers (see Bakan, 2004; Beder, 2005; Bowen, 1953; Bottomore, 1993; Fleming & Zygidopoulos, 2009; Hartley, 2008; Hossain, 2017). Corporate actors have, in many ways, become an 'elite' group that possesses resources, such as money or access to and control over the media, through which they can construct organisational and individual practices (Bowen, 1953; Hossain, 2017). Language in particular can be strategically used as a tool that serves individuals and organisations in their pursuit of gaining power and control in specific contexts. For example, through generating and promoting specific narratives communicators try to inject their own ideologies in the minds of the recipients of texts or verbal messages, and thereby influence their behaviours (Fairclough, 1989; Hossain, 2017). In studying corporate narratives related to international assignments, I thus pay particular attention to the implicit (subliminal) messages through which organisations and their employees construct (international) staffing-related ideologies as 'soft' power over the organisational and individual decision-making and behaviours (see also Leppanen, 2012). While I acknowledge there may be competing voices shaping the discourses, these exceed the scope of the doctoral study. Future research may wish to address the impact of assignees' colleagues as well

as other stakeholders (e.g. legislators, media, business partners, and competitors) on the construction and enactment of specific discourses.

Critical discourse analysis is also particularly well suited to studying organisational change. This is because discourses pass through lifecycles: they emerge through reconstructing relations between existing discourses, achieve varying levels of endurance, competitiveness, and dominance over others and may become hegemonic, get recontextualised (i.e. external discourses and practices are internalised by particular organisations and used in different contexts) and operationalised (i.e. put into practice). Out of the operationalised discourses, new discourses emerge and the cycle continues (Chouliaraki & Fairclough, 2010; Fairclough, 2005). This is why in studying international assignments and international staffing-related discourses I incorporate documents for a six-year period in my corpus as well as interviews with (human resources) managers with long-term experience of international human resources management in their firms. Moreover, I include assignees with assignment experience from different developmental stages of the organisation in the research design. This approach allows me to capture shifts in discourses and assess the perseverance of dominant logics.

In the critical discourse analysis particular attention is paid to the context in which the discourses take place (see e.g. Leitch & Palmer, 2010; Vaara & Tienari, 2004). Context is the (mentally represented) structure of the characteristics pertaining to a social situation that are important for the production or understanding of discourse (Duranti & Goodwin, 1992; van Dijk, 1998). It involves *"the overall definition of the situation, setting (time, place), ongoing actions (including discourses and discourse genres), participants in various communicative, social or institutional roles, as well as their mental representations: goals, knowledge, opinions, attitudes, and ideologies"* (van Dijk, 2001, pp. 356). One of the assumptions in critical discourse analysis is that meaning can only be determined in its context. Discourses and discursive practices are entwined with and determined by other social practices (Vaara & Tienari, 2004). Context in critical discourse analysis is not fixed, but is rather an analytical construct that emerges from specific research questions. It aims to define (and is defined by) the articulation of moments relevant to the constitution of specific kinds of organisational texts (Chouliaraki & Fairclough, 2010). This suggests that *"/t/he same discourses may be associated with different meanings depending on the place, time and setting in which they occur"* (Leppänen, 2012, pp. 27). Critical discourse analysts should thus clearly define the contexts they are studying the phenomena in and consider the social practices and history when studying texts (Leppänen, 2012). In my analyses, I am constantly reflecting on the context that a specific discourse occurs in at multiple levels, as well as within data sources (e.g. the themes it is related to by the firm or the individual, the business performance at the time of a specific reference, etc.). I also provide detailed descriptions of the context.

Based on the work of Jokinen et al. (1993 in Leppänen, 2012) and Vaara and Tienari (2004), Leppänen (2012) summarises **the six main premises of critical discourse analysis**:

− Critical discourse analysis entails assuming a critical perspective to research and the critical realist 'stratified ontology', which draws a distinction between the 'real', the 'actual', and the 'empirical' in studying phenomena (see section 1.2.1). Social practices (including discourse)

present the mediating entities between the three separate domains and account for the strains between existing structures such as (country- or firm-level) institutions and construction processes (Fairclough, 2005; Leppänen, 2012) – i.e. they reveal the mechanisms related to phenomena.

- Language and discourse are considered to have a social constructionist character. In an organisational context, this means that organisational communication has the power to manage people and their actions, as well as contribute to organisational changes and transformations. According to Fairclough (2005), organisations exist only in so far as their members construct them through discourse.
- The aim of critical discourse analysis is to reveal hidden components of the taken-for-granted assumptions and to investigate power relationships. Discourse as a constructing force can be used both for reinforcing existing prestructured objects and for challenging the taken-for-granted assumptions or revealing power relationships (Leppänen, 2012).
- The researcher is not a neutral observer but rather a reflexive analyst (see also Leitch & Palmer, 2010), determining the focal perspective for studying discourses through the formulation of research questions (Vaara & Tienari, 2004).
- Context is very much stressed in critical discourse analysis, as it is assumed that the meaning of a discourse can only be determined in its context (Vaara & Tienari, 2004).
- There are parallel systems of meaning that compete against each other, which is why the understanding of specific texts can only be achieved by comparing and linking them with other (often competing) texts and discourses – i.e. through intertextuality (see also Fairclough, 2005; Jokinen et al., 1993 in Leppänen, 2012; Leitch & Palmer, 2010; Vaara & Tienari, 2004).

In line with these six premises, I apply the critical perspective and challenge the taken-for-granted assumption in managerial international assignments discourse whereby developed markets are seen as the natural first choice for foreign market expansion and employee mobility, and where firms are perceived as the entities primarily responsible for international assignment management. Furthermore, I welcome the school of social constructionism suggesting that discourses and languages have the capability to (re-)create social reality. I aim to understand and uncover the underlying mechanisms of language and discourse used for the 'justification' and 'naturalisation' of the companies' activities regarding managerial international assignments (see also Fairclough, 2005). I also investigate the international assignment-related discourses among top management and managerial assignees aimed at constructing a reality that differs from the 'actual' and 'real' causalities of events – e.g. for assignee motivation. To achieve intertextuality, I reference other texts (e.g. interviews with local or third-country national managers) and events related to the discourses seen in the studied corpus when relevant. I also account for researcher reflexivity, by explaining my philosophical stance and related assumptions in detail, as well as being transparent about their impact on any inferences or conclusions made (Leppänen, 2012).

As explained above, critical discourse analysis focuses on the social power of groups or institutions, defined as the power of each group as a whole (i.e. not all the members of a powerful group are always more powerful than all members of a dominated group) to control the acts and minds of other groups (or their individual members) based on privileged access to scarce social resources (see also Lukes, 1986; Wrong, 1979). Because the power of dominant groups may be

incorporated in various rules, laws, and norms as well as habitual behaviours (van Dijk, 2001), a combination of sources is required in critical discourse analysis to uncover the related power mechanisms, dialectics, and shifts. My **analytical corpus** (i.e. a systematic, organised collection of relevant texts (Wodak & Krzyzanowski, 2008)) thus includes:

- **Firms' annual reports** (with a particular focus on the human resources management-related sections): The choice of annual reports for analyses of organisational (international) staffing and related discourses is based on these texts being among the central documents of an organisation (and as such the most indicative of its overall discourses), in which companies use narratives (i.e. language) and visuals (e.g. graphs, photos, and charts) to convey their messages to different target groups as well as convince and influence the message recipients (see e.g. Hossain, 2017). Annual reports thereby provide an important source for studying corporate narratives – essential for understanding the attitudes that firms have towards their stakeholders (e.g. employees), the corporate culture they create and nurture, and the relationships and actions they (wish to) promote. Compared to other sources they can also reveal the influence of organisational discourses on discourses at other levels (as well as the reverse effects). Since firms do not have specialised (publicly available) international staffing reports that would enable comparisons of discourses across organisations, annual reports present the most informative firm-level source. Moreover, the analysis of annual reports both increases the comparability of findings and provides in-depth insights in the overall organisational context for sensemaking regarding international employee mobility (i.e. it allows for the uncovering of organisation-level institutional mechanisms driving organisational and individual international assignment decision-making). Since annual reports represent a firm's principal tool of communicating business performance with the public (including the reasons for successes, reasons for failures, and future plans) (Staw, McKechnie, & Puffer, 1983), they are also indicative of the firm's employer branding practices.
- **Human resources management-related posts on sample firms' corporate websites**: These are especially indicative of the firms' use of international assignments for employee mobility, and exert a subtle influence on employees through potential promotion of their contribution to the firm and acknowledgement of their value.
- **Interview transcripts and summaries** (including both interview data from interviews with individuals representing the organisational perspective – i.e. members of management boards or human resources departments – and interview data from interviews with individual international assignees): Since international staffing involves an individual and firm entering an unknown, risky, or unfavourable market, and also requires adjustments and learning (e.g. Johanson & Vahlne, 1977) by both the firm and individual, annual reports may not disclose negative news in order to establish and preserve a firm's image as a good employer, as well as the motivation of individuals for international mobility. Interview data (as an additional, not fully organisation-controlled material) is hence crucial to provide insights into the organisationally (intentionally or unintentionally) hidden messages.

In my study, both the annual reports and corporate websites are used as representations of 'the organisation's voice' and an indication of each firm's desired perceptions of international assignments, their management, and its other staffing strategies among both its employees and

other stakeholders. At the same time, they also provide contextual information on organisations. The interviews with assignees (and exceptionally also other managers), on the other hand, reveal 'the individual employees' voice'. Such a corpus structure not only allows for comparisons across firm-level (represented in the annual reports, on the corporate websites, and by interviewees from management boards and human resources departments) or individual-level discourses (represented by international assignee interviewees, and in two cases also their local and third-country national managers) regarding international assignments, but also enables contrasting and comparisons across the two levels (i.e. firm and individual) – indicating relationships between them. Internal acts, company news, and performance charts (e.g. Gvin.com) are not part of the focal analytical corpus, but rather present **complementary sources** that deepen contextual insights (i.e. provide information regarding organisational structure, history, and relevant events, as well as indicate the organisation's relationship with and attitude towards its employees, relationships between firms within the multinational's network, etc.). The full corpus is only available for large MNEs included in the study, whereas smaller entities can only be studied through interview data.

To understand the macro-organisational context in sample firms (i.e. the organisational structure and culture, strategic orientation, internationalisation strategy, organisation-employee relationships and the firm's IHRM approach, as well as relationships between firms within the multinational's network) from an internal organisational perspective, I first analyse annual reports for the 2012–2017 period, corporate websites, and (where available) the firms' latest internal acts. These serve as an approximation of the firms' (perceptions of) internationalisation, general human resources management, and international staffing strategies. Such 'approximations' are used since internal strategic documents of sample firms are not publicly available or made available for inclusion in the analysis due to their confidential nature.

The choice of **annual reports** in particular is based on these documents being the firms' principal tool for communicating business performance, strategies, and activities with the public (including the reasons for past successes or failures and forecasts for the future) (Staw et al., 1983). It is also a regulated communication tool, whereby both the structure and content of the report are determined by legislation, which enables comparisons across firms. Any additional (i.e. non-obligatory) sections in annual reports are also informative as they indicate the image and organisational culture that firms wish to promote to their stakeholders (including employees) in order to influence their actions. The analysis of annual reports is delimited by a six-year period, so that both the more frequent changes in international employee mobility practices (such as interim assignments used for position filling during the search for the more permanent solutions) and the more periodic four- or five-year changes after mandates are captured in the results. In Firm A, a six-year period also encompasses a shift from a consumer-orientation to an employee-centred approach to value creation, along with the firm's holistic transformation from a functional to a business process organisation structure (see e.g. Firm A's annual report 2016; Firm A's corporate website; Interview 6a) allowing for a more contextually grounded and process-based understanding of developments in the firm's international staffing strategies and practices (and the related discourses) as well.

Particular attention is paid to **CEO letters to shareholders** in annual reports. These summarise the management's reasoning regarding past business performance and plans for the future. Usually prepared by a team of public relations and communications professionals, they also reflect a set of causal explanations presented by many powerful actors in the firm (Staw et al., 1983). The annual report as a whole is similarly composed by various departments and business units and thus reflects various discourses as well as the dominant discourse in an organisation – i.e. it is well suited for critical discourse analysis and insights into the (generation of) power relations in firms. While annual reports are not focused on international staffing *per se*, they nevertheless reflect an organisation's attitude towards employees and through various discourses imply the (desired) sensemaking regarding international employee mobility. The analysis of annual reports thus allows me to draw conclusions regarding the firm's overall approach to employees (also compared to its other stakeholders), employee development, and international mobility. Annual reports also provide information on the overall internal (and often also certain aspects of external) context that uncover organisation- and (supra)national-level institutional mechanisms driving organisational and individual international assignment decision-making.

The results from the analysis of annual reports are substantiated with an analysis of the firm's publications regarding international employee mobility, as well as its overall organisational culture and employee management practices on firms' **corporate websites**. They primarily act as a firm's external communication tool, and are as such a part of corporate and external employer branding. However, they also have a role in the overall internal branding and internal employer branding. Due to their different (and not legally specified) formats, aims, and target stakeholders compared to those of annual reports, they may provide additional insights into a firm's approaches to international employee mobility (e.g. by revealing the promotion of international assignees' successes or organisational international staffing to additional target audiences as part of corporate, internal and (internal and external) employer branding[37] or the promotion of a socially responsible corporate image). They also uncover the organisational context serving as a basis for interviewees' sensemaking during and after their assignments, and the organisation's expectations about their tasks and roles abroad. Discourse analyses of interview data moreover allow comparisons of discourses across levels and how they interact.

Dialectical processes and relationships shaped by relations of power vary between institutions and organisations, and according to context (Chouliaraki & Fairclough, 2010). This is why the identification of (relevant) mechanisms requires comparative case study approaches rather than analyses of individual cases, whereby researchers should maintain small sample sizes for a greater depth of findings. In my dissertation, I thus focus on a smaller sample size, which is consistent with the choice of method: critical discourse analysis (especially one conducted at multiple levels) would not be feasible with a larger number of sample firms, documents, and interviewees (see also Bondarouk & Ruel, 2004; Hossain, 2017; Potter & Wetherell, 1987). Although the smaller body of texts may be problematic from the perspective of justifying the broader significance of the

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[37] See, for example, Foster, Ponjaisri, and Cheng (2010) and Mandhanya and Shah (2010).

analysis, it allows for greater analytical rigour and depth, which are two of the main qualities of critical discourse analysis (Alvesson & Kärreman, 2000; Leitch & Palmer, 2010; Leppänen, 2012).

As is typical for critical discourse analysis research, I focus on the following questions when analysing texts:

- Which are the powerful groups with access and control over the international assignments discourse at the firm level?
- How do the (more) powerful groups control the organisational discourse on international assignments?
- How does such discourse control the thoughts and actions of (the less) powerful groups, and what are the consequences of such control in terms of motivation for international assignments, their management and implementation?
- How can and do the dominated groups access and discursively challenge or resist power? (See also van Dijk, 2001).

Rather than assuming a top-down perspective on power (i.e. focusing solely on relations of dominance), I also acknowledge the bottom-up relations of resistance, compliance, and acceptance (i.e. I consider both the dominant and the less powerful groups as active rather than passive participants in the power dialectics, as well as acknowledge that their power hierarchy may change over time and depending on the context). This means that, although my research focuses on the discursive strategies of elites (i.e. both managers in the headquarters and internationally assigned managers) to establish a specific international assignment order, the counter-power discourse of assignees and (the lack of) other related discourses are also analysed (see also van Dijk, 2001).

While my approach to each of the data types is described in detail in the following paragraphs, my overall approach to conducting critical discourse analysis is consistent with Fairclough's (1989; 1995) **three-stage model to critical discourse analysis** that suggests analysing texts by considering three levels (not necessarily in a specific order, but rather interchangeably and often at the same time):

- During **text analysis** (micro level) the linguistic features of texts, such as (1) the characteristics of texts, (2) the communication strategies used, (3) the construction of thoughts, (4) text-image cohesion, (5) the pattern of presentation, and (6) the cultural meanings of words are studied (Scharf & Fernandes, 2013).
- During **process analysis** (mezzo level) texts are deliberated in terms of their production and consumption process: I identify the producers (e.g. managers, HRM and communication experts) and the consumers (e.g. international assignees and their colleagues who may also be the co-creators) of the texts, as well as make inferences regarding the relationships between them.
- For **social analysis** (macro level), I study the corpus from the wider social, economic, political and historical contexts to explain why social actors, events and organisations are represented in a specific way, and why arguments are constructed in a specific way (Beelitz & Merkl-Davies, 2012; Merkl-Davies & Koller, 2012). To account for the wider social context I include

annual reports for a six-year period in the analyses (to also account for shifts in mandates) as well as consider relevant texts on cases by the media and on corporate websites. I also reference prior research on emerging markets and emerging market firms (including Slovenia and Slovenian firms, presented in section 2) for a more comprehensive contextualisation of my work. Inclusion of annual reports for the entire period of expatriation by an individual firm or individual assignee is not feasible – due to both the lack of publicly available archives and the many prolongations of assignments (some lasting entire careers) that would result in unmanageable amounts of data hindering in-depth analyses. This is a limitation in terms of analysing assignees' and organisational sensemaking (reflections may differ in different time periods and at different stages of an employee's career). However, I argue that the main stage of assignment sensemaking occurs post-assignment (or for assignments that are still in progress during an interview), when assignees have time for reflection, which is often not available to them during the assignment (due to multiple tasks and adjustments needed). Hence, a focus on organisational context during interviews and shortly after assignments, complemented by an emerging market literature overview for broader contextualisation, is appropriate.

The three-level approach thereby implies that critical discourse analysis is by default multilevel research bridging micro, mezzo, and macro levels through (1) considering language users engaged in a specific discourse as members of social groups, organisations or institutions; and accounting for groups through the actions of their members; (2) taking into consideration that the individuals' and organisations' social acts are an integral part of group actions and social processes; (3) accounting for situations of discursive interaction also being part of the social structure, and considering that contexts may be closely related and pose restrictions on discourse at various levels and simultaneously; (4) acknowledging that language users as social actors have both personal and social cognition (i.e. personal and shared memories, knowledge and opinions) (see van Dijk, 2001).

Finally, the research process of this thesis follows **the inductive four-step model of critical discourse analysis** developed by Vaara and Tienari (2004). Based on a literature review and initial quantitative findings, I define and refine the research questions. After the initial content analysis (an innovation of this study), I conduct an overall analysis of the textual material to identify relevant discourses and other interesting phenomena related to the focal phenomenon under study, as well as choose the most informative sections of texts for further analyses. Third, I proceed with close reading of specific texts from a discursive rather than solely content perspective, and finally refine my findings and make inferences regarding generalisations. Throughout this process, I am constantly engaged in both the theoretical and empirical interpretation process (inductively). The former involves the use of underlying theories for formulating the empirical approach and pinpointing issues for further examination. The latter links and contrasts empirical findings with the underlying theories and uncovers the differences and similarities between them (see also Leppänen, 2012). Since these analyses are conducted in combination with content analyses, the results are presented in an integrated form (see section 4).

Like any method, critical discourse analysis has its **limitations**. Due to its interpretative and reflexive nature, as well as the lack of hard and fast rules on how to conduct discourse analysis, it

is in many ways subjective and involves researcher's bias, which is why transparency regarding the philosophical stance of the researcher and its influence on the decisions throughout the research process is crucial. In addition, due to the small sample size the research results cannot be statistically generalised, but rather **generalisation to theory** is the key objective of such research (see e.g. Boyle et al., 2016). The diversity of data sources poses another challenge: namely, a fully inductive approach is only possible based on document and website analysis, since the documents and online posts by organisations analysed as part of this study were created prior to and independently of the research, which is why they are free of researcher-induced bias (inferences from these materials are not free of the researcher's bias, however), whereas interview data is at least somewhat theory-laden, since the questions posed to interviewees are based on research objectives, prior studies from the international staffing and international business domains, extant international business theories, and the interviewer's subconscious pre-conceptions.

Requests for authorisation by several interviewees imply that the linguistic analysis of interviews is not possible. For authorisation purposes, interview transcripts have to be transformed into interview summaries that are linguistically polished and thematically reorganised to ease the interviewees' reading of the texts, enhance their comfort, as well as limit any censorship of the statements. This is because interviewees find reading verbatim transcripts uncomfortable (especially when they are representatives of elite groups, such as managers, who are expected to demonstrate linguistic proficiency and a high linguistic culture). When interviewees read their verbatim statements they consider them in terms of written rather than spoken language, and may be more inclined to correct linguistic errors than amend content. Moreover, they may experience discomfort by being exposed to their own thought processes and the related lack of perfection in statements (the latter is often embedded in a managerial identity), and thus resort to censorship as a coping strategy. Even with summaries, managers show their tendency to perfectionism. For example, one of the interviewees expressed concern about preservation of repetitive statements in the summary – although to a researcher repetition may be indicative of the emphasis on the topic. I address this and similar concerns by being transparent regarding the analytical procedures.

Interviewees also only agree to the use of grammatically correct quotes. They persist with the latter requirement despite the promise of anonymity, which (as I argue) is related to and reflective of their (elite) social status and high education. Since authorisations solely serve the purpose of content verification and preparation of the text for publication, in the process of textual analyses I am able to iterate between the original materials and the summaries (kept in separate archives). Within the limits of agreed anonymity and revisions of texts, I use verbatim transcripts for consideration of linguistic features or contexts that the statements are used in, but remove any desired deletions by interviewees (content-wise) from these texts as well. Where applicable, I analyse both the verbatim transcripts (minus any changes requested by the interviewees) and the summaries (including any changes requested by the interviewees). When preparing non-verbatim summaries based on verbatim transcripts, I aim for these to reflect interviewees' statements in both content and form as much as possible. With such an approach, variety in data formats does not present an insurmountable issue in terms of critical discourse analysis. Instead authorisation, as applied in my study, serves as an additional step in data condensation and organisation. In addition, due to a focus on mechanisms, context, and action consequences rather than quantification of

qualitative data (e.g. through word counts), the content rather than the format (or frequencies of textual appearances from the content analysis perspective) is more relevant for analyses (see also Kvale, 2007).

1.4.2 Semi-structured interviews

Along with analysing the sample firms' annual reports and corporate websites, I also conduct **semi-structured in-depth interviews** with multiple informants from different levels within each firm: i.e. I interview members of the management boards or human resources departments as representatives of 'the organisation's voice'[38] and international assignees as representatives of 'individual employees' voice'. By focusing on both the individual and organisational perspectives regarding international employee mobility, I address the gap in international assignment research identified by Moreira and Ogasavara (2018), who call for the collection of data on assignments through in-depth interviews with the managers responsible for international employee mobility in multinational firms from and operating in emerging markets, as this would complement the prevalent individual-level research on international assignments (e.g. Black et al., 1991; Bhaskar-Shrinivas et al., 2005; Sanchez, Spector, & Cooper, 2000; Shaffer et al., 1999; Shay & Baack, 2004; Tung, 1987).

The choice of semi-structured interviews is motivated by the fact that the qualitative part of my study is aimed at **theory building** that is parsimonous. Therefore, the interview questions stem from prior international assignment research as well as international human resources management and international business theoretic frameworks. However, to pursue any potentially relevant emergent or context-specific issues that might emerge during the course of the interviews, flexibility across various respondents is maintained (Kvale, 1996; Lee & Lings, 2008). In other words, although pre-prepared, the interview questions are refined throughout the research process so that they reflect both the emerging market firms' organisational context and interviewees' varying (and at times changing)[39] roles in the organisation, contextual and role changes in international assignment implementation and management processes at both analytical levels (see also Svystunova, 2017), as well as any other ideas emerging throughout the interviews (see also Nilsson, 2018).

In line with the case study research approach and the critical realist philosophical stance that promote the inclusion of multiple viewpoints and richness of material in the research design, I also conduct several **supplementary interviews** (i.e. interviews with people other than the key group, who may not be as informed on the focal phenomenon, yet have potential additional insights for interpretation (Alvesson, 2011)). Selection of these additional interviews is based on the focal

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[38] These are the two business functions identified as the business functions involved in international assignment management in emerging market firms during the preliminary interviews for the dissertation. They are thus included in further analyses on organisational discourse regarding international assignments.

[39] For example, interviewees may be international assignees at one point and engaged in other individuals' international assignment management at another.

interviews in sample firms, the revelatory potential of additional interviews (e.g. indicating a firm's standardised or diversified orientation to subsidiary managers regardless of their origin, or alternative strategies to international employee mobility management such as engagement of internationally mobile sole proprietors), and access provided to additional interviewees by firms. The additional insights from the supplementary interviews are integrated in the final conclusions as part of contextualisation as well as in the main analyses, since they also reflect the organisational perceptions of and practices related to international staffing (these are the interviews with an inpatriate, a third-country national manager, and a local manager). These interviews are different from the pilot interviews, as they take place within the two case firms, whereas the pilot interviews are conducted in other firms.

I pay great attention to **the initial interview guide**. Due to a multilevel research design, the latter is adjusted to interviewees' role in international assignment implementation: i.e. the interview guide for organisation-level interviews with human resources department representatives or top management (see Appendix D) differs from the interview guide for international assignees (see Appendix E). The two interview guides assure that data collection remains focused on the research objective throughout the research process and across levels (for comparability of data), as well as facilitates insights specific to each level of analysis. They also promote exhaustive questioning and help to anticipate related issues potentially explaining the focal phenomenon. The interview guides are carefully scanned for any leading questions and continuously revised throughout the course of research – sometimes to the point of modifying the initial research question according to the empirical data gathered (Gioia, Corley, & Hamilton, 2012). In addition, the two interview guides for interviews with firm-level representatives vary for each firm (based on prior desk research and analyses of the firm's business performance, strategies, corporate websites, media coverage, and annual reports that serve as preparation for the interviews). Adjustments are also made during individual international assignee interviews (e.g. based on the stage of an assignment, seniority of an assignee, direction, format, location, and purpose of an assignment) and as I progressively gain a better understanding of the context (see also Svystunova, 2017). **A critical incidents approach** is employed during all interviews (see Flanagan, 1954).

Firm representatives are questioned on:

− Organisational experience with international assignments (determinants of assignment implementation; number, duration, direction, location, format, purpose, and repetition of assignments; assignee selection criteria; assignment integration in business strategies; alternative approaches; and measurement of assignment success);
− The role of international assignments in internationalisation (changes of international assignment needs and management approaches through different stages of firm development, internationalisation or according to individual assignees' sending and target markets);
− HR practices related to international assignments (codification of HRM procedures, rules and policies; potential adjustments to assignment management and the related adjustment factors; reporting systems in sending and receiving units; engagement of the HRM department in planning, preparation, and implementation of an assignment – including available resources

and activities; outsourced assignment management activities; perceived assignee expectations and assignee engagement in HRM activities; comparison with business trips):
- Employee motivation for assignments;
- Assignment planning (assignee selection, structuring the team, planning activities and return, preparing an evaluation and reward system, the most stressful tasks and issues from an individual and organisational perspectives – and HR coping strategies);
- Assignment implementation (HR department engagement, issues, coping strategies, communication with the assignee);
- Return (planning, HR role, interim returns, number of returnees, maintenance of collaboration between an assignee's sending and receiving units, preparation of colleagues for return, career development planning, evaluation and rewards, consequences of (un)met expectations, main issues, examples of failure, lessons learnt);
– Formal and informal assignment communication (communication tools; communicators and target audiences; content, direction and intensity of communication; access to communication processes; language strategy; assignment branding, communication training; miscommunications and conflicts, coping strategies; good and poor practices, promotion of assignees' achievements; promotion of knowledge transfer);
– Collaboration of HRM and other business functions in managing international assignments collaboration with colleagues and inter-units (relevance and facilitation of inter-unit networking at different stages of assignments, role of HR department);[40]
– Critical assignment-related issues;
– Future of international assignments and potential alternative options to assignments; and
– Demography (international experience, gender, age, level of education, length of employment in sample firm, HR experience, direct experience of international mobility by the person managing international assignments) (see Appendix D).

Individual assignees were interviewed about:

– Their personal experience of international assignments – past and current:
- Assignment characteristics: initiator, direction, duration, tasks, purpose, format;
- Preparation: assignee expectations, experience, and desires regarding the preparation for their assignment, as well as format and extent of engagement in preparation; key steps (team selection – process and criteria; activity and return planning); greatest barriers and difficulties in assignment planning; the most stressful moments and tasks, any difficulties and their impact on individual and team performance;
- Execution: impressions of an assignment (positive and negative surprises during an assignment, stressful moments and tasks, individual and organisational coping strategies; factors of (un)fulfilled expectations and (dis)satisfaction; personal and organisational gains, evaluation of assignment success/(un)fulfilled goals and their determinants); differences in

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[40] Since inclusion of other departments in managing international assignments turns out to be very scarce and limited to operative support in the cases included in the case studies (as well as the pilot cases), interviewees from other departments are not included in further analyses.

work conditions and effectiveness in sending and receiving units; team dynamics (role conflicts, membership in multiple teams – status, power roles, etc.); international assignment 'support system' (relevant departments); interesting stories (critical events);

- Return: plans or experience regarding repatriation or additional assignments, preparation for repatriation and interim returns, knowledge transfer (plans) upon return, (desired) support, reintegration;

– Previous experience with assignments (role of past professional, organisational or international experience in later assignments – including studying abroad, international internships, business trips, and other assignments; differences in (experiencing) assignments – based on location, tasks, purpose, format, novelty of role, etc.);

– Organisational support (individuals' expectations and needs regarding organisational support – including types of support and business functions/departments involved; experienced support, familiarity with support available; comparison with business trips);

– Inter-unit and collegial cooperation regarding an assignment (form, relevant counterparts, initiator, facilitator, conflicts and conflict resolution strategies);

– Assignment communication (tools, content, direction, frequency, communicators, target audiences; expected and actual communication support; communication skills and networking-related training, informal talks, access to communication processes; language strategy; communication glitches and conflicts);

– Critical issues/events;

– Future of international assignments and their alternatives; and

– Demographics (age, gender, family, age, education, length of time at a job – i.e. length of time an employee has worked for their current employer; position pre-, during, post-assignment; country of assignment) (see Appendix E).

Similar questions are also posed during pilot interviews (the set of questions being determined by relevance of each question to the case). These interviews thereby present a testing ground for the interview guide and provide inputs for its further development.

The consistent use of semi-structured interview guides in the final two selected case studies (with minor adaptations and expansions of questions based on interim findings after each interview) plays an additional role. It allows both for within- and cross-case data analyses and retention of researcher flexibility to respond to emergent themes and issues raised by participants at each stage of the data collection process (Welch et al., 2009). It does not exclude researcher-induced bias, however. I thus acknowledge and reflect on my role as a researcher in the research process also at this research stage. According to Kvale (2007), unacknowledged (researcher or interviewee) bias may invalidate the results of an interview. However, recognised bias can uncover certain aspects of the phenomenon under study and provide insights on additional dimensions, as well as strengthen the multi-perspectival construction of knowledge. For greater awareness of the informants' and interviewees' influences on the data collection, data analysis, and interpretation processes (i.e. their role in constructing both the data and the results), I use a single researcher (i.e. myself) as an interviewer, transcriber, analyst, and interpreter of the findings. This allows me to compare different interview settings, atmospheres, and interviewee reactions to questions more

consistently and in-depth, as well as to limit my own influence (or at least apply and record it systematically) throughout the research process.

As an experienced interviewer, and also the person most familiar with the study and its purpose, I am better able to cope with interviewees' (particularly the managers') attempts to take over and guide the conversation, as well as to create a stimulating atmosphere for insightful responses. Being a researcher from the national context under study additionally helps me to understand the underlying mechanisms guiding the interviewees' responses. Not including additional researchers in qualitative data collection and analyses is furthermore considered to be an advantage, since the research design requires the presence of the researcher in all interviews to capture the nuances in discourses, and a team of interviewees could hinder rapport. I thereby argue that such a research design does not limit the creativity otherwise provided through multiple investigators with complementary insights or perspectives that can contribute to novel findings (see Eisenhardt, 1989). I substitute the multitude of researchers' perspectives during data collection for a multitude of scholars' perspectives during reflections, analyses, and interpretations of data (through discussions with supervisors, committee members, colleagues, and conference discussants, as well as through written correspondence with reviewers of academic journals or conference papers).

Despite receiving financial support for the research project by the Slovenian Research Agency (hereinafter referred to as the Agency) through the national scheme for 'Junior Researchers', the Agency has no influence over the research objectives and design of the study. The funding body also has no influence on the interpretations of the results and findings of the doctoral dissertation. It is moreover not involved in gaining access to the pilot and case study companies (or other data sources). This access is negotiated by the researcher, directly contacting the human resources department or managers responsible for the international network of each firm or its (international) staffing (the contacted firms are all part of the official assigning firms' population identified in the quantitative analyses, and thus present a nested sample). These 'key informants' later act as both interviewees at the firm level and connectors to other interviewees in the individual firms.

I nonetheless maintain control over the research project (see also see also Bryman & Bell, 2011; Svystunova, 2017). While key informants help me to identify and contact the relevant individual-level interviewees (i.e. the hidden population of international assignees within the firm), their suggestions are guided by criteria I establish based on my research interests and objectives, a comprehensive literature review conducted before the empirical study, desk research, and preliminary findings from the quantitative and pilot interview stages of my study. Both firm- and individual-level selection criteria are clearly and explicitly communicated to the key informants through either a preliminary meeting and/or an e-mail request for participation in the study (for a list of criteria at both levels see sections 1.4.3.2 and 1.4.3.3). In either of the two options employed for negotiating access, a very basic introduction of the research topic and research objective is provided. This assures targeted sampling of the firms. Firms that are not as experienced in international assignments (although they are assigning firms) can choose to remove themselves from the study. This is important due to the official datasets only providing information on officially reported assignments, which may not be strategic or strategically managed.

Not disclosing questions in advance[41] also limits the interviewees' rationalisations of the research questions in advance and allows me to observe the thought processes during the interviews. I furthermore recognise that individuals can use narratives (which answers during interviews are) as a primary device for constructing and communicating identity (see e.g. Bruner, 1990; Czarniawska-Joerges, 1994; Giddens, 1991; Linde, 1993, 2001; Polkinghorne, 1988; Riessman, 1993). This means that they may desire to present their identities and selves (and their expressions through practice) related to the studied phenomenon through a specific narrative or discourse – depending on their perception of the research objectives as well as the potential of the study results to serve their interests (e.g. ideas for solutions to specific problems they are required to resolve in relation to the research topic in a particular moment, career advancement or the prevention of demotion due to criticising the firm, etc.). To limit the latter effect, I guarantee anonymity of both the firms and the interviewees and only disclose the results in an aggregated form. I also make clear that the study is not motivated by organisational objectives, but rather is academically motivated. This is especially relevant for establishing rapport with the individual-level interviewees, who are sent a similar introductory letter requesting their collaboration, as it limits the information hiding that could emerge due to interviewees' mistrust and perceptions of the study being firm-sponsored or having alternative motives.

Various contextual or intrinsic factors may nonetheless prompt the individuals and the firms to present a particular identity and international assignment-related narrative. Due to the unstable and emergent nature of identities, people (and also, I argue, organisations) can present their identities through different identity stories, narratives, and discourses. They can thereby choose to use either an individual narrative, story or discourse – or a set thereof (see also Gergen, 1992). I suggest that the choice of the identity or identities presented during interviews can be particularly revelatory regarding the organisations' and individuals' sense- and decision-making processes: especially when compared between levels and contextualised (e.g. considering the different identity narratives at various stages of expatriation, by types of assignees, or at different stages of internationalisation). In my analyses, I thus constantly reflect on the individuals' and organisations' discursive (mis)matches regarding expatriation – accounting for the different contexts and levels of individuals or organisational experience with expatriation, management, international business or other relevant areas.

Along with explaining the overall purpose of the study and the main features of the research design to all interviewees, the interviewees (including pilot interviewees) are informed of the potential risks that participation in the study presents to them. These include the anonymised data and results of the study being publicly presented at conferences and other professional meetings and being publishable, as well as made available to my supervisors, committee members, and other third parties – upon their signature of a confidentiality clause. As mentioned above, all interviewees are guaranteed anonymity. This means that nothing disclosed during the interviews is attributed to either the individual interviewees personally, their colleagues or third parties mentioned, nor to firms participating in the study. Any quotes used to demonstrate the inferences made are also

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[41] Only one interviewee is sent the draft questions in advance during the pilot phase of the study, as they condition access to the firm on this step.

anonymised. No one has access to the tapes and transcripts besides me (unless a member of the PhD committee, supervisory team or editorial board of a journal and signing a confidentiality agreement prior to getting access to anonymised interview data). To guarantee their anonymity, companies and interviewees are also given false names: i.e. Firm A and Firm B and Interviewee 1a–8a or Interviewee 1b–6b respectively (see also Bryman & Bell, 2011).[42]

Individual interviewees are also made aware of the potential benefits of the study (e.g. all individual and organisational participants are promised a copy of the dissertation in electronic format; a summary of results, suggestions for improvements and good practices; and an in-person presentation of research results with a 'question and answer' session in each firm, delivered by the researcher) (see also Kvale, 2007). All interviewees sign a publication consent form (see Appendix F) to give written consent to participating in the study (participation is voluntary), and acknowledge that they have been informed about the course of the research as well as about why and how their answers would be used (see also Diener & Crandall, 1978). The signature of the publication consent form also acts to enhance trust (e.g. Svystunova, 2017), as it defines the researcher's commitment to guaranteeing the participants' anonymity and employing risk-reduction steps (such as only disclosing anonymised data to a limited group of individuals within the research community – and upon their signature of a non-disclosure agreement).

Focusing on members of management boards and human resources departments, as well as managerial international assignees, means that I engage in **elite interviewing**. Elites are the influential, prominent and/or well-informed individuals in an organisation. Such an interviewing focus has several advantages. The first is that elites are able to provide a broader (overall) view of the firm (including its relationships within the MNE network and with external (institutional) business environment), its structures, policies and strategies, past histories, and future plans. The second advantage involves elites being capable (and free) to respond to the more complex, in-depth or broad, provocative, and open-ended questions due to their privileged access to information, knowledge, and sensemaking capacities (Marshal & Rossman, 1999). Since the interviewees are all managers, they are empowered to respond to my questions without additional consultations with the firm. The firm is considered to give consent to their participation in the study by establishing the connection and participating in the study itself. The third advantage of elite interviewing is that elites are also familiar and comfortable with interviews and public speaking (including recording sessions) as well as communicating in foreign languages,[43] which is why neither recording nor being interviewed in a foreign language (in two cases English is used, while in one case the interview takes place through a combination of Slovenian and the native

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[42] Two interviewees participate in Interview 1b. When they differ or complement rather than replicate one another's responses, their role in the firm is explicitly stated to indicate the source of the statement.

[43] This is particularly true for managerial international assignees, who continuously use foreign (either third or host country) languages when on assignments, and (HR) managers in charge of international teams and internationalised firms.

language of the interviewee)[44] limits the interviewees' ability to be open in their responses (see also Welch & Piekkari, 2017). To sum up, elite interviewing gives me as the researcher more flexibility both in terms of the language used and questions asked (see also Kvale, 2007; Marshal & Rossman, 1999; Piekkari & Welch, 2006).

Despite its strengths, elite interviewing has some disadvantages, such as (1) difficulties in gaining access to interviewees, (2) interviewees requesting adaptations of the interview structure and taking charge of an interview (Marshal & Rossman, 1999), or (3) changes in responses and self-censorship upon interview authorisation. Because of the multitude of contextual influences on the interviewees' responses to interview questions, as well as on what questions are being posed and the way the questioning is conducted (e.g. social norms, scripts for talking, value-laden language, expectations of both parties for the interview, and political interests), some authors have questioned whether interviews in general can convey 'truths' or 'genuine experiences' (Alvesson, 2003). By conducting both content and critical discourse analyses of interview responses, I acknowledge the contextualised nature of interviewing and consider contextual factors as explanatory for the processes (e.g. assignees' and organisational role shifts and identity work) under study (Pratt & Foreman, 2000). I thereby nevertheless acknowledge, that individuals can present different identity stories in different contexts and at different times (purposefully or subconsciously). These stories have been argued to be interrelated rather than disconnected, however (Gergen, 1992).

While gaining access to firms for this study was challenging (it took almost half a year to convince the firms to participate in the study and conduct the interviews), access to individual interviewees was not. Participation in the study was voluntary and not financially compensated (Bryman & Bell, 2011), but all the managers (at the firm and individual levels) invited to participate agreed (without exception) to be interviewed and were also willing to spend additional time discussing my research (i.e. not only were they ready to share their experience and knowledge during the interviews, but remained available for follow-up questions by e-mail, telephone or Skype afterwards), which resulted in large amounts of in-depth interview data (which provided further challenges for analyses). Interviewees expressed interest in the topic and highlighted its importance (several interviewees requested suggestions on good practices and potential improvements for their firms' organisational- or individual-level approaches in international assignment implementation and management, which were provided after the data collection phase and did not influence their responses). Several interviewees also expressed feelings of isolation in that they did not have colleagues in subsidiaries or headquarters to discuss international assignment-related issues with or relate to in terms of international assignment managerial experience (due to both geographic distance and the differences in terms of tasks and responsibilities). Therefore, they were particularly appreciative of an attentive listener and provided even more in-depth responses (Welch, Marschan-Piekkari, Penttinen, & Tahvanainen, 2002). This increased quality of responses

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[44] The importance of conducting interviews in the respondents' native languages is accentuated by Welch and Piekkari (2006), who find that interviewees give more authentic answers and exhibit more subtle nuances when using their first language.

was not only a result of the interviewees' interest in the study and their wish to provide insights that would contribute to the improvement of the internal international employee mobility systems in their respective firms, as it was also facilitated through the firms' approval (but not sponsorship) of their collaboration in the research project, which meant that the interviewees did not have to worry about confidentiality clauses or other repercussions by their firms based on their responses. Access to interviewees through HR departments or management boards contributed to rather than diminished trust, and made the interviewees feel comfortable to discuss international assignments openly.

Other issues pertaining to interviewing elites (i.e. interviewees influencing the course and content of interviews, as well as later restrictions regarding analyses and publication of certain statements), were also not particularly pressing in my research project. Being a knowledgeable and well-trained interviewer (see also Marshal & Rossman, 1999), I was able to steer the interview in line with my research aim. Only one interviewee (a CEO) requested an introductory meeting and the questions in advance (to assess the relevance of the firm's experience for the study and make an informed decision regarding its participation in my research project, and not to influence the structure or content of the interview). Other interviewees did not receive the questions prior to the interview (not to be over-sensitised to the topic and instead to engage in sensemaking mostly during the interview rather than prior to it). Being assured in their statements (as well as positions) (see also Kvale, 2007) and promised anonymity, in general the interviewees did not request substantial changes in their responses or exclusion of specific statements from interview summaries upon interview authorisation (with two exceptions, who requested exclusion of responses not pertaining to the focus of the study, and as such not detrimental to the findings). Many of them did not require revisions or an opportunity to review their responses.

Altogether, 32 interviews with 34 representatives of business functions involved in international assignment management (i.e. general management and HRM department representatives) as well as assignees (chosen based on criteria granting maximum variation in terms of employees' assignment experience – considering assignment format, direction, length, purpose, and location as well as the number, length, and locations of assignees' past assignments) are carried out.[45] The difference between the number of interviews and interviewees occurs because two interviews are conducted with two interviewees simultaneously: i.e. the CEO or the management board member responsible for the MNE's foreign trade network (and thus managing international assignees) and the head of the human resources department are both present in the firm-level interview in one pilot and one case study interview. Out of the 32 interviews, 14 are conducted in the two EMNEs selected for the comparative case study: two at firm and 12 at individual level. Three of the latter are supplementary interviews (the interviews with an inpatriate in Firm A and host- and third-country national managers in Firm B) that are presented together with the focal individual-level interviews with assignees, as they reflect the studied firms' international staffing-related perceptions and practices as well as complement the insights into the individuals' managerial assignment experience gathered through interviews with internationally assigned managers. The

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[45] The number of employees included in the study is determined by (theoretical) data saturation point rather than by the sample size itself (Eisenhardt, 1989; Ezzy, 2002).

remaining 18 interviews are pilot interviews in the headquarters of a large, mature domestically owned manufacturing MNE (four interviews with five individuals at the firm and individual levels), a mature subsidiary of a foreign-owned manufacturing MNE (four interviews with four individuals at the firm and individual levels), in the headquarters of a large, mature domestically owned service MNE (three interviews with three individuals at the firm and individual levels), a production facility SME (one interview with the company co-founder), four interviews with startup representatives (three startup co-founders from two startups and a representative of a business accelerator), and two interviews with sole proprietors.

Startups are included in the preliminary study to establish whether firms are engaging or contemplating international employee mobility at the initial stages of their internationalisation, in which formats, and for what purposes, as these firms are often not officially registered yet and are thus excluded from official statistics. As one of the pilot interviewees puts it: *"They fly under the bureaucratic radar."* Since the born global startups could provide especially important insights into international employee patterns and management decisions at the early stages of firm internationalisation, I include them in the pilot study. Yet, due to the scarcity of the phenomenon in such entities, they are excluded from further research (the preliminary findings from pilot interviews are reported in section 1.4.3.1). Other firms are also for the most part sampled based on their level of internationalisation, maturity level, and size – following a maximum variation principle based on criteria identified in international business theories and theories of heterogeneous firms and trade (see e.g. Bernard et al., 2007; Johanson & Vahlne, 1977, 1990; Vahlne & Johanson, 2017; Melitz & Redding, 2012; Redding, 2011). In other words, sampling at the pilot interview stage is mainly theory-laden – with an exception of the inclusion of sole proprietors in the preliminary study. These are identified as an alternative international assignment format used by large MNEs through later case studies, which are comprised of the remaining 14 interviews with 15 interviewees (for findings based on these interviews, see section 4) and analyses of annual reports and corporate websites along with other contextually relevant sources.

The pilot and case study interviews were conducted between 15 November 2017 and 15 May 2018. The majority of interviews took place in person. This holds not only for interviews with company representatives (i.e. members of managerial boards and HR departments), but also international assignees. Interviews with returnees and the one inpatriate were the easiest to coordinate in this respect. Interviews with international assignees who were still on assignments during the data collection phase of my study were more difficult to manage. When possible, these interviews were arranged in person as well: i.e. on dates when interviewees were visiting the headquarters or their families. The majority of interviews were conducted either in meeting rooms (ten interviews with ten people) or the interviewees' offices (ten interviews with twelve people) for a more relaxed atmosphere due to interviewees' familiarity with the environment, as well as their instant mental shift to work-related topics. Two interviews were conducted in cafés and one in the researcher's office as the interviewees did not have offices in the Slovenian headquarters of their firms. Despite a preference for interviews being conducted in person (due to the increased quality of data collection), nine interviews were conducted either via Skype (one interview) or phone (eight interviews with eight people). The reason for this was that these interviewees were on international assignments at distant locations during data collection for the study, and had no

plans for interim returns. Regardless of using mediated or non-mediated communication during interviews, in general the interviews were conducted in a relaxed and positive atmosphere to further establish trust with the interviewees and thus encourage them to freely discuss their experiences and feelings related to international assignments (management) (see also Kvale, 1996). The majority of interviewees seemed to express their views and to share their experiences openly.

The interviews lasted between 35 and 165 minutes. The average duration of an individual interview was one and a half hours. All interviews were audio recorded. Detailed notes were made during the interviews on the interviewees' mood or emotions, gestures, facial expressions, and other non-verbal cues; environmental factors such as noise or interruptions from colleagues; and the overall atmosphere. The non-verbal cues made by the individual interviewees, in particular, reflected the relevance which the interviewees attributed to specific themes and were thus reflected upon in the analysis process (see also Svystunova, 2017). Separate post-interview notes were also taken. These included reflective commentary documenting the emergent understanding of the case (Svystunova, 2017) (i.e. initial intuitive inferences based on each individual-level case as well as multiple cases as they accumulated). In these notes, I also recorded ideas for amendments to the interview guide for subsequent interviewing. Keeping separate field notes about what is happening in the research for what is observed and what is inferred is consistent with the suggestions for qualitative data analyses by Van Maanen (1988). Throughout the research process, I used notes to organise my ideas: e.g. for refining research questions, data organisation, data analysis, and data interpretation. These notes helped me track my cognitive path as well as keep a consistent research focus. I thus took notes not only after the interviews, but also after sessions with supervisors, discussants at conferences or seminars, and other experts. For instance, after a seminar on case study research in Helsinki (Finland), I noted down ideas for data organisation and interpretation while still on the plane.

Next to an archive of notes, I also transcribed all interviews verbatim (both pilot and those conducted as part of the case study). These transcriptions resulted in some 500 pages of text. Several interviews were also linguistically polished for authorisation purposes (i.e. they were summarised and restructured to reflect the logical rather than natural flow of thought, to avoid too much repetition but not lose emphases, and to follow grammatical rules). Authorisation of summary reports by interviewees and follow-up interviews served the factual verification of responses by interviewees, further elaboration of interviewees' original statements, provision of additional clarifications, and delivery of answers to questions raised during the initial phases of data interpretations by the researcher (as recommended by Bordieu in Kvale, 2007; see also Welch et al., 2009). It thus increased the validity of the findings.

As described in the overall case study design, I conducted both retrospective and real-time research. The former was prevalent during interviews, which were conducted either shortly after events had occurred or with a greater time lag allowing for assignee reflection on and

sensemaking[46] of the entire assignment process experience. This decision was grounded in the fact that many of the issues related to international assignment implementation and management processes are tacit and can only be comprehended or addressed in retrospect. Research suggests that a retrospective approach is less problematic for research of important, life-transforming, stressful, and salient events (such as expatriation), as recollection is more likely to be accurate and reliable for these (Lazarova & Cerdin, 2007; Shrimpton, Oates, & Hayes, 1998; Skowronski, Betz, Thompson, & Shannon, 1991). Since assignments are usually rare and life-changing events in peoples' lives, it is unlikely that they would be forgotten or poorly remembered. Nonetheless, when discussing past events, milestones and critical events in the history of the firm or in a particular business environment were referred to (or the interviewees were encouraged to identify them) to increase the validity of retrospective accounts (see also Miller, Cardinal, & Glick, 1997).

A retrospective approach also allowed for both greater research efficiency and richness of data. Regardless of the richness of data provided through retrospective interviews (which had the further advantage of these interviewees having had experience of and being able to look back on the entire assignment process), I included several interviews with assignees, who were on an assignment during data collection, in the research design. This was aimed at counteracting the limitations of retrospective interviewing, such as limited recollection, that make establishing causal relationships difficult (see Voss, Tsikriktsis, & Frohlich, 2002). It also provided insights into individuals' sensemaking when in a specific situation (i.e. expatriation). Inclusion of both current (the novice or more experienced) assignees and returnees with a retrospective view of an assignment in the analysis provided more detailed insights into employee engagement in international assignment execution and management processes at various stages of an assignment, as well as firm development and internationalisation (i.e. it provided an understanding of the dynamics in international assignment-related discourses through time).

With regard to the interviewing process, I started the interviews with a brief introduction of myself and the study, explained the interview structure and duration to the interviewees, clarified the research ethics and anonymity standards that would be followed, explained how the results would be used (i.e. I briefed the participants on the terms of the publication consent form), and gave all interviewees an opportunity to pose additional questions or express any concerns regarding their participation in the study prior to starting the interviews. During the interviews, I would ask interviewees for clarification and examples to ensure that I comprehended the message they wanted to convey and avoid misunderstandings or misinterpretations of the interview data (see Maxwell, 2005). I made sure to cover all the topics from the interview guide with each interviewee, yet allowed for digressions if these were relevant to the research objective and research questions;

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[46] Sensemaking is a subjective activity aimed at understanding and giving meaning to the events and actions occurring over time (Smith, 2002). Sensemaking in my research does not pertain solely to interviewees contemplating their international mobility experience, but rather also involves my (i.e. researcher's) sensemaking of the overall data analysis process. To increase the credibility of my findings, I discuss both the sensemaking process of interviewees and the researcher throughout the analytical chapters. I also treat sensemaking as part of the research phenomenon and as such a research object on its own.

as well as posed additional (sub)questions myself if I considered an issue raised by the interviewee particularly revelatory. I did not follow the same order of questions in all interviews, but rather decided on when to pose which question based on the flow of the conversation (i.e. I tried not to interrupt the interviewees' natural train of thought to better capture their sensemaking). At the end of each interview, respondents were encouraged to stress the most relevant issues as well as any issues not covered through the questions. Interviewees then signed the publication consent form (some requested a summary of the interview for authorisation and signed the form once they confirmed the accuracy of the summary). Only after the interview (or its authorisation, where requested), did I discuss the interim findings and good practices in other firms with the interviewees (as one of the benefits of the study for the participants) to prevent these influencing their responses.

As discussed in section 1.2.3 on the methodological implications of the philosophical stance taken in this dissertation, I used a single researcher (i.e. myself) for qualitative data collection and processing, analyses, and interpretations from the data gathered.[47] I analysed the interview data similarly to that from the annual reports and corporate websites – through a critical discourse analysis approach, preceded by preparatory content analyses. I thereby iterated between verbatim transcripts and summaries of the texts (for limitations and advantages of this approach from the critical discourse analysis perspective, see section 1.4.1.2). By keeping an archive of audio recordings, I could also refer to these for the unnoted non-verbal cues and to trigger my own memories of the interview experience. The same steps were applied in pilot and case study interviews.

In the next sections, I present the key findings from the pilot interviews (see section 1.4.3.1) and the firm-level as well as individual-level sampling criteria (see sections 1.4.3.2 and 1.4.3.3 respectively) based on these findings, prior research, and the quantitative part of the study. The individual-level sample is described in Appendix C, whereas section 1.4.4 discusses the approach to within- and cross-case analyses.

1.4.3   Sampling criteria for the interviews in a comparative case study

Due to the use of a multilevel mixed methods research design, I am compelled to make sampling decisions across multiple levels of analysis, which entails undertaking a combination of sampling strategies over the course of the research (see also Fletcher & Plakoyiannaki, 2011). Consistent with the research design and research objectives, I apply **a two-stage sampling strategy** to my study. In the quantitative part of the work I analyse the international assignment patterns of the entire firm population in Slovenia to uncover the contextual (sending- and receiving-country levels), firm-country, and firm-level determinants of organisational international assignment decisions. In the central qualitative part of the study, on the other hand, I focus on two carefully selected cases of EMNEs as well as several individual-level cases within these two firms (i.e. international assignees and professionals managing international assignments) to provide an in-

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[47] Quantitative analyses and interpretations, on the other hand, were prepared in collaboration with Anže Burger and Michael Dickmann as part of an academic paper yet to be published.

depth understanding of firm- and individual-level international assignment decisions and decision-making processes.

Analysing multiple cases does not contribute to the generalisability of my conclusions to the population, but rather helps capture the diverse approaches to international assignments and international assignment management adopted by firms and individuals – also within different (institutional) contexts at the firm and country levels (see also the pilot interviews in section 1.4.3.1). I acknowledge that organisations develop their own organisational cultures and that individuals employed in firms are socialised in both the organisational environment(s) and national contexts they operate in, which means they are also likely to perceive and experience international assignments according to their organisational and (inter)national frameworks. In addition, firms may experience and approach international assignments differently based on the set of markets they have experience in. While comparisons with international assignees and international assignments across firms may cause some convergence in organisational and individual practices, more research on this impact is needed in the future.

Rather than focusing on the general patterns identified through quantitative analyses, I study the underlying mechanisms of international assignment-related decisions by individual firms and individuals and the ways they address specific (contextual) challenges in the qualitative part of the study. I particularly stress international assignment management practices and strategies. Since depth of research is needed to address these aims, I limit the case studies to two firms, in which the phenomenon of interest is most intense, and to a single international assignment type (long-term managerial assignments in different formats).

Although the overall mixed methods research design of my study is concurrent, the sampling for the qualitative part of the study is sequential (see also Onwuegbuzie & Collins, 2007; Collins et al., 2007).[48] Specifically, I combine a sequential sampling design using **nested samples** for the quantitative and qualitative components of the study, with a sequential sampling design using **multilevel samples** for the qualitative part of the study (see also Onwuegbuzie & Collins, 2007). In a nested relationship, the sample members selected for one component of the study represent a subset of the participants chosen for the other component of the study, whereas a multilevel relationship implies the use of two or more sets of samples obtained from different levels of the investigation (i.e. from different populations, which in my case refers to the inclusion of firm representatives such as human resources managers and management board members, as well as internationally mobile employees within the qualitative part of the study; the country- and firm-level analyses within the quantitative part of the study, and country-, firm-, and individual-level analyses at both stages of this mixed methods research process) (Onwuegbuzie & Collins, 2007).

Firstly, I use population data that combines four separate national datasets and one international dataset (see section 1.3.2). This combined dataset on the entire firm population (i.e. including assigning and non-assigning firms) serves as a basis for identification of the firm-level cases,

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[48] Sampling in case study research is a continuous process (Brito, 1999; Dubois & Gadde, 2002). This holds true for mixed methods research as well (Fletcher & Plakoyiannaki, 2011).

which are selected from a sample of firms implementing international assignments identified in the Health Insurance Institute of Slovenia's records (2015–2016). Additional criteria are defined through a thorough literature review (focusing on former research findings that indicate which country- and firm-level characteristics have an impact on international assignment decisions (see also Ritchie, Lewis, & Elam, 2003)), pilot interviews with firm representatives at different stages of internationalisation and of different sizes, as well as assignees from these firms, and my own (initial) quantitative analyses. Sampling for the qualitative part of the study is thus informed by both prior research and the results from my quantitative analyses (see e.g. Collins et al., 2007), such as the implications regarding the impact of firm size, export orientation, labour intensity, and productivity for the likelihood of international assignment implementation, dispersion, and (potential) diversification by firms (see section 3). Sequential sampling is also applied to the qualitative part of the study: i.e. the identification of firms and interviewees is based on the pilot cases (for identification of the best theory-generating cases), literature review (for theory-laden specification of selection criteria), desk research (for identification of key informants within selected firms), and the initial interviews with key informants in each firm (for identification of the hidden population of individual international assignees).

To select cases at firm and individual levels I employ a theoretical rather than statistical sampling approach in the qualitative part of my study (see Eisenhardt, 1989; Poulis et al., 2013). This means that the cases are selected based on their potential for illuminating and extending relationships and logic among the constructs under study (Eisenhardt & Graebner, 2007; Patton, 2002). At both firm and individual levels I combine intensity and criterion sampling: i.e. I select cases due to their rich (yet not extreme) experience with (managing) international assignments during internationalisation and for their theory building potential, whereby all cases adhere to several previously specified criteria that allow comparisons (Collins et al., 2007; Eisenhardt, 1989; Patton, 2002; Welch, Welch, & Worm, 2007). As indicated in the previous section, the sampling design is especially intricate and the sampling criteria are set at several levels due to the use of a multilevel mixed methods research approach. At the firm level polar types of cases with extensive experience of – yet different approaches to – international assignments and their management are selected (i.e. one manufacturing and one service EMNE with regional and global internationalisation strategies) (see Pettigrew, 1990). In contrast, at the individual level I aim for maximum variation of cases (Welch et al., 2007). The criteria for individual interviewee selection (e.g. assignees' various levels of international as well as firm-specific experience, experience in entities performing different business functions, etc.) are thereby refined throughout the qualitative research process, which further increases the quality of my study (Pavasović Trošt, 2017). The criteria for case selection vary for each level of analysis and are presented separately below.

1.4.3.1 Pilot interviews: implications for further sampling and interview guide

I conducted **18 pilot interviews** with 19 interviewees in diverse firms:

– Two large mature MNEs headquartered in Slovenia: one manufacturing and one service firm (four interviews were conducted in the manufacturing MNE – one with two firm-level interviewees simultaneously – and three in the service MNE);

- One large mature manufacturing subsidiary located in Slovenia and owned by a developed market entity (four interviews were conducted in this firm);
- One manufacturing high-tech SME (one interview with the company co-founder);
- Two startups and one startup hub (interviews with three startup co-founders from two startups and a representative of a business accelerator); and
- Two sole proprietors.

The main selection criteria for these firms were those identified in international business research on incremental internationalisation (Johanson & Vahlne, 1977, 1990; Vahlne & Johanson, 2017) and theories of heterogeneous firms, arguing that only the best performing firms are capable of internationalisation (see e.g. Bernard et al., 2007; Melitz & Redding, 2012; Redding, 2011).

Pilot interviews were indicative of the lack of international assignment diversity in firms operating in emerging markets. Traditional short-term project-based international assignments or long-term managerial international assignments prevailed among the rare cases of expatriation. Firms (especially those in their initial development stages) more commonly reported using international business travel rather than expatriation. **Startups**, for instance, reported engaging in business travel for training purposes, developing an entrepreneurial mind-set and identity, investor or strategic partner searches, networking, market research, establishing business partnerships, and raising awareness about their products or services (e.g. through conference or fair appearances). For the most part, they had not yet considered international assignments, as they were still undecided regarding their overall business and business internationalisation strategies. However, the interviews encouraged them to contemplate the issue of expatriation.

After some consideration they suggested they would either use their owners' network as a substitute for international assignments (this was suggested by spin-offs or spinouts aiming for cost optimisation) or engage in traditional long-term international assignments determined by the demands of their business partners or investors (e.g. desired relocations to locations in strategic partners' vicinity) or by expansion to foreign markets, where international assignments would be used for control and coordination purposes (regardless of the level of development of the host market). Consistent with extant expatriation research, startups like MNEs considered that expatriation of trusted managers they were already familiar with would provide them with a sense of control over the foreign entity. Startups also reported learning about the business (including international staffing) through practice. With scarce international assignment practice, they could provide only limited insight into expatriation from the perspective of my research questions and were thus excluded from further investigation. However, they could provide valuable insights into the emergence of expatriation, its management, and the related discourses in parallel to the development of a firm and its business functions or international operations. They might also uncover alternative formats of employee mobilities, such as mobilities through the parent firm's network of a spin-off or spinout, and mobilities within hubs. Future research is thus advised to address the emergence and development of employee mobility in startups.

Small and medium-sized enterprises (SMEs) (or large MNEs reporting on their startup and SME stages, retrospectively) suggested that they use international assignments mainly for the

establishment of foreign affiliates or the individual business functions in them. The management of these affiliates and business functions in the longer term, however, depended on their business function and sector, as well as the location (sales entities were for the most part managed by local staff, while strategic business functions such as finance – especially in the less developed markets known for unethical business practices – were managed by parent-country nationals: as assignees or internationally deployed former employees). Like startups, these firms had limited international assignment experience. An interview with an individual from a high-tech SME also implied sectoral and industry differences in international employee mobility, as well as the importance of professional culture-related personality traits for managing expatriation. The interviewee described the difference between sales staff and developers or engineers as one of the differences in personalities that prominently impacted the outcomes of international employee mobilities. While sales personnel were described as willing to travel or expatriate, extrovert, and open to new experiences as well as able to cope with changes in environments, the engineers were described as introverts, prone to social self-exclusion and the related burnout during expatriation due to their complete focus on work.[49] Since SMEs also reported limited experience with international employee mobility (other than business travel) and a 'learning by doing' stance towards international staffing, they were excluded from further analyses.

The three large, mature MNEs (two headquartered in an emerging market and one in a developed market – providing a subsidiary perspective) also reported scarce use of international assignments. Unlike most smaller entities, they nonetheless engaged in more mobilities: including both project-based short-term mobilities and long-term managerial international assignments. Since these were still rare, however, the firms suggested their advantage was a clear identification and mapping of their high-potential employees and an individualised (although *ad hoc*) approach to managing expatriation. Several issues included in the interview guide emerged during interviews in these pilot cases. The first two topics that emerged were the effects of the organisational structure and type of assignee recruitment for assignment implementation and management – from the perspective of the firm and the individual (especially in terms of (managerial) identity work and development). Legislative limitations and the varying degrees of deviations from legislative frameworks in international staffing discourses also emerged as relevant issues in international assignments (suggesting that official statistics do not capture the entire complexity of the phenomenon).

Another context-related factor stressed during pilot interviews in large MNEs was the impact of internal and external labour market deficiencies in emerging market firms on international staffing. The lack of willingness to expatriate suggested the importance of loyalty and firm-employee relations. More specifically, the interviewees reported persisting in an assignment even when this required tremendous personal sacrifices and work, without much organisational support or reward. This may be indicative of the emerging markets' 'single employer for life' culture, or larger investments in good firm-employee relations in relationship-focused cultures. Perseverance in unfavourable working conditions may also reflect the social pressures put on an individual by their

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[49] For an overview of work-life ballance-related issues encountered by short-term international assignees see Meyskens et al. (2009).

(managerial) colleagues, who were described as friends by one of the interviewees. For example, existing relationships (with the firm or its employees) and pressure from colleagues or friends at work were reported as factors in an individual's decision to accept an assignment by several pilot interviewees (besides the traditional career-related motives). Also connected to the firm-employee relationship, the pilot interviews with long-term assignees indicated that the unfulfilled expectations and loosened relationships with the colleagues in the sending unit presented the greatest disappointment for expatriates (regardless of the level of development of a firm or host market) – especially when firm-employee relations motivated expatriation. However, such disappointment did not have a strong enough effect to make the related individuals quit their assignments. Instead, the assignees reported that while feelings of disappointment limited their collaboration with the parent firm, they also motivated them to achieve success in the foreign entity. This further suggested the strong long-term and long-distance impact of socialisation and firm embeddedness on the implementation of international employee mobility. While assignees reported experiencing expatriation as a sacrifice (mostly for the firm), they tackled it as a regular work task, which implied their managerial problem-solving orientation. The individuals interviewed in this group were also organisation-centric and willing to prolong assignments until their tasks were fulfilled.

Because of the usually small and less developed foreign affiliates among EMNEs, the relevance of holistic skills and operative engagement of managers in managing a subsidiary was also stressed. The interviews with both short- and long-term assignees thereby revealed role shifting as one of the stressors, and the dual roles they needed to adopt in both sending and receiving units as particularly challenging. Although the interviewees suggested an organisation-centric orientation in international assignment management at both the firm and individual levels, they also reported the multilevel negotiating nature of the international assignment management process aimed at fulfilment of individuals' needs (especially those related to social security rights) within the context of organisational objectives. They moreover stated the importance of assignees' sending and receiving unit colleagues in assignees' (re)integration in sending and receiving entities, as well as support for an individual's role shifts and task fulfilment. Although two out of the three pilot cases in this business category (large MNEs) fit the sampling criteria for the central part of the study, their limited number of managerial assignments (selected as the focal type of assignments based on their greatest revelatory power during pilot interviews) prevented me from including these cases in the main text and reporting them in more depth, as this would threaten the interviewees' anonymity. These cases nevertheless informed the central part of the study through their inputs into the interview guide, as described above.

The interviews in one of the best performing developed market manufacturing **MNE subsidiaries** in Slovenia (conducted to determine whether there were any additional indirect effects of foreign ownership on international staffing in subsidiaries not captured by the quantitative analyses), demonstrated the limited international employee mobility culture in this emerging market subsidiary (regardless of its parent firm's, as well as the subsidiary's, high level of development). The subsidiary was only engaged in the rare short-term project-based assignments of technical staff, which involved individuals performing the same or very similar tasks in a foreign entity. The aim of these assignments was position filling rather than employee or subsidiary development,

since assignments were initiated by the parent firm and not targeted at a particular sending entity. Interviews in this firm portrayed the lack of a travelling culture in non-central parts of Slovenia, as any mobility (even as short as a week) was considered to be a special event and lengthy by the traveller and their colleagues (and as such received great attention and had the potential for spillover effects). The firm was engaged in an additional type of mobility, though: a special management development programme for young prospective talents introduced by the parent firm across the MNE network (comprising of two short-term project-based developmental international assignments and two projects in the domestic unit). However, despite the programme existing for about a decade at the MNE level, only one employee has so far been involved in such a project in the Slovenian affiliate. Their responses clearly portrayed the development of a managerial identity through this process (something that arose in part due to unbalanced inputs in the assignment by the sending and receiving firms and the individual), which I focus on in the central part of the study as a potential multilevel mechanism of long-term assignment success. They also disclosed several other themes included in the interview guide, such as information hiding based on status and language, search for local allegiances (i.e. incumbents) for team integration, the effect of distance on task prioritisation (i.e. the loss of relational power relative to colleagues in the domestic entity by absence and distance – an effect hindering their relationship with the parent firm also implied by long-term assignees in other firms and one experienced by short-term assignees upon repatriation relative to the host entity staff), and the importance of long-term rather than solely short-term physical presence for greater local staff commitment to change or the regular tasks designated by the assignees.

In terms of international assignment formats, many of the pilot cases suggested a prevalence of **short-term project-based international assignments** and contrasted them against longer-term mobilities. Interviewees explained that assignments in pilot cases took place either internally in the MNE or externally (i.e. they were directed at the MNE's business partners), and either through sending individual or team assignees abroad. Long-term mobilities, on the other hand, were mainly focused on individuals and took place internally – within the MNE network. Whereas pilot interviews suggested varying degrees of development for international assignment management systems and approaches related to long-term international assignments (depending on the internationalisation level of the firms and organisational international assignment experience, since these systems were developed through practical learning and experimentation), firms appeared to have a more systematic approach to assignment planning and execution for project-based short-term assignees (including developmental assignments). However, the majority of short-term assignments were focused on extant knowledge capitalisation rather than employee development. Employees also did not have to formally change positions for expatriation. Like in the case of long-term assignments, individuals were expected to invest substantial resources in the execution of an assignment and demonstrate an independent managerial problem-solving orientation in the process. Short-term assignees were predominantly technical experts or engineers, whereas long-term assignees were mainly managers.

The preparation for the two (function-based) formats was thus different: in line with a need for holistic knowledge and skills, managers were exposed to individualised and holistic career development (i.e. the firms made strategic investments in them). Short-term assignees were

subjected to systematic individual and team project-oriented preparation (focused on specialised skill and competence development when needed, and clear role delineations in team assignments) or no preparation when they performed the same tasks abroad as they did in the sending unit. Both types of assignment involved high levels of collaboration with local staff. However, in the case of short-term assignments, such collaboration was often limited to a few local intermediaries (acting as assignees' links to the local staff, informants, and additional sources of legitimacy for their roles) and had mainly immediate effects. Individuals' lower status compared to local managers, short-term stay, and expected distance upon repatriation were described as the main factors reducing local employee commitment to any changes introduced by a short-term assignee. Similar to long-term assignments, short-term assignees reported full accountability for assignment-related business results and relationship building as the main stressors of international employee mobility. Like long-term assignees, they described dual roles, role shifts relative to host staff, and work overload as potential issues, too. However, their role transitions and identity work seemed to be less intense and dramatic compared to those of the long-term managerial assignees.

The short-term international assignees included in the pilot interviews reported very few **role transitioning- or identity work-related issues** (with an exception of the individual on multiple short-term assignments that were part of a management development programme, who reported difficulties in transitioning to a leadership role similar to those in long-term managerial assignments by unexperienced managers). This was because their international mobilities were centred on project work with clearly defined assignees' roles and relationships with the local staff during expatriation. There was also a reduced need for assignee integration into the host entity and country due to the type of tasks performed and the assignees' continued reliance on domestic support for non-work- (and in some cases also work-) related issues.[50] In addition, these assignees were often part of team assignments (with teams either composed of home-unit colleagues only or internationally composed for the purpose of an assignment) that had clearly defined roles and relationships among team members, who acted as assignees' support system abroad. Another factor contributing to the reduced extent and level of challenges related to role transitions and identity work among short-term assignees was their execution of the same (or very similar) tasks abroad to those that they were performing in the sending entity: i.e. they could capitalise on their existing knowledge and skills. For the most part their position in the firm also did not formally change (both during and after assignments).

Finally, the tremendous pressure for timely results focused the individuals on their work-related tasks rather than building quality local relationships (with an exception of relationships with only a few local intermediaries needed for successful assignment fulfilment). The limited duration of each individual mobility restrained short-term assignees' integration into the local environment as

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[50] These assignees reported very limited interactions with the local staff and communities and extensive communication with their domestic support system. Janssens (1995) similarly found that the European managers limited their intercultural interaction when on assignments in Europe, because they continued to rely on their not-too-distant social networks at home instead of making an effort to integrate in the local community. Spatially separating work and social life was their avoidance strategy for coping with expatriation.

well as the depth, strength, and durability of the (often multidirectional) ties established through short-term visits (see also Bozkurt & Mohr, 2011; Shay & Baack, 2004; Starr, 2009). The sole proprietor who was a career assignee, for example, reported very few interactions and permanent relationships established with local staff or other assignees in the different locations. Like assignees to host locations that are proximal to their domestic environments, short-term assignees may be focused on convincing themselves that their new role is temporary (see also Janssens, 1995). This suggests that their role transition-related identity work took place mainly cognitively and required less discursive, symbolic, or behavioural identity work.[51] Extensive external legitimation of short-term assignees' role and assignment-related identities lends further support to this conclusion.

Short-term assignees' role legitimacy in the host entities was established through organisational endorsement of assignees' expertise. By selecting them out of all employees in the organisation for a specific task (mostly from the headquarters), the firm signalled the assignees' professional supremacy in their area of work. The entity of origin rather than the country of origin image was more relevant in establishing an individual's role and identity as a competent professional in the host entity. A recognised need for an assignee's expertise in the host entity further supported their expert identity claiming as a problem solver in the host entity. When short-term assignees assumed leadership roles relative to the local staff (usually as team or project leaders), their roles and leadership identities were similarly legitimised through the (sending or host) organisation's endorsement of their expertise, the assignees' past expert (and only rarely assignment) experience, and a recognised need for specific skills and a sense of urgency for problem solving in the host entity. Both the assignees and their colleagues in the sending and receiving units were aware of the temporary nature of the international mobility. This had implications for relationships among assignees and local staff, as it meant that the short-term assignees usually did not present a threat to the power relations in the host entity and that local staff were more receptive to the assignees' temporary roles abroad and did not undermine their role and identity claiming. The assignees' inputs in legitimising their assignment role and claiming the related identities was limited to proof of expert competence during an assignment (i.e. they engaged in behavioural identity work, but this was mostly a side effect of assignment execution rather than an identity claiming-targeted action) and active engagement with a few local intermediaries who acted as additional endorsers of the assignees' professional identities.

Nonetheless, identity work relative to the domestic entity was mentioned by one assignee, whose assignment was used as an attempt of their degradation upon return to the headquarters by a line manager, which necessitated their action for re-establishing their identity of a valuable team member upon repatriation (mostly cognitively and through discursive work relative to middle and top management in the headquarters). Overall, a promise of job security upon repatriation

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[51] See Caza et al. (2018) for a discussion on the different modes of identity work activities: cognitive, discursive, physical, and behavioural identity work. Preliminary inferences on their use in managerial international assignments are made in section 4.3.1.

discouraged individuals from identity work relative to the home unit, though.[52] This effect of job security spilled over on identity work upon repatriation, as the short-term and project-based nature of these assignments contributed to the assignees being informed about developments in the sending office during their absence – and sometimes also involved in these activities (hence the work overload). Repatriation in short-term assignments was thus not considered problematic from the perspective of identity work. Individuals were promised their old or better jobs upon repatriation (depending on the skills developed during expatriation). In the latter case, the assignment acted as preparation for a (non-dramatic) role shift upon repatriation, which further eased role and identity transitions.

Based on these preliminary findings I argue that short-term international assignments of highly skilled employees are less demanding in terms of role transitions and identity work than long-term managerial international assignments that require in-depth immersion of an assignee in their host organisation's and country's as well as home organisation's and country's environments. It is likely that the highly skilled short-term assignees primarily maintain their professional identity (regardless of the location they perform it in) and develop a simultaneous 'nomad' identity that primarily links them to their domestic entity and support system during an assignment – without needing to integrate in the local environments (especially if they engage in multiple assignments in many different locations). In other words, they are likely to use an avoidance strategy that does not necessitate much role shifting and identity work.

Team assignments with clearly defined roles and the sporadic shifting of teams may further ease the role transitions if they do occur, as extant teams present supplementary support for an assignee while not having prior relationships with local or international staff allows the individual to establish themselves without having to redefine their previous roles and identities relative to their colleagues. Further research on role transitions and types of identity work by short-term assignees from emerging markets experience is needed to support these preliminary findings. Since long-term managerial assignments seemed to be particularly invested in by firms and individuals included in the pilot interviews (also in the form of identity work at both levels), I focused on this type of mobility in my case studies, though. Comparative research of multiple assignment types would namely not be feasible due to a lack of different types of assignments in emerging market firms, and the breadth rather than depth of material that such a research design would generate.

A new assignment format emerged during the case studies reported in section 4: i.e. emerging market firms using their former employees as **sole proprietors** on managerial or project-related assignments. Interviews with these individuals were conducted at a later stage of the study (i.e. during case studies), but are reported in this section as they were in clear contrast to the focal cases. Interviews with sole proprietors showed that they engaged in either short-term (project-based) or long-term international assignments (e.g. to chief financial officer (CFO) positions). Sole

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[52] Individuals reported identity work focused on their self as a whole that resulted from a one-off 'life-changing' event instead (international assignments were extremely rare not only in the pilot firms but also in their local environments). Such identity work is beyond the scope of this study and provides an opportunity for future reearch.

proprietors were always former employees of the assigning firms, which suggested the importance of firm-embeddedness and firm-specific knowledge for assignments by emerging market firms. The interviews indicated that in some cases the sole proprietor assignment formats were initiated by the individual, but also supported by the firm. Such assignments thus allowed individuals to gain more independence and greater flexibility in designing their schedules (also in terms of the accepted workload), improve their work-life balance, and negotiate greater profits (for projects outside the firm as they eliminated the intermediary).

The assigning organisation, on the other hand, could limit the demands by other employees by employing such contractual arrangements, as assignees were no longer employed by the firm and thus could not be perceived as having more favourable arrangements compared to others. When these assignments were initiated by the firm, they were introduced due to the firm wishing to reframe the assignment into a mobility that would not impact extant employees' demands and expectations regarding their employment arrangements (e.g. due to jealousy or perceived unfairness) and optimise the related costs. Such assignments therefore acted as a factor limiting firm-employee and inter-employee conflicts. However, the assigning firm also needed to accept the risk of the assignee working for competitors in these cases – something that was likely as the individuals engaged in these assignment formats exhibited a desire for constant change and new challenges, and were not loyal to the firm but rather their own careers. This format was also presented as a way to maintain a connection with those less willing to commit to a single organisation and desiring constant challenges that one firm may not be able to provide on its own, since it aims for stability. Sole proprietors were thereby tasked with introducing standardised processes or changes. They also acted as a control against unethical local practices, 'network breakers', and even 'spies' for the headquarters (as perceived by local staff).

Finally, pilot interviewees reported the issue of a limited pool of prospective international assignees as one of the central challenges of international assignment implementation and management in emerging market firms, whereby they referenced the high quality of life and the cultural attachment to home as important factors in individuals' unwillingness to expatriate from Slovenia. They did not reference a country of origin image having a similar effect on inpatriation, but also did not engage in inpatriation or assignments between subsidiaries, which implied their lower attractiveness for employees (for an unidentified reason, though, as all the firms at which interviews were conducted were good performers with regard to their financial results). Only the high-tech SME reported short-term inpatriate assignments for students, who (as suggested by the firm representative) described Slovenia's environment as attractive from the quality of life perspective. However, this was acknowledged at the end of the assignments, and did not seem to be a factor in the decision of the students to engage in international mobility for work. To enhance at least their parent-firm based employees' willingness to expatriate, some pilot cases reported introducing success stories about assignments and assignees as motivation for other employees, or promotions of assignees upon repatriation in order to promote expatriation among staff by showing them their prospective international career paths. These were thus part of the firms' internal employer branding. Prolongations of successful assignments or alternative assignment formats, such as flexpatriation, commuter assignments or engagement of sole proprietors in international mobility were mentioned as potential (but still relatively rarely used) solutions. Regardless of the

assignment format, employees indicated a tendency to make comparisons with other assignees, internally or in other firms. This suggested the importance of employer branding and support for identity work for successful assignment implementation and management.

Based on these preliminary findings, I polished the research question (RQ3) and limited the sample to two large and mature EMNEs that had the greatest theory-generating potential with respect to unravelling the multilevel complexities of international assignment implementation and management. The criteria for selecting these cases at both firm and individual levels are presented in sections 1.4.3.2 and 1.4.3.3 – together with a sample description.

1.4.3.2 Firm-level case selection

At the firm level, multiple selection criteria are specified. The first is the firm's **inclusion in the dataset of international assignment implementers** (i.e. qualitative sampling uses a nested sample based on the sample identified from population data in the quantitative study (see e.g. Collins et al., 2007)). Assigning firms are identified based on the dataset provided by the Health Insurance Institute of Slovenia (2015–2016). The dataset has some limitations, including defining international assignments based on legislation that precludes alternative international assignment types from being included in official reports and international mobilities being reported solely for EU member states, Lichtenstein, Switzerland, Iceland, and Norway (there may be some firms in the population expatriating to markets other than those listed). However, I argue that the dataset is a good approximation of the entire internationally assigning firm population in Slovenia, despite its limitations. My argument stems from institutional and international business theories demonstrating that firms expand internationally in an incremental mode: first engaging in geographically and institutionally proximate markets and then progressing to the more geographically and institutionally distant environments (see e.g. Eriksson, Johanson, Majkgard, & Sharma, 1997; Johanson & Vahlne, 1977).[53] This includes international employee mobility and is likely to be even more emphasised in emerging market firms with limited capacities to address the challenges of geographically and institutionally distant markets (see e.g. Khanna & Palepu, 2000; Meyer & Xin, 2018; Tung, 2007). As the EU member states and one Western Balkan market included in the dataset (Croatia) are both geographically and institutionally more proximate to Slovenia and one another (with a common institutional framework) compared to the majority of markets not included in the dataset, and represent Slovenia's main trading partners (see SURS, 2018) and recipients of some of the largest shares of Slovenia's outward FDI (Bank of Slovenia, 2018), I posit that it is highly likely that firms' assigning to these markets are also the most likely to assign to the more distant markets, while the firms not assigning to the more proximate markets are unlikely to assign to more distant ones.

The second set of criteria refers to the firm's features: its **large size, maturity, and high level of internationalisation (MNE status)**. Since international staffing (especially in the more institutionally and geographically distant economies) requires considerable investments by firms,

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[53] Institutional distance between the sending and receiving as well as between various receiving countries is relevant in this respect (see Hutzschenreuter, Kleindienst, & Lange, 2011).

I posit that only a very small percentage of firms have the capacities and capabilities to internationalise and send employees to (diverse) foreign markets. According to the quantitative analyses, only the most productive firms can overcome the high costs related to international employee mobility. I thus focus on large MNEs that are more likely to (be able to) use international assignments, have substantial experience in international staffing, and developed (strategic) international assignment management practices for different purposes, in different formats, and in diverse locations (see e.g. Gregersen & Black, 1992). This is additionally supported through pilot interviews with two startups and an SME that lack international assignment experience and international staffing strategies. Exclusion of these firms from the research design is thus purposeful. It is also based on the fact that large, mature MNEs were once startup and SME firms themselves, and thus have a historic memory of their international staffing evolution, which enables them to report their international staffing experience at different growth and internationalisation stages.

The focus on mature MNEs is moreover grounded in these firms already having established structures and internal processes (including international staffing), and thus developed support functions available to international assignees pre-, during, and post-assignment. Furthermore, these firms present environments with broader and more intense representation of the phenomenon under study and the related international human resources management practices. In addition, MNEs operate in several environments (e.g. Chang & Taylor, 1999; Roth & Kostova, 2003) that they need to adjust to (also in terms of their human resources management strategies). They are moreover comprised of numerous goal-disparate organisations (i.e. their headquarters, affiliates, associates, and subsidiaries) (Holm, Johanson, & Thilenius, 1995), that can influence their overall business strategy, performance, and individual activities (Roth & Kostova, 2003) as well as the competitive advantages of the MNE network as a whole (Cantwell & Mudambi, 2005; Rugman & Verbeke, 2001). As such, these firms have greater expatriation needs (see also Gibson, Waller, Carpenter, & Conte, 2007). Coordinating the diverse units can be addressed through international staffing. Research shows that the use of international assignments increases with greater levels of internationalisation (Gallon et al., 2014; Gregersen & Black, 1992). Multinational firms with high levels of internationalisation are thus likely to be more experienced in international assignments and (due to also having sufficient resources) more likely to establish international assignment systems and strategies to capitalise on their internal knowledge and know-how throughout the MNE network. Finally, I study two mature MNEs to avoid the bias of firms using expatriates mainly for establishing new entities abroad (see Caprar, 2011).

The third criterion is related to the firm's **geographic dispersion and market diversity**. Operating in a single foreign market or having a regional and global presence requires different levels of international staffing, different IHRM approaches, diverse assignee adjustments, versatility of knowledge, and a variety of assignment purposes and formats (also due to market diversity). In my research, I thus differentiate between firms with a regional and global focus, while I exclude those operating in a single foreign market from the analysis due to their smaller theory-building potential. The regional or global presence of the assigning firms in both developed and emerging host markets is considered an indication of the diversity of assignment types needed during

internationalisation, and as such also an indication of these firms' stronger theory-building potential. One firm with a regional focus and one firm with a global focus are thus studied.

I also consider **the level of centralisation** of the MNE. The level of inter-entity connectedness, the intensity of integration required between a subsidiary and parent headquarters, and the interdependence of the MNE network trigger a need for higher levels of control, coordination, and knowledge transfer (Tarique, Schuler, & Gong, 2006), and thus suggest a greater role for international assignees from the headquarters or other employees with experience in the corporate or regional headquarters in international staffing across the MNE (Collings et al., 2009). Extant research shows that top managers with a high level of firm-specific experience (in terms of intensity, depth, and length of experience), in particular, are better positioned than local staff to leverage and allocate resources to dislocated entities in a way that supports the MNE's overall strategic orientation, goals, and desired value creation (Acquaah & Appiah-Nkrumah, 2011). If they also possess industry-level experience, they have an additional advantage of better understanding the opportunities, threats, competitive conditions, technological developments, and regulations that may be used to the advantage of a specific firm (Kor & Misangyi, 2008). I focus on two MNEs with a centralised organisational structure as entities with a high likelihood for intensive use of (especially managerial) international assignments.

Subsidiary roles are another criterion considered in firm-level sampling. Despite the different typologies of subsidiary roles and strategies (see e.g. Bartlett & Ghoshal, 1989; Gupta & Govindarajan, 1991; Harzing & Noorderhaven, 2006; Jarillo & Martinez, 1990), in general subsidiaries either assume 'market access' responsibilities, whereby they are strongly dependent on the existing group procedures and technologies of the MNE, or perform high value-added activities, whereby they are more embedded in localised knowledge development systems (Cantwell, 1995; Dunning & Narula, 1995; Kuemmerle, 1999; Manolopoulos, Dimitratos, & Sapouna, 2011). In selecting case firms for the study, I make sure that they include subsidiaries assuming both roles (i.e. sales, manufacturing, and R&D) as the types of assignments (based on purpose, direction, duration, location, type, and format) and the ways in which they are managed may vary based on the assignee host subsidiary's role (due to the different levels and nature of assignees' involvement needed in both the local unit and the external environment for each subsidiary role). Including subsidiary roles in the research design is also based on my preliminary quantitative findings, which confirm that having a subsidiary in a country increases the probability of international assignment – conditional on being an outward foreign direct investor.

The sector in which the firms operate is also applied as a selection criterion. Both service and manufacturing firms are incorporated in the research design due to the differences in their need for international assignments, as well as the varying objectives and direction of assignments in these firms. For instance, as the service content of a firm's offering increases, market-related experiential knowledge becomes more important, while for manufacturing firms experiential knowledge of the product and its functioning is more relevant (i.e. the transfer of technical knowledge becomes key) (Eriksson et al., 1997). Based on the quantitative research results, I also focus on firms belonging to labour intensive industries. This complements other researchers' findings showing that professional service firms that compete through delivering knowledge-intensive services often

resort to short-term project-based international work (Baruch, Dickmann, Altman, & Bournois, 2013).

Export orientation is an additional case selection criterion: Both firms included in the case study are exporters. The quantitative part of the study indicates that firms exporting goods or services to a country, as well as firms importing services from that country, are significantly more likely to assign their employees there. Exporting goods to a country increases the odds of posting an employee there by 57%, while exporting services to a country does so by 106%, and importing services from a country raises the assignment probability by 116%.

The final criterion is the firm's **emerging market origin**. Several authors suggest that firms from emerging markets may follow a different approach to implementing and managing expatriation compared to the widely researched firms from developed economies (Caligiuri & Bonache, 2016; Horwitz & Budhwar, 2015), but emerging market firms' global expansion and the related international staffing practices remain underexplored (see also Briscoe, 2014; Jaklič, Rašković, & Schuh, 2018; Trąpczyński & Gorynia, 2017; Zhu et al., 2018). In my study, I thus focus solely on EMNEs as firms with the greatest theory-building potential related to internationalisation and international staffing practices in such under-researched contexts.

1.4.3.3 Individual-level case selection

At the level of individual interviewees, I similarly employ criterion sampling, but combine this approach with **key informant and snowball sampling** (Marshall, 1996; Patton, 2002). Again, my selection of interviewees is guided by the individuals' potential for illuminating the phenomenon of interest. Individual interviewees within the sample firms are thus selected so that they present multiple levels of analysis and perspectives on international assignment implementation and management: they include firm representatives reflecting the organisational perspective on the phenomenon (i.e. representatives of the management board and human resources management department) as well as employees reflecting the individual-level experience of international assignments and their management in sample firms (i.e. current or past assignees). Since 90% of firms make their international assignment decisions globally at company headquarters, only 5% regionally, and 5% by the business unit (see Brookfield Global Relocation Services, 2014), I assume a headquarters' or a headquarters-centric view in key informant identification. Research into knowledge flows within MNEs supports the relevance of a headquarters-centric view by showing that the MNEs' headquarters are both the primary recipient and sender of knowledge (Gupta & Govindarajan, 2000; Noorderhaven & Harzing, 2009). However, authors in this area also suggest that subsidiaries are becoming more strongly integrated into the knowledge flows to or from the parent firm and connected to other subsidiaries – as both knowledge recipients and senders (Noorderhaven & Harzing, 2009). Future research is thus advised to incorporate expatriation from subsidiaries into the research design. Emerging market firms may not provide the most insightful context for this, however, as these firms are faced with limited access to internationally mobile staff (an issue that might be emphasised further in their subsidiaries due to the enhanced competition for staff with the developed market firms operating in foreign markets).

By assuming a headquarters-centric view, I define human resources managers and members of management boards in the MNEs' headquarters of the sample firms as key informants regarding international staffing decisions at the company level (i.e. they are considered as representatives of the organisational perspective). These interviewees are identified through desk research (i.e. through analysis of corporate websites and annual reports that indicate the persons responsible for internationalisation and international staffing decision-making in a particular firm). For firm-level representatives, strategic engagement in international assignment management processes (i.e. in preparing and executing international staffing strategies and IHRM management tools, assignee selection and support pre-, during, and post-assignment) is the key prerequisite for inclusion in the study. This is observed upon initial negotiations for access to the firm and interviewees. International assignees, on the other hand, present **a hidden population** (i.e. there is no official data on individual assignees at the firm level). They are thus identified through a snowball method: i.e. through either the human resources department and/or the management board members contacted in the previous step.

The interviewees at the firm level are provided basic selection criteria for further sampling of individual assignees. The seven central criteria for assignee selection are (1) diversity in employee tenure (junior or senior employee), (2) diversity in firm-specific experience (internal or external recruit), (3) diversity in managerial experience (first-time manager or experienced manager), (4) diversity in international assignment experience (first-time assignee or an assignee on multiple assignments), (5) timing of an assignment (current assignee or a recent repatriate), (6) location of an assignment (emerging or developed market), and (7) subsidiary role (market access or high value-added activities). Finally, all interviewed assignees need to be on long-term managerial international assignments to be included in the sample (for a description of interviewees by these features see Appendix C). **The focus on managerial assignments** in the comparative case study is grounded in the fact that MNEs are likely to invest more resources in a single expatriate manager as their strategic asset than in any other employee – with an exception of the CEO (Selmer, 2001). Firms are thus most likely to strategically address these assignments. As mentioned above, research shows that strategic consideration of international assignments by organisations is rare (Connelly et al., 2007). I argue that this is particularly true for EMNEs. Because of the challenges these firms face with labour market deficiencies and their limited resources for expatriation, these entities rarely use international assignments. When they do use them, they often opt for long-term managerial mobilities (frequently also prolonged several times) and approach them in a more targeted, individualised, and systematic way. This is also found in the pilot interviews.

While the basic criteria for interviewee sampling are detailed from the outset, they are refined throughout the research process based on key informant interviews and interviews with assignees. The final seven criteria for managerial assignee sampling are chosen based on (1) tenure, accounting for differences in professional experience and their potential impact on international assignment experience; (2) firm-specific experience, accounting for the relevance of familiarity with the organisational culture, internal processes, and internal networks in international assignment implementation and management compared to (3) general managerial experience and the related pre-established external networks in these processes. They also reflect (4) the relevance of international assignment-specific procedural knowledge and international experience for

assignee role assumption and successful completion of assignment tasks. Inclusion of (5) current as well as past assignees in the sample is grounded in the cases reflecting both current experience and reports on assignees' experience of the entire international assignment process with post-rationalisation. It also allows the study to capture the entire international assignment process (including repatriation). Finally, (6) mobility to an emerging or developed market accounts for the effects of institutional differences and distance on individual-level assignment experience, while (7) a subsidiary role points to the varying degrees of importance with regard to assignees' 'integration into the local team and business environment'.

Although combined key informant and snowball sampling may introduce bias due to (human resources) managers and board members only selecting those assignees with positive international mobility experience for participation in the study (or assignees most likely to provide only positive responses regarding the firm's HRM practices), this does not seem to be the case in my study, as the interviewees (including those providing further access to assignees) are often critical in their reflections of personal international assignment experience and the general deficiencies in international assignment management by the organisation. In fact, access to interviewees through formal channels has a positive impact on interviewees' openness regarding their experience. Having organisational approval to discuss the topic, interviewees are not concerned about potential confidentiality clause breaches (with this concern raised by only one person). Transparency and sincerity in responses is further enhanced through interviewees and organisations being guaranteed anonymity, as well as the academic rather than a corporate aim of the study. Interviewing individuals at the managerial level adds to the transparency and depth of the responses, as these employees are empowered to respond without additional consultation with or approval by the firm. Several interviewees are also at a pre-retirement stage of their careers, which implies they have no strong future interests in the studied firms and are as such unburdened by their future prospects based on leaks of their responses to the top management. The bias of only providing positive responses to questions regarding the firm is thereby additionally diminished.

1.4.4　Within- and cross-case analyses

Data analysis involves giving data order, structure, and meaning (Ghauri & Grønhaug, 2010). I start the qualitative data analysis by reading and re-reading all the materials (annual reports, corporate websites, interview transcripts, summaries, and notes taken during the data collection stage of the study) to get a sense of the whole and identify the main points or ideas expressed by sample firms and their employees. The second step involves basic qualitative content analysis, whereby I separate the texts into smaller parts (i.e. meaning units) and condense these further. I make sure that the core meanings from original data as presented by the organisation in the official documents and posts or by interviewees are retained. I label the texts with codes and group these codes into categories and themes (Erlingsson & Brysiewicz, 2017). At this stage, I also try to identify the primary patterns in the data (Patton, 2002). Open coding is used, which means that I remain open to all concepts and categories arising from the data (Charmaz, 2006), as this allows me to limit researcher-induced bias. I nonetheless acknowledge that the latter cannot be fully eliminated and that the process is also not completely inductive, as the interview guide is informed

by prior research and extant theories and thus to a certain extent also pre-determines the emergent themes, categories, and concepts. As such, using a semi-structured interview approach introduces some bias to the research.

Following the initial content analysis procedure of data reduction, structuring, and organisation, which is conducted manually (i.e. without the use of computer software (Seale, 2000)), I proceed to discourse analysis. The latter is aimed at abductively uncovering the mechanisms providing the answers to the research question pertaining to the qualitative part of the study (RQ3), as well as integrating the multilevel findings based on all methods applied in my mixed methods study (see also Vaskelainen, 2018). For analyses to be properly contextualised as well as the findings more structured, I prepare thick descriptions (Geertz, 1973) of each case at the firm level and a summary table of the main interviewee characteristics (presented in section 4 and Appendix C) (see also Svystunova, 2017). This descriptive narrative of how the individuals and organisations (co-)construct and experience the international assignment discourse helps me to understand the key issues related to assignment implementation and management in emerging market firms more holistically, and also indicates which issues do not arise (without implying why this is the case, however). Description is also crucial for the emergent reasoning of the findings (Langley, 1999).

Summaries and key quotes from the materials are translated into English only for reporting reasons. This approach is used as it allows the researcher to stay as true as possible to the meanings as conveyed by the interviewees (in written or spoken word). I present both the common views by interviewees (shared by both firms or by multiple individuals) and the more quiet and extreme voices about particular themes to capture the phenomenon more holistically (see also Outila, 2016). The two approaches are not applied in a linear fashion, but are rather employed iteratively. Both content and discourse analyses are thereby conducted in the original language of each interview. An iterative approach is also used when I conduct analyses of individual- and firm-level materials from two analytical perspectives: within- and cross-case analyses. I thereby consider both individual firms and individual assignees as nested yet separate cases (representing different levels of analysis).

Within-case analysis thus includes detailed case study write-ups (descriptions) for each firm as well as each individual (Gersick, 1988; Pettigrew, 1990). These write-ups help me to become intimately familiar with each case as a stand-alone entity and uncover the unique patterns of each case before looking for general patterns that occur across cases. **Cross-case analysis**, on the other hand, entails looking for similarities within and differences between groups based on selected categories (e.g. sector at the firm level or professional background at the individual level) and dimensions (e.g. level of development of the target market of an assignment at the firm level or extent of firm-level experience at the individual level). The dimensions I focus on are selected based on the existing literature in combination with my informed intuition (Eisenhardt, 1989).

I also conduct **analyses by data source**. However, the purpose of these analyses is to establish a multilevel understanding of the phenomenon rather than to corroborate a pattern from one data source by the evidence from another, or polishing the argument further when evidence conflicts (Eisenhardt, 1989). I present the results of within-case and cross-case analyses for each firm and

aggregated for both firms in section 4. In this section, I already include extant research findings and theories explaining my findings (or enriched by them). Finally, the mixed methods findings are integrated in the conclusion – together with empirical, practical, and methodological implications. In the following sections, I first provide an overview of research on emerging market and emerging market firms' contexts (including research on the specifics of the Slovenian market, firms and (international) human resources practices) (see section 2). I continue the dissertation with the presentation of quantitative and qualitative findings (see sections 3 and 4 respectively).

2   EMERGING MARKET CONTEXT

The concept of **'emerging market economies'** refers to low-income, rapid-growth countries that use economic liberalisation and the adoption of a free-market system as the primary engine of growth (Hoskisson, Eden, Lau, & Wright, 2000). In general, emerging market economies are characterised by fewer market-supporting institutions, non-transparent rules, and regulations that are often selectively enforced to the detriment of foreign firms as well as protectionist policies favouring domestic ones (Hennart et al., 2015). Not only are their institutions weak and regulations frequently inadequate, uncodified or poorly enforced, they are also unstable, unpredictable, and marked by rapid change (Ahlstrom & Bruton, 2006; Chan et al., 2008; Johanson & Johanson, 2006; Meyer, 2006). Furthermore, emerging market economies suffer from poor physical infrastructure, unstable financial systems, and high levels of political uncertainty (Coeurderoy & Murray, 2008; Khanna & Palepu, 1997, 2000). Governments and government-related entities are moreover frequently active players in the economy (Xu & Meyer, 2013). Their protectionist measures and propensity to corruption thereby often result in high levels of government bureaucracy and extensive information asymmetries (Filatotchev, Strange, Piesse, & Lien, 2007; Hennart et al., 2015; Hoskisson et al., 2000; Khanna & Palepu, 1997, 2000; Wright, Filatotchev, Hoskisson, & Peng, 2005). Emerging market economies are also faced with underdeveloped knowledge infrastructures (Narula, 2012) and institutions governing knowledge creation and transfer (Lane, Salk, & Lyles, 2001; Luo & Peng, 1999; Lyles & Salk, 1996; Wang et al., 2009). As a result, they lack skilled and flexible employees (Khanna & Palepu, 1997, 2000) and suffer from a limited knowledge supply (e.g. Lane et al., 2001; Luo & Peng, 1999; Lyles & Salk, 1996). Their weak regimes of intellectual property protection (Hennart, 2012) further contribute to both the lack of knowledge transfers and a low technological uptake (Estrin & Uvalic, 2015).

Combined, these factors put emerging market economies at a disadvantage compared to **developed markets**, which are normally characterised by strong institutions that support the voluntary exchange underpinning effective market mechanisms. When markets malfunction, as is the case in many emerging economies, the absence and frequent changes of market-supporting institutions can be detrimental to business performance (McMillan, 2008; Meyer et al., 2009). The resulting institutional distance between emerging and developed markets has real business consequences for firms originating in the former (Banerjee et al., 2015) as well as those entering them (Meyer et al., 2009). It also creates distance between the two types of firms: i.e. emerging and developed market firms, as they each operate in different conditions and evolve differently. In the following section (i.e. section 2.1), I focus on the characteristics and challenges of emerging market firms.

2.1 Emerging market firms

2.1.1 Emerging market firms developing competitive advantages

Due to the conditions in and particularities of emerging markets, emerging market firms have developed specific characteristics and business strategies that differ from those of developed market firms in several aspects (see e.g. Buckley & Tian, 2017). One of these features is that emerging market firms usually have **fewer ownership advantages**, such as advanced technologies; internationalisation experience; managerial, marketing or other skills specific to the organisational function of the corporation; or product differentiation, trademarks, and brands (Cuervo-Cazurra & Genc, 2008; Dunning, 2009; Mathews, 2002; Ramamurti & Singh, 2009; Rugman, 1987). Certain emerging market firms have nevertheless managed to transform some of the capital market imperfections in their domestic contexts into their particular ownership advantages (Buckley, 2004).

Researchers have identified three types of strategies that emerging market firms utilise in order to capitalise on the domestic capital market imperfections. First, emerging market firms can capitalise on ownership advantages, such as their flexibility, economic use of capital or other resources, home country embeddedness (such as familiarity with business processes in an emerging market context), and networking skills that give them access to resources controlled by others (Buckley et al., 2007). Second, emerging market firms can alternatively rely on emerging market specific location advantages, such as cheap labour and natural resources when internationalising (Buckley & Tian, 2017). According to Hennart (2012), access to cheap labour and natural resources in emerging markets is determined by market imperfections arising from institutional context and government interventions. On the one hand, investments in education and financial support for organisational capability building contribute to the development of (cheap) skilled labour. On the other hand, subsidies and import duties create unnatural entry barriers for foreign firms and limit their access to domestic resources (see also Cuervo-Cazurra, 2008; Jain et al., 2013; Miller, 2003; Wan, 2005). Finally, emerging market firms can also utilise emerging market specific location advantages to develop ownership advantages. In order to compete in international markets with their cost-efficient products, firms have, for example, developed efficient process-based technologies through the use of low-cost skilled labour or adopted and adjusted mature and highly-standardised labour-intensive technologies from developed countries through international employee mobility (see e.g. Aulakh, Kotabe, & Teegen, 2000; Dawar & Frost, 1999; Meyer, 2004).

Another characteristic of emerging market firms that influences their business strategies refers to these firms' **greater knowledge gaps regarding foreign markets** compared to firms from the more developed economies (Petersen et al., 2008). As late movers in the process of internationalisation (especially in the more developed, open economies), emerging market firms face intense competition and immense time pressures to catch-up with developed market firms, that have a longer tradition of operating in foreign markets, and thus a comparative advantage over emerging market firms in terms of experiential knowledge of (international) business processes in

the latter (see also Banerjee et al., 2015). Emerging market firms can nevertheless possess or leverage other knowledge-based advantages: i.e. advantages either inherent to their organisation or advantages that pertain to their business partners or counterparts in the business networks they are engaged with (see e.g. Mathews, 2002, 2006; Sun, 2009). In particular, the smaller and more inexperienced MNEs are likely to interact in business networks and cluster by country of origin to facilitate mutual support (Tan & Meyer, 2011). Among **the non-traditional knowledge-based advantages** of emerging market firms over developed market firms in internationalisation (especially, but not limited to, other emerging markets) authors most often cite the firms':

– Ability to develop a comprehensive understanding of emerging market customers;
– Ability to develop 'good enough' products and services with the right feature-price mix for local customers in these markets at extremely low costs;
– Differentiated capabilities in reinventing existing products, processes (also process optimisation to suit local factor availability), and business models;
– Capability to hire from pools of cost-effective people with relevant skills and to train and motivate them;
– Capability to optimise costs of processes based on experience of working in environments with scarce resources; and
– Knowledge of and the ability to operate in challenging business environments, particularly in institutionally unstable and weak contexts (Bianchi, 2014; Fey et al., 2016; Jain et al., 2013; Ramamurti, 2009, 2012; Williamson, 2015; Zeng & Williamson, 2007).[54]

These advantages result in emerging market firms often being **the first movers into other emerging markets** (see e.g. Jaklič, 2006) – despite being late comers in developed markets (see e.g. Banerjee et al., 2015; Cuervo-Cazurra & Genc, 2008).

The third feature of emerging market firms and their business strategies refers to these entities deriving their **competitive advantages from relationship management** (Madhok & Keyhani, 2012), particularly from relationships with (1) developed country firms (e.g. in business groups), (2) members of ethnic populations (e.g. diasporas), and (3) sending and receiving formal institutions. These relationships are classified into three groups: business, ethnic, and institutional, respectively (Dunning & Lundan, 2008a; Forsgren, Holm, & Johnson, 2005; Gammeltoft, Barnard, Madhok, 2010; Jain et al., 2013; Johanson & Vahlne, 2009; Madhok, 2006).

2.1.2 Internationalisation by emerging market firms

When expanding internationally, emerging market firms often **internationalise incrementally** (Fey et al., 2016; Sun, 2009): i.e. into markets within their home region first and into socio-culturally, politically, and/or economically similar markets outside their home region next (Goldstein, 2007; Guillén & García-Canal, 2009; Lall, 1983; Wells, 1983). In particular,

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[54] Jain et al. (2013) describe these advantages as home experiences-based resources that include market knowledge acquired through operating in the domestic market (e.g. familiarity with weak institutional environments, cheap labour, and local consumer needs and demand patterns).

internationalisation into other emerging markets has been identified as an opportunity for emerging market firms. First, the shortage of products and competitors in these markets allows emerging market firms to pursue differentiation strategies (Aulakh et al., 2000). Second, emerging market firms' emerging market knowledge puts them in a favourable position when doing business in these markets compared to developed market firms with no such experience (Cuervo-Cazurra & Genc, 2008; Dawar & Frost, 1999; London & Hart, 2004). Third, lower-cost inputs and a smaller knowledge gap facilitate greater efficiency of emerging market firms' operations in emerging markets compared to developed market firms (Lall, 1983; Lee & Beamish, 1995). As emerging market firms expand internationally, they tend to pursue a regional rather than a global internationalisation path as the more feasible initial route for firms with limited resources and specific-market knowledge (Hoskisson, Wright, Filatotchev, & Peng, 2013).

There are exceptions to the common incremental internationalisation pattern, though, as some emerging market firms internationalise to the geographically or institutionally distant countries before entering the more proximate and similar countries (Ramamurti, 2009). Williamson (2015), for instance, argues that emerging market firms often establish subsidiaries or make acquisitions in locations with high psychic distance from their home base due to these markets offering them resources complementary to their existing advantages and presenting them with more learning opportunities. This further suggests that emerging market firms are not driven solely by natural resource- and market-seeking but also by strategic asset- and efficiency-seeking motives for internationalisation (see Dunning & Lundan, 2008b). Williamson (2015) thus proposes **a two-stage internationalisation strategy** for emerging market firms. According to the latter, emerging market firms first build up their competitive advantage and strengthen their position domestically (by acquiring foreign technology, know-how, and experienced staff for their home market) and only then enter foreign markets. Banerjee et al. (2015) similarly suggest that emerging market firms can overcome their lack of direct experience in how to compete in developed markets by learning the latter indirectly through their leaders, competitors, and inter-firm networks. Other authors also describe accelerated internationalisation of emerging market firms as **springboarding**. This involves the firms from emerging market economies alleviating institutional and market constraints of their domestic environments through strategic asset- and opportunity-seeking in foreign markets, which allows them to upgrade and strengthen their domestic capabilities for further internationalisation. This view largely pertains to large emerging markets, such as China, however (Luo & Tung, 2007, 2018).

Finally, emerging market firms are likely to experience **knowledge flows in a different direction** relative to developed market firms. This occurs due to the spatial distribution of the firms' resources and functional capabilities. While the core technological competencies of firms from developed markets are located in the domestic environment, emerging market firms' most advanced knowledge resources (i.e. people, laboratories, competency and R&D centres, and relations with the technical community) are located in distant developed countries – although their most important markets and manufacturing operations are located closer to the domestic market. This makes integrating the far-flung, complex knowledge and R&D activities particularly challenging: knowledge flows are thus often reversed: i.e. they take place from the geographic periphery of the network back to the headquarters rather than *vice versa* (Williamson, 2015). In

terms of international assignments, this suggests that emerging market firms may be more likely to use inpatriates for knowledge transfers to the parent firm from developed markets (but might still use expatriates to other emerging markets for knowledge sharing and control purposes). This is contrary to the typical developed market international assignment flows, which (for knowledge transfer purposes) are more likely to take place in the form of expatriation from (and repatriation to) the more developed headquarters (regardless of the emerging-developed market divide) (see e.g. Harzing, Pudelko, & Reiche, 2016; KPMG International, 2016, 2019).

2.1.3 Human resources management in emerging market firms

How successful emerging market firms are in their internationalisation to either other emerging or developed markets largely depends on their staffing practices. Emerging market firms face several challenges both domestically and internationally in this respect, however. Domestically, they are affected by an overall **lack of skilled employees** (Khanna & Palepu, 2000; Tung, 2007). According to the Mercer's HR & Mobility Challenges of Emerging Markets Survey, the lack of local employees with the required technical skills is the most critical human resources challenge in emerging markets, whereby talent with relevant managerial or people skills is also scarce (Mercer, 2012). Since emerging market firms often have limited resources for investments, in employees as well as underdeveloped human resources management business function and practices (see e.g. Svetlik et al., 2010), they also experience a deficiency of in-house developed talent (Tung, 2007).

Due to a usually **short internationalisation history**, career development in emerging market firms is often framed as a process pertaining to the domestic domain (Meyer & Xin, 2018; Tung, 2007). This in turn limits individuals' awareness of international career opportunities as well as their willingness to expatriate. Liu and Woywode (2013), for instance, find that Chinese MNEs largely rely on either host-country (HCNs), parent-country (PCNs), or third-country nationals (TCNs) already residing in the host market when doing business in Europe, as domestic staff are less mobile. China may, however, be a particular case on this context, due to its large diaspora community that can partially be used as a substitute for expatriation. The lack of willingness for international mobility and international experience scarcity (particularly in advanced open market economies) also applies to managers from emerging markets (see also Banerjee et al., 2015; Dickmann, 2018; Meyer & Xin, 2018; Tung, 2007). According to Meyer and Xin (2018) managerial careers in emerging markets customarily follow domestic patterns, and are thus determined by the economic conditions and cultural values of the sending country. This further suggests that the management of emerging market firms (including MNEs) is heavily affected by managerial practices specific to or learnt in emerging markets – both in terms of internationalisation and (international) staffing strategies and practices.

Lacking international experience, emerging market managers and firms face difficulties in leading international operations and implementing growth strategies (Meyer & Xin, 2018; Stahl et al., 2012). Since international management competencies are deficient not only within individual firms, but also across their domestic networks of partners (Meyer, 2014; Yeung, Xin, Pfoertsch, & Liu, 2011), **indirect learning related to internationalisation is also limited** (see also Banerjee

et al., 2015). Pettigrew and Srinivasan (2012) are also critical of developed market firms for not offering local managers from emerging markets global opportunities. They argue that this both (1) limits the emerging market managers' understanding of the organisational culture and strategies set in the headquarters, developed market management practices, and effectiveness of headquarters-subsidiary collaboration, and (2) inhibits the headquarters' deeper understanding of emerging markets and expertise sharing, talent development, and process optimisation throughout the MNE network.

The lack of emerging market employees' engagement in international mobilities within developed market firms prevents potential spillover effects of their acquired internationalisation knowledge onto the emerging market or emerging market firms (e.g. upon changing an employer or through informal consultations with colleagues from the domestic market). While this may be beneficial for the employer from the perspective of preserving its competitive advantages within the boundaries of the firm and capitalising on employees' local knowledge in a particular market, it at the same time limits these employees' contributions to the overall organisational objectives as well as potentially increases their frustration, as they are not given international opportunities equal to those provided to their developed market counterparts. I propose that employees from emerging market firms working for international businesses are most likely individuals with international aspirations or an inherent international identity that they cannot realise in domestic firms (this is also suggested by pilot interviewees). However, once they discover they also cannot realise this identity and their career objectives with international employers, they may resume to careers with domestic employers. See also PwC (2012) for the forecasts on developed market employers losing their appeal among (Western) skill- and knowledge-oriented emerging market locals after 2020.

Marked with **a negative country of origin image** related to emerging markets (Alkire, 2014; Chang & Taylor, 1999; Chang et al., 2009; Ferner et al., 2005), firms from such environments are frequently uncompetitive in their battle for best local talent against developed market firms entering their domestic markets (see e.g. Pettigrew & Srinivasan, 2012), as well as less likely able to convince employees from developed markets and developed market firms to work for them (either domestically or internationally) (see also Alkire, 2014; Froese & Kishi, 2013; Froese, Vo, & Garrett, 2010). Employees from developed markets are unwilling to expatriate to the riskier and unstable environments, even when such mobility takes place within a developed market organisational context (Mercer, 2012).[55] They are mostly concerned about a potential worsening of their quality of life with the move, as well as poor fit with and inability to adjust to a distant culture (Harvey et al., 2001). The cultural distance thereby presents a challenge for international employee moves in any direction: i.e. it is difficult for employees moving from a developed to an emerging market, as well as for employees moving in the opposite direction. The same holds for employee moves between emerging market and developed market firms (sometimes even within

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[55] Developed market firms, on the other hand, may wish to establish a stronger parent-country national presence for control or coordination and knowledge transfer purposes in the (perceived as) riskier markets (see e.g. Tung, 1982).

the same national context, due to the differences in organisational cultures reflecting the domestic national cultures of these firms).

Domestic shortages of adequately skilled employees (i.e. employees with skills matching the needs in domestic and/or foreign markets) (see also Ernst & Young, 2012) and internationally mobile or experienced managers nonetheless compel emerging market firms to resort to international staffing. Universally, the less resource-rich markets and firms, such as small or emerging markets and firms from these markets, require additional assistance in terms of people to implement new practices (Stanley, & Davidson, 2011). Studies show that emerging market firms' lack of internationally experienced talent considerably hinders their strategy implementation (Meyer & Xin, 2018). Unlike developed market firms, that have traditionally sent expatriates to fill the key management positions in their foreign subsidiaries – especially in the earlier stages of internationalisation (Suutari, 2003) – emerging market firms have for the most part experienced international success due to an effective **local talent recruitment** process (Moeller, Maley, Harvey, & Dabic, 2016).

Not having globally experienced senior management teams (Bartlett & Ghoshal, 2000; Rugman & Li, 2007) has made managerial expatriation a rare practice in emerging market firms (Luo & Tung, 2007). This also holds for Slovenian firms (see sections 3 and 4 for the results of the empirical study). Similarly, the lack of technically skilled employees has resulted in limited technical international assignments from these firms. Meyer and Xin (2018) identify **alternative international staffing practices** that emerging market firms use in response to limited internally grown talent: e.g. recruitment of host-country nationals with prior work experience in the firm's country of origin or members of the diaspora living in the host country. While these employees may be familiar with both sending and receiving environments, being external recruits, they often lack understanding of the corporate culture of the parent company and have weak personal networks and ties in the headquarters, which may have a negative impact on their performance of the coordinator and boundary spanning roles.

Further internationalisation of emerging market firms may thus require emerging market firms to diversify their staffing strategies and practices in terms of multidirectional international (yet internal) employee flows throughout the MNE network (Moeller et al., 2016). Attracting local or international talent to their affiliates and subsidiaries in foreign markets (especially in the more developed markets or in emerging markets with strong competitors from developed markets) has been an issue for emerging market firms (see e.g. Alkire, 2014). Research and theorising related to internationalisation in emerging markets (Conti, Parente, & de Vasconcelos, 2016; Trąpczyński & Gorynia, 2017) and international employee mobility implemented by emerging market firms is scarce (Zhu et al., 2018). I address this deficiency by studying an emerging market context and emerging market firms' international staffing-related decisions and decision-making processes. I thereby acknowledge that emerging markets are economically and socio-culturally heterogeneous (Briscoe, 2014; Ernst & Young, 2012; Morley, Minbaeva, & Michailova, 2012; Wilkinson et al.,

2010)[56] and need to be addressed by groups or individually, and so focus on the Slovenian context – starting with an outline of its specific features in the following section (i.e. section 2.2).

2.2   Slovenian context and its specifics

2.2.1   Historic context and its impact on internationalisation patterns in Slovenia

Although factors, such as inherited structural weaknesses, a shift from a regional to a national economy that triggered a need to build the state apparatus almost completely anew, privatisation processes (starting in 1993) slowing down the transition, and late political independence, all hindered the internationalisation of Slovenia, the country was the fastest to internationalise and the most developed former Yugoslav country (Jaklič & Svetličič, 2003). Many of the firms registered in Slovenia started to internationalise rather early, whereby their internationalisation differed from that in other transition economies. Compared to other transition (also other Yugoslav) economies, Slovenia was much more liberal in its international orientation, which already during the 1960s allowed for the freer movement of people as well as partial exposure of Slovenian firms to competition from industrial countries. This also promoted accumulation of managerial knowledge **pre-transition**. Furthermore, it was quite 'Westernised' both ideologically and economically, while its Yugoslav roots marked with market socialism resulted in Slovenian firms enjoying a certain level of autonomy, a more developed banking system, and strong economic cooperation with the West, all of which facilitated outward internationalisation in particular (Jaklič & Svetličič, 2003).

Quite a few (especially manufacturing) Slovenian firms had early direct experience of exporting, outward FDI (which was driven by domestic rather than foreign-owned firms that facilitated outward FDI in most other transition countries), employee mobility, and international competition, dating back to the early 1960s. In other words, they were able to learn internationalisation directly (through exporting and outward FDI) and indirectly (through their managers and foreign firms alike) and thereby develop more extensively and rapidly than other transition economies. Internationalisation of Slovenian firms pre-transition was predominantly motivated by a desire to escape the limitations of the Yugoslav system (Jaklič & Svetličič, 2003). Other motives included the small domestic market size that did not allow for economies of scale and scope (i.e. market-seeking motives), a good geostrategic position, and the limited domestic resources (including limited internationalisation and technological knowledge – i.e. knowledge-seeking motives) (Jaklič & Svetličič, 2003, 2011; Svetličič, Rojec, & Lebar, 1994). Some of these motives have persisted over the decades. The effect of Slovenia's geostrategic position, for instance, is continuously reported as an important factor for foreign entities entering the Slovenian market, which acts as an entry point for foreign firms' further expansion to the former Yugoslav markets as well as several Central and Eastern European (CEE) markets (see, for example, the results of

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[56] Emerging markets and emerging market firms (also within CEE) vary in how their HRM is conceptualised, institutionalised, and practiced as well (Brewster, Buciuniene, & Morley, 2010; Ignjatović & Svetlik, 2003, 2006; Kazlauskaitė et al., 2013; Morley et al., 2012).

the annual surveys carried out among foreign investors on the Slovenian business environment for 2016 and 2017 prepared by the Centre of International Relations at the Faculty of Social Sciences, University of Ljubljana (Jaklič et al., 2016, 2017)). This implies that the Slovenian market (possessing knowledge of transition and emerging economies and having a more stable institutional environment compared to related markets) is considered as a bridge between the less developed CEE and Western Balkan economies and the West.

During **transition**, Slovenia experienced several changes in its domestic market (changes in the number of firms, the labour force, firm size and ownership structure) as well as its firms' engagement in the international environment. Between 1987 and 2000, the number of manufacturing firms in Slovenia increased by 444% (from 1,614 to 8,783). However, this growth could largely be attributed to the (economically inactive) zero-employment firms, which recorded a 2,801% growth (from 241 to 6,992), whereas the non-zero-employment firms experienced a lower (55%) growth (from 1,373 to 2,132). Due to labour shedding, the total number of employees in the manufacturing sector declined from 321,945 in 1987 to 177,121 in 2000 (a 45% decrease). Between 1987 and 2000, the average number of employees per firm in the manufacturing sector also declined from 199.5 to 22.3, whereby the greatest decline occurred in 1990 due to the swift increase in the number of firms with zero employees (i.e. zero-employment firms). On the other hand, the average size of non-zero-employment manufacturing firms increased in 1988, 1989, and 1990. However, the average size of these firms also declined considerably in 1991 and 1992 because of institutional and policy changes leading to the organisational transformation and restructuring of the large socially owned firms, as preparation for their privatisation. The policy changes also introduced relatively low capital and registration requirements for starting a business. They thereby promoted the foundation of new firms, which (together with the restructuring and reorganisation of many of the existing large manufacturing enterprises into multiple entities) contributed to the increase in the overall number of firms registered in Slovenia (Bojnec & Xavier, 2004).

Unlike most transition economies, Slovenia followed a specific internationalisation pattern during transition: i.e. **a reversed investment development path**. When the country gained independence in 1991, it still received an insignificant amount of foreign direct investment (FDI) due to the restrictions on capital flows imposed on firms during socialism. Outward FDI thus preceded inward FDI in Slovenia (Jaklič & Svetličič, 2011). Even in the 1990s, some firms (especially those with prior export experience) managed to get redirected towards the industrialised West (mainly to the EU markets) (Jaklič & Svetličič, 2003). However, those firms that lacked direct or indirect knowledge of the more developed markets, as well as other resources needed to enter them, turned to export promotion and outward FDI targeting the former Yugoslav markets. These were environments they were more familiar with and where they could exercise the first mover advantage as their survival strategy, making them their first entry markets (see Jaklič, 2006; Jaklič & Svetličič, 2011). At the time of transition, the process of internationalisation was predominantly bottom-up driven (i.e. initiated by firms) as policy measures were designed only after 1997 (Jaklič & Svetličič, 2003). In other words, transition generated firm-determined rather than system-based FDI (Jaklič & Svetličič, 2003). With market liberalisation, market-seeking motives gained importance due to the disintegration of Yugoslavia and the related loss of former Yugoslav

markets, where Slovenian firms did most of their business pre-transition (Jaklič & Svetličič, 2003, 2011; Svetličič et al., 1994). Strategic (mainly knowledge-seeking and R&D-related) motives followed, while efficiency-seeking was less relevant for outward FDI (Jaklič & Svetličič, 2003; Svetličič, 2006).

Capital-intensive manufacturing firms started to internationalise first: initially through traditional exports and later through advanced modes of doing business abroad. Large firms with sufficient resources were more geographically diversified than their smaller counterparts with limited resources. However, the market entry mode they used depended on the level of development of the target market. The more complex mode of outward FDI was reserved for the less developed markets, that resembled Slovenia more – i.e. the former Yugoslav and CEE markets (these gained importance for Slovenian firms between 1993 and 2000). Slovenian firms mainly served the more developed (predominantly EU) markets, that they were less familiar with, through a simpler market entry mode (i.e. exporting) (Jaklič & Svetličič, 2003). Transition seemed to enhance exports to industrialised countries due to a loss of markets in the former Yugoslavia and the breakdown of transport and communications to south-eastern Europe in the early 1990s (Invest Slovenia, 2019; Jaklič & Svetličič, 2003). However, outward FDI did not follow this trend. While the industrialised markets experienced disinvestment, outward FDI to CEE and the successor states of former Yugoslavia intensified. These countries received a large share (80% in 2000) of Slovenian outward FDI stock based on (1) prior business ties that Slovenia and its firms had with these low-income markets, (2) the knowledge of these markets, and (3) the knowledge of the local languages in these markets. This is consistent with both institutional theory and the sequential internationalisation pattern (Jaklič & Svetličič, 2003).

Bojnec and Xavier (2004) stress three additional developments from 1990s as further facilitators of internationalisation by Slovenian firms:

− A new free trade initiative in the region, which resulted in the Central European Free Trade Agreement (CEFTA) that led to greater sales and the growth of several Slovenian manufacturing firms;
− Slovenia becoming a member of the General Agreement on Tariffs and Trade (GATT) and one of the founding members of the World Trade Organisation (WTO) in 1994, which increased the transparency of trade measures and led to less discretionary trade policies;
− The broadening and deepening of the East-West European integration and Slovenia becoming an EU member state on 1 May 2004 with the adoption of the *acquis communautaire*.

Further intensification of the market economy and an introduction of an institutional framework harmonised with the OECD and EU standards at **the beginning of the 21st century** resulted in Slovenia starting to follow **a sequential internationalisation approach**, characteristic for other small European countries (e.g. Finland, Portugal, the Netherlands, and Switzerland). Exporting was followed by outward FDI, whereby Slovenian firms initially established representative offices, then set up trading units and only later also their own production units abroad, and inward FDI surpassed outward FDI (Jaklič & Svetličič, 2003). The gap between outward and inward FDI has been increasing since 2008 (OECD, 2017). EU membership thereby provided a legislative

framework that enabled Slovenian firms unobstructed internationalisation in the region (Svetličič, 2006) – also through facilitating free movement of workers as one of the fundamental freedoms within the EU (European Commission, 2019).

The sequential approach was in line with the traditional internationalisation theories (Jaklič & Svetličič, 2003). However, the internationalisation process in Slovenia was accelerated by several fast growing firms (mainly firms with direct or indirect experience of foreign markets, either through managerial links or exports) that quickly developed into mostly regional, but also global multinationals (Jaklič, 2006). Several born globals or leapfrogging globals also emerged. However, these were also mostly managed by the managers from large socialist firms, who had already gained basic internationalisation knowledge during socialism. In other words, while these firms may have been born multinational, their management was not (Jaklič & Svetličič, 2003).

2.2.2   Current internationalisation patterns in Slovenia

Slovenia is a small emerging market economy with a population of approximately two million, a GDP per capita of 22,182 EUR, a 4.5% annual volume growth of GDP, 984,000 persons in employment according to the Labour Force Survey (LFS), and a 4.4% unemployment rate based on the LFS (data for 2018) (SURS, 2019a).

Slovenia's economic activity is highly **dependent on foreign markets**. In 2014 and 2016, Slovenia's imports amounted to 68.5% of GDP, while its exports amounted to 77.8% (44% in value added terms (OECD, 2017)) of GDP, which is above the EU-28 average. These shares are also larger than those of Romania, Poland, Croatia, and Bulgaria, yet smaller than those in the Czech Republic, Hungary, and Slovakia (Bank of Slovenia, 2017; Invest Slovenia, 2019). Firms owned or co-owned by Slovenian subjects in foreign locations (i.e. with outward FDI) generated a 116.6 million EUR profit and 2.7% return on the average stock of total outward FDI (more than the average of 2.2% between 2010 and 2017) in 2017 (Bank of Slovenia, 2018).

Slovenia is also a net exporter: with 28.3 billion EUR in exported goods and 27.6 billion EUR in imported goods and a 102.4% coverage of imports by exports in 2017 (SURS, 2018). An export orientation is characteristic for most industries, whereby foreign-owned enterprises in Slovenia are twice as export intensive as the OECD median, support 16% of private sector jobs, and achieve 8.6% (data for 2015) returns (among the highest in OECD countries). In fact, exports and sales through foreign affiliates in Slovenia accounted for 41% of GDP in 2014, which is one of the highest shares among all OECD countries. Domestic MNEs, on the other hand, achieve only a 0.1% return on outward FDI, which is one of the lowest in the OECD (data for 2015). Domestic MNEs are nevertheless relevant for the Slovenian economy: they play a significant role in global value chain (GVC) integration, and account for over one third of goods exports and for just less than one third of goods imports (OECD, 2017).

Slovenia's main trading partners since 2000 (both in terms of imports and exports) have been Germany (20.2% of total goods exports and 19.0% of total goods imports), Italy (11.5% of total goods exports and 15.7% of total goods imports), Croatia (8.0% of total goods exports and 5.5%

of total goods imports), Austria (7.7% of total goods exports and 10.6% of total goods imports), and France (5.6% of total goods exports and 4.3% of total goods imports) (data for 2017) (SURS, 2018). About three quarters of Slovenia's trade is now concentrated in the EU and associated countries. However, pre-transition trade links with the former Yugoslavia and Russia have not disappeared – and the decline in trade with these markets stopped by 2000 (Invest Slovenia, 2019).

In 2017, Slovenian outward FDI amounted to 5.9 billion EUR – i.e. 13.7% of GDP. The largest stock of outward FDI (approximately one third of the total outward FDI) was held by the domestic manufacturing firms, followed by firms in wholesale and retail trade and the repair of motor vehicles and motorcycles (18.5%), financial and insurance activities (12.7%), professional, scientific, and technical activities (6.7%), and information and communication (3.0%). More than half of the total outward FDI held by Slovenian firms was invested in partner firms in the same activity as the investors. Service activities accounted for 48.8% of total outward FDI at the end of 2017. Outward FDI from Slovenia was highly concentrated (i.e. dominated by a handful of large investors): in 2017, 15 Slovenian investors (5% of the total number) with 500 employees or more abroad owned 165 (21% of the total) firms abroad (directly or indirectly) that generated revenue of 3,826 million EUR (57% of the total) and employed 25,309 people abroad (72% of the total) (Bank of Slovenia, 2018).

In 2017, four out of the five largest recipients of Slovenian outward FDI were former Yugoslav republics, which accounted for 60.8% of total Slovenia's outward FDI (Croatia with 30.7%, Serbia with 16%, Bosnia and Herzegovina with 8%, and Macedonia with 6.1%). The fifth among the largest recipients of Slovenian outward FDI was the Russian Federation, with a 6.6% share. The EU-28 markets were recipients of 47.2% of Slovenia's outward FDI; however, most of this share (30.7%) went to Croatia. If Croatia is included in the group of Western Balkan economies (Croatia with 30.7%, Serbia with 16%, Bosnia and Herzegovina with 8%, Macedonia with 6.1%, Kosovo with 3.1%, and Montenegro with 2.7%) rather than the EU, this region is the recipient of a larger share, which amounts to 66.6% of Slovenia's overall outward FDI. The CEE region (Albania, Bulgaria – both less than 0.2%, Croatia with 30.7%, the Czech Republic with 1.2%, Hungary with 0.4%, Poland with 1,2%, Romania with 0.5%, the Slovak Republic with 0.2%, Estonia, Latvia, and Lithuania – all less than 0.2%) receives slightly more than 34% of Slovenia's overall outward FDI (Bank of Slovenia, 2018). In all these constellations, Croatia drives the numbers up to a noteworthy extent.

All in all, the pattern of exports being focused in the more developed (mainly EU) markets and outward FDI from Slovenia being concentrated in the less developed Western Balkan economies has been a consistent pattern of internationalisation in Slovenia since transition (see also Jaklič & Svetličič, 2003).

2.2.3   Structure and specifics of Slovenian firm population

There were 217,266 business entities registered in the Slovenian Business Register on 31 March 2019. The largest share (43.9% or 95,407) of these were registered as sole proprietors, about one third (73,276) as companies, 11.1% (24,130) as associations, 5.7% (12,402) as natural persons

performing registered or regulated activities (independent journalists, independent workers in culture, private sports workers, professional athletes, private teachers and educators, private healthcare workers and pharmacists, bailiffs, lawyers, notaries, etc.), 4.1% (8,824) as non-profit organisations (governed by private law), 1.3% (2,756) as public sector entities (governed by public law), and 0.2% (471) as cooperatives (AJPES, 2019).

Focusing solely on the companies in Slovenia, in 2017, when 66,470 companies were registered, 39% of them were registered exporters, 12.7% generated most of their revenues from trade in foreign markets, 13.8% realised the same revenues from trade in the domestic and foreign markets, and the remaining 73.5% realised the majority of their trade domestically. In addition, 1.5% of all firms in Slovenia were high-growth enterprises (i.e. enterprises with an average annual growth in the number of employees higher than 10% over a three-year period and with at least 10 employees in the first year of monitoring of three-year growth) (AJPES, 2017; SURS, 2019a).

In 2017, there were altogether 8,284 enterprise groups in Slovenia, whereby 42.1% were MNE groups (3.9% domestically controlled and 38.1% foreign-controlled) and 57.9% were all-resident enterprise groups. MNE groups were the largest employers among enterprise groups: they employed 72% of all employees in the groups and generated 82% of the turnover. More than 90% of MNE groups were foreign-controlled (17% of these by Austrian, 9% by German, 9% by Croatian, and 8% by Italian owners). Only a small proportion of enterprise groups was domestically controlled. However, domestically controlled groups were larger than foreign-controlled multinational groups, based on the number of legal units they had in Slovenia: while 92% of foreign-controlled groups had one or two legal units in Slovenia, 48% of domestically controlled groups in Slovenia were composed of at least three Slovenian legal units. Altogether, 13,230 enterprises in Slovenia (i.e. 12.5% of all companies in Slovenia) were incorporated in enterprise groups (i.e. associations of legal units which consist of the headquarters (HQ) and subsidiary units). More than three thirds of these (76.6%) were included in foreign-controlled MNE groups that also employed 58.2% of employees in all Slovenian firms and generated 54% of the overall turnover. Large and medium-sized enterprises included in enterprise groups (30% into multinational and 15% into all-resident enterprise groups) employed almost one third of employees in all enterprises in Slovenia and generated 49% of the total turnover (SURS, 2019a; Zaletel, 2019).

According to their economic activity, firms from the wholesale and retail trade group constituted the largest group of firms in Slovenia with 23.1% of all firms falling in this category in 2017. Firms engaged in professional, scientific, and technical activities formed the second largest group, with 21.0%, manufacturing firms present 12.2%, while construction firms constitute 10.8% of the firm population in Slovenia (data for 2017, AJPES, 2017; Zaletel, 2019). While traditionally semi-finished and intermediate manufacturing goods with strong cost competition have dominated in the structure of Slovenian exports in goods, there has ben a gradual shift to the export of final products for consumers that use technology and human resources most intensively and that have higher value added (e.g. automotive products, electronics, and pharmaceuticals) (Invest Slovenia, 2019; Jaklič & Svetličič, 2011). With 45% of the total export and 36% of total import value, large firms (especially from the product groups of road vehicles, electrical machines and devices, and

pharmaceuticals) are the largest contributors of international trade in Slovenia (data for 2017; SURS, 2018).

Micro firms with 10 employees or fewer are by far the largest group of companies in Slovenia (i.e. in 2017, they presented 90.4% of the total), small firms with 11 to 50 employees follow with a 7.6% share, while medium-sized firms with 51 to 250 employees comprise 1.7%, whereas large firms with more than 250 employees only present a 0.3% share of all firms in the country (data for 2017, AJPES, 2017). See Figure 2 and Table 2.

Figure 2. Firms in Slovenia according to size, 2017
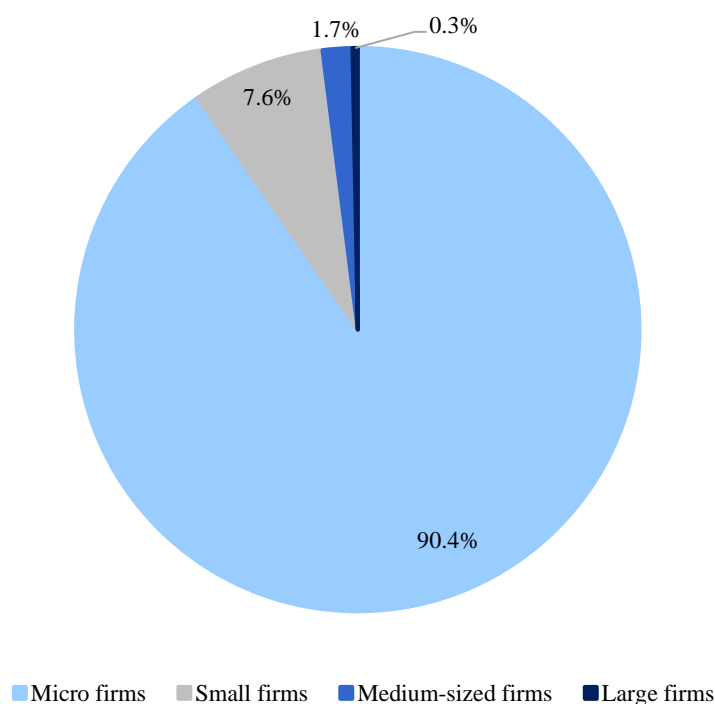
Source: *Own illustration based on the AJPES 2017 database.*

Although large firms present the smallest share of the entire firm population in Slovenia, they create the largest (33.8%) share of total sales revenues (altogether, these amount to 90.59 billion EUR), contribute the largest value added per employee (with 48,274.3 EUR value added per employee, large firms generate 27% more value added per employee compared to the overall average), and employ the largest share (35.2%) of the entire workforce (see Figure 2 and Table 2) (AJPES, 2017; SURS, 2018[57]). Moreover, even the largest Slovenian companies are not large

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[57] Shares are calculated for 142,574 enterprises – with no information provided on the types of entities included in the statistics (SURS, 2018). While Slovenia collects detailed data on firms, data from datasets provided by various institutions (e.g. Bank of Slovenia, AJPES, and SURS) varies. Often there are no methodological notes that could explain discrepancies. Hence, transparency and caution are needed when interpreting the results based on data from various datasets.

compared to their counterparts from developed economies or other transition economies: on average, large firms in Slovenia employ 740 people and create 134 million EUR of sales revenues (data for 2017) (AJPES, 2017; Jaklič & Svetličič, 2011).

Table 2. Economic contributions of firms by firm size, 2017

	Share of firms (%)	Share of total sales revenues (%)	Share of labour force (%)	Average value added per employee (EUR)*	Number of employees
Micro firms	90.4	18.7	19.4	37,457.1	93,515.3
Small firms	7.6	21.2	21.2	40,814.6	101,857.8
Medium-sized firms	1.7	26.3	24.2	42,334.2	116,691.5
Large firms	0.3	33.8	35.2	48,274.3	169,235.4
Total	100 (=66,470 firms)	100 (=90,585,340,469 EUR)	100	38,009.9	481,300.0

Note. *Excluding 21,294 micro firms with zero employees.

Source: *Own calculations based on the AJPES 2017 database.*

Out of the 230 large firms, 195 (58.8%) are domestic, while 95 (41.2%) are foreign-owned. Around one third of large domestic firms as well as large foreign-owned firms have their own entities abroad (i.e. they engage in outward FDI), and approximately 13% of medium-sized firms (regardless of their ownership) engage in outward FDI (see Table 3). This further supports the findings on Slovenia's geostrategic location advantages, which suggest that Slovenia presents an entry market to other emerging – and increasingly also to developed – markets (Jaklič et al., 2016, 2017; Jaklič & Svetličič, 2003, 2011; Svetličič et al., 1994).

Slovenia has traditionally had a larger share of domestically owned MNEs (these have presented a majority of MNEs in Slovenia) compared to other transition economies (Jaklič, 2006). Moreover, during transition Slovenian MNEs already had more foreign affiliates dispersed in more markets than domestic multinational firms from other transition economies. In fact, the number and dispersion of Slovenian MNEs is comparable to that of developed market MNEs.[58] Through their rapid foreign expansion that facilitates growth, these firms play a vital role in Slovenia's economy (Jaklič & Svetličič, 2011). Domestic MNEs have an important impact on international trade, investment, and innovation. They are moreover a major contributor to knowledge development and sharing. A direct presence in foreign markets enables these firms to increase their market and overall knowledge, and so upgrade their products, services and business processes according to the needs and wants of local consumers as well as in accordance with the professional

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[58] While there is a small number of global players among Slovenian MNEs, many of the top performers are regional multinationals. Slovene MNEs are mostly regional market-seekers, mainly establishing trade and (rarely) production affiliates in the Western Balkan countries (Jaklič, 2006; Jaklič & Svetličič, 2011).

developments in their industry. Presence in a specific market raises awareness of knowledge gaps, accelerates (direct and indirect) knowledge acquisition as well as facilitates expert employment. The number of employees and their skill level (measured as the share of employees with higher education) in these firms are higher than the Slovenian average. In addition, domestic multinationals have a pronounced impact on other domestic firms – especially on those operating only in their domestic markets (e.g. through knowledge transfer or business partnerships,[59] etc.). Positive spillover effects of foreign-owned subsidiaries, on the other hand, are mostly limited to domestic exporters (Jaklič, 2006).

Table 3. Number and share of firms with outward FDI (outFDI) by ownership in Slovenia, 2017

	Domestic firms		Foreign-owned firms	
	Number of firms with outFDI	**Share of firms with outFDI (%)**	**Number of firms with outFDI**	**Share of firms with outFDI (%)**
Micro firms	195	0.4	13	0.2
Small firms	96	2.2	22	3.3
Medium-sized firms	110	12.3	32	12.8
Large firms	49	36.0	31	33.0
Total	450	0.8	98	1.1

Source: *Own calculations based on the AJPES 2017 database.*

Firms also vary in their performance and contribution to the national economy by the type of their engagement in international business (i.e. exporting and inward or outward FDI). Simple summary statistics for firms in Slovenia using the three different types of international engagement for 2015 and 2016 show that the median firms engaged in exporting, inward or outward FDI on average all employ more employees, generate larger revenues, pay substantially higher average wages per employee, are much more likely to export, record a considerably higher export intensity (internationally assigning firms surpass the exporters in this respect), produce much higher value added per employee (VA/emp), and report higher returns on investment (ROI) than the population median firm (see Table 4). Exporters also perform better in terms of total factor productivity than the population median firm (see Table 5 in section 3.2.2 for a similar comparison of firms by type of international engagement, including firms using international assignments from Slovenia).

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[59] Poor capability to form domestic and international partnerships has been identified as one of the weaknesses of Slovenian firms in internationalisation (Jaklič, 2006).

Table 4. Comparison of firms in Slovenia by type of international engagement, 2015–2016

	ln(emp)[#]	ln(rev)[#]	Exporter	Ex share	ln(avgwage)[#]	VA/emp[#]	ROA	TFP	Age
Exporters	1.15	12.64	100.0%	40.1%	9.48	20,043	4.7%	0.35	10.6
N=39,961	(1.24)	(1.98)	(/)	(0.388)	(3.19)	(133,948)	(17.4%)	(3.72)	(7.83)
inFDI	0.94	12.78	63.6%	36.4%	9.46	22,374	1.9%	-0.65	9.7
N=15,759	(1.69)	(5.27)	(0.481)	(0.424)	(4.59)	(866,488)	(0.21%)	(3.80)	(7.5)
outFDI	3.17	15.34	80.4%	35.3%	10.10	39,033	4.0%	-0.60	17.3
N=1,039	(2.00)	(3.49)	(0.397)	(0.362)	(2.76)	(147,236)	(11.7%)	(3.57)	(6.0)
Total	0.69	11.13	33.0%	13.3%	8.92	10,629	1.4%	-0.009	9.6
N=121,150	(1.06)	(4.42)	(0.470)	(0.292)	(4.36)	(201,552)	(18.8%)	(4.31)	(7.8)

Notes: [#] report median values, otherwise average values of the variables are stated. The standard deviations are in parentheses. ln(emp) is the log of employment, ln(rev) is the log of revenue, Exporter is an exporter dummy, Ex share is the share of exports in total revenue, ln(avgwage) is the log of average wage per employee, VA/emp is the value added per employee, ROA is the return on assets, TFP is the total factor productivity estimated by the Ackerberg, Caves, and Frazer (2015) procedure, inFDI are the foreign-owned firms, outFDI are the firms with outward foreign direct investment and Total is the entire population of firms in 2015 and 2016.

Source: *Own calculations based on the merged dataset.*

In terms of employment, a median firm with outward FDI is on average 11.9 times larger, a median exporter 1.6 times larger, and a firm with foreign owners (inward FDI) 1.3 larger than the population median firm. A median firm with outward FDI also generates by far the largest revenues among the three groups of firms (67.4 times larger than the population median firm). A median foreign-owned firm follows with 5.2 times larger revenues than those generated by the population median firm, while a median exporter is 4.5 times larger in revenues than the population median firm. Similarly, the highest average wage per employee is also paid by a median firm with outward FDI (the latter pays a 225.4% higher average wage per employee than the population median firm). A median exporter pays a 75% and a median foreign-owned firm 71.6% higher average wage per employee than the population median firm (calculations based on 2015 and 2016 data). A median firm with outward FDI moreover also generates 267.2% higher value added per employee than the population median firm, whereas a median foreign-owned firm generates 110.5% and a median exporter 88.6% higher value added per employee than the population median firm.

Regardless of the relatively high involvement of firms in Slovenia in international business, Slovenia's transnationality index (calculated as the average of FDI inflows as a percentage of gross fixed capital formation for the past three years 2003–2005; FDI inward stocks as a percentage of GDP in 2005; value added of foreign affiliates as a percentage of GDP in 2005; and employment of foreign affiliates as a percentage of total employment in 2005) is low compared to that seen in developed, developing, and transition economies. The component lowering the index in Slovenia the most is the low level of employee internationalisation (i.e. employment of foreign affiliates as

a percentage of total employment in the firm). According to this indicator, Slovenian firms lag behind other Eastern European countries (e.g. Jaklič, 2007; UNCTAD).

The lack of governance internationalisation in Slovenian firms (see e.g. Jaklič, 2007; Jaklič & Svetličič, 2008a, 2011; Svetličič, 2006), both in the headquarters and subsidiaries, is reflected in the structure of Slovenian MNEs' networks. Slovenian subsidiaries abroad are predominantly sales-oriented, rather than production facilities with cost-reduction potential or R&D facilities with innovative potential. This is also due to a low international employee mobility in Slovenia, that inhibits knowledge transfer from HQ to subsidiaries and *vice versa*, and that focuses firms on taking advantage of local markets through the local market(ing) knowledge of local employees. While Slovenian firms transfer marketing functions to their subsidiaries, other business functions rarely get internationalised. When internationalisation of other business functions occurs, it is most often *ad hoc*, whereby the local version of the business function lags behind the HQ in its level of organisation and knowledge (Jaklič, 2007).

In the following section (i.e. in section 2.2.4), I focus on the IHRM strategies of Slovenian firms.

2.2.4   Human resources and international human resources management in Slovenia

The historic events that shaped the social and economic environment in Slovenia also affected human resources management practices in Slovenian firms – and continue to do so through determining the structure of the labour market, persistent socialist organisational cultures, as well as employees who have internalised socialist values and are still part of the active labour force. As in most Eastern European countries, human resources management in Slovenia and other countries of the former Yugoslavia was **state-controlled until the end of the 1980s**. Personnel-related issues (especially those pertaining to the key positions in companies) were under close control of the party and the heads of state (Svetlik et al., 2010). In the years following World War II, the personnel function (particularly in state-owned firms) had to recruit employees for key positions who were politically compatible with socialism, had no ties to wartime occupation forces, and would develop socialist-style production in socialist enterprises (Gasparovič, 1981 in Zupan, 1999; Svetlik et al., 2010). Promotion was not based on expertise or performance, but rather on the political suitability of the candidate (Pearce, 1991). 'Personnel policy' included the simple functions of employing people, organising their payment, and regularising their social standing. To perform these heavily bureaucratic tasks (including reporting employees' political affiliations), the personnel director also had to be politically acceptable and not necessarily a specialist in the field (Svetlik et al., 2010).

The introduction of **a self-management system and social ownership in the 1960s** led to shared management of firms by the state (represented by managers) and workers' collectives (represented by workers' councils still strong in Slovenia) that were responsible for personnel-related decision-making. In practice, this autonomy in the personnel field was still relatively limited: Party representatives continued to make the key personnel decisions, while employment procedures and remuneration were determined by legislation. There were still no trained professionals in personnel affairs (Svetlik et al., 2010). However, in the late 1950s the first courses for personnel managers

were organised. By the 1960s, they were offered at post-secondary level as well (Kamušič, 1972). Furthermore, personnel departments started to implement professional methods, such as job-design, job-assessment, (short-term) personnel planning and staffing, training in the form of apprenticeships, probation, mentoring, scholarship awards, and part-time education, promotion of safety at work, and providing social assistance for employees. Nevertheless, the personnel function remained rather administrative, not yet professionalised, and firmly in the hands of the state (managers, who were primarily performing the human resources management function, were still influenced politically to some degree) (Svetlik et al., 2010).

With **a new constitution (1974) and the associated Labour Law (1976)** in the then politically and economically unstable Yugoslavia, the self-management system continued – with the right to work becoming one of constitutionally guaranteed rights. A full employment policy, typical for this period, did not allow downsizing and meant that the economy was regulated by social rather than by market principles. Substantiated by the principles of equality, solidarity, and social property, the system prevented the bankruptcy of organisations and unemployment, but was also highly inefficient and resulted in low productivity. Despite the oil and environmental crises in the 1970s, Yugoslavia continued with its labour-intensive, technologically undemanding, and industry-focused development model. In Slovenia, a lack of labour developed and immigration from the South increased (Svetlik et al., 2010).

Workers' councils were increasingly involved in personnel issues at the micro level (e.g. salaries, social standards, and workers' rights), while 'social agreements' adopted by the 'self-managed communities of interest'[60] formally determined the personnel policy. As greater autonomy in personnel issues was given to firms, undergraduate programmes in personnel management were developed and personnel management associations were established, and these increased professionalism in the field (Svetlik et al., 2010). Brekić (1983), Kavran (1976), and Svetlik and Tajnšek (1978) discovered that the personnel function was still administrative in character, however, and that the training and expertise of personnel officers were relatively low. They also still had a minor role in decision-making on personnel matters and mostly dealt with job security, labour relations, selection, training, and recruitment. There was still no awareness of the potential contribution of the personnel function to an organisation's success (Svetlik et al., 2010).

With the Communist Party relinquishing power **in the 1980s**, personnel management professionals gained influence. However, due to economic difficulties and political conflicts that were deepening due to the inefficient 'self-management' system and lack of economic reform, firms were forced to reduce their costs. This meant that many of their personnel activities (such as new recruitment, in-company training, and support for employees' part-time study) were either abolished or limited. The personnel field remained highly regulated, whereby neither the legal system nor the personnel managers were prepared for the redundancies that occurred. At the end of the 1980s, those

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[60] These were stakeholder associations at the local, regional or state levels that in relation to personnel issues aimed at the creation of a well-functioning employment system through regulations and common guidelines for coordinated personnel and employment policies (Svetlik et al., 2010).

favouring democratisation of Yugoslavia by making it a confederation, whereby individual republics would have a greater say in political and economic decision-making, became more vocal. As agreement on democratic reforms was not achieved, individual republics (starting with Slovenia) decided to declare independence (Svetlik et al., 2010), and HRM started its **path of 'gradual Westernisation'** (Alas & Svetlik, 2004).

In **the 1990s**, the HRM function in subsidiaries became more autonomous and separate from the headquarters in many Slovenian firms. However, this resulted in a lack of (strategic) coordination between the headquarters and subsidiaries and an absence of understanding the subsidiaries' needs in headquarters – as reported by the then internationally assigned managers (Jaklič, 2007). Autonomy also did not result in a more strategic role of HRM in Slovenian firms. The attempts at developing the architecture of the HRM function as a strategically important one between 1996 and 1998 in Slovenia failed. Zupan and Kaše (2005) note that the HRM models in Slovenia at that time remained conservative and administrative. This is expected in economies dominated by SMEs such as Slovenia, because HRM in these firms is costly, and the HRM resources and expertise they possess are limited. HRM thus often centres on operational rather than strategic needs of the organisation, HRM practices are more informal than in larger organisations, and the general manager rather than an HR professional bears responsibility for HRM (Barrett & Mayson, 2007). **The prevalence of administrative HRM roles and non-formalised HRM practices** may thus persist in Slovenia's SMEs in the long run. Between 1996 and 1998, HRM in Slovenia also mostly played a marginal role in firms, and professional and strategic HRM models were limited to Slovenian companies competing in international markets or subsidiaries of foreign multinationals in Slovenia (Zupan & Kaše, 2005). This changed with the restructuring of the economy after 2000 and the penetration of new global market niches, take-overs by foreign companies, reorganisations in terms of outsourcing, slimming down, and creating or working in partnership with bigger corporations, when HRM started to shift towards an increasingly strategic role and personnel management began to focus more on management development – especially in terms of managers' engagement in internationalisation of business activities (Kohont, Svetlik, & Bogičević-Milikić, 2015; Pološki Vokić, Kohont, & Slavić, 2017). Ignjatović and Svetlik (2006) thus describe HRM in Slovenia as manager-focused.

Between 2001 and 2015, the responsibility for HRM decisions and tasks shifted from human resources departments to **line managers**, though, and the number of (expert) employees in human resources departments was shrinking (Pološki Vokić et al., 2017). While most of the post-communist countries in former Yugoslavia are still transitioning between East and West in terms of their HRM models, Slovenia stands out as the country with a better developed HRM system. This can be attributed to its decades-long closer connectedness to Western Europe, higher levels of industrialisation and internationalisation, as well as its membership in the EU since 2004 (Pološki Vokić et al., 2017). Ignjatović and Svetlik (2003, 2006) place Slovenia in the Central Southern European HRM cluster (together with Germany, Austria, Spain, Czech Republic, Italy, and Portugal). They describe organisations from this cluster as operating in a relatively stable and inflexible environment, centred on internal company labour markets, having a strategic HRM function, but poorly staffed HRM departments, scarce direct involvement from employees in HRM practices, rare formalised business and HRM strategies, and a limited range of HRM methods.

HRM in firms from this cluster is mostly focused on managers and centralised decision-making. There is an emphasis on employees' representative bodies and indirect democracy as well. In this cluster, Slovenian firms stand out as firms that have HRM departments more rarely, and when they do, these have the lowest number of HR specialists per 100 employees. Employees are also consulted about the organisation's strategy and its evaluation of HRM less often than in firms in other countries from the cluster. However, HR managers in Slovenian firms are more often members of the managing team that is engaged in the creation of the organisation's strategy from the outset, and Slovenian firms have a (non-formalised) HR strategy more often than firms from other countries in the cluster. Workers' representative bodies are particularly common in Slovenian firms. These are also more oriented to internal labour markets than firms from other studied European countries in the Central Southern cluster: they recruit internally and make greater efforts to retain employees compared to firms from other European countries in the cluster – also due to particularly low employment flexibility in Slovenia.

Some of the characteristics of the Slovenian HRM are clear indications of **remnants of a socialist and self-management heritage** determining HRM practices in Slovenia: (1) the high level of political power and recognition of trade unions for the purpose of collective bargaining in Slovenia (see also Svetlik, 2009), (2) the mind-set of taking care for everybody, (3) performance management metrics in many firms resembling the so-called *'uravnilovka'* that determines equal allocation of outputs among employees – irrespective of their individual inputs in the firm's performance (this in turn results in employees' lack of motivation, initiative, and innovativeness, as well as unwillingness to learn), (4) profit-sharing in the form of a thirteenth monthly salary, (5) many non-monetary benefits for employees, (6) centralised basic pay determination on the national or industry level, (7) the not fully entrusted added value of performance management, (8) the small proportion of employees in flexible forms of work and the dominance of full-time and permanent employment, (9) traditional and collectivistic recruitment (e.g. through the word of mouth), (10) lack of formal HRM, recruitment, and employee development strategies, and (11) scarce use of human resource information systems (Feldmann, 2006; Pološki Vokić et al., 2017). The developments in domestic HRM are not the only factor in international staffing by Slovenian firms. Domestic labour market characteristics also have important implications for international staffing. This is why, in the following paragraphs, I first describe the current Slovenian labour market characteristics, and then explain how they influence its international staffing.

During **the global recession** that began in 2007, many companies in Slovenia went bankrupt or needed to adjust to diminishing market demand (e.g. through shorter working hours, sending employees on (unpaid) vacation or by cutting the number of staff). While production workers prevailed among the dismissed employees, companies – being aware of the importance of human capital – tried their best to retain the key employees who could help them to preserve, adapt, and reorganise in the face of reduced orders (Svetlik et al., 2010).

Between 2008 and 2013, the unemployment rate in Slovenia was continuously increasing. It peaked at 11.1% at the beginning of 2013 and then started to decrease – first only slightly (to 10.8% in 2014), and then persistently and gradually to 4.4% in 2018 (see Figure 3).

Figure 3. Unemployment rate in Slovenia (%), 2008–2018
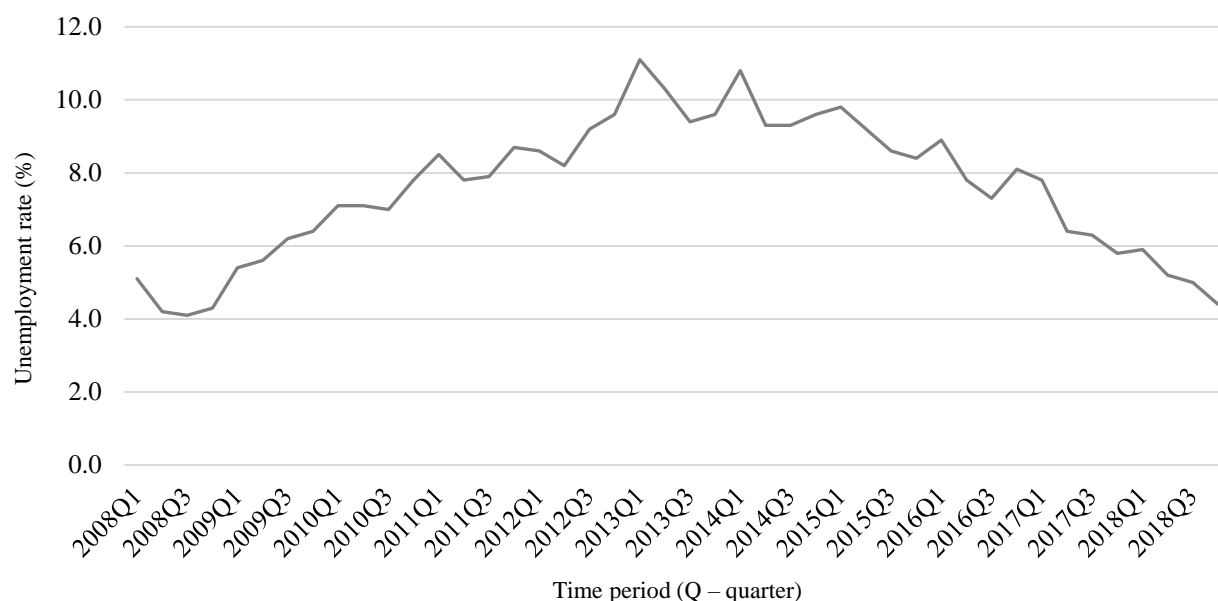
Source: *SURS (2019b).*

The share of GDP assigned to public expenditure for formal education was relatively stable between 2008 and 2017 – for all levels of education (SURS, 2019b). In 2017, it amounted to a 4.8% share of GDP (see Figure 4).

Figure 4. The annual share of public expenditure for formal education in GDP in Slovenia (%), by level of education, 2008–2017
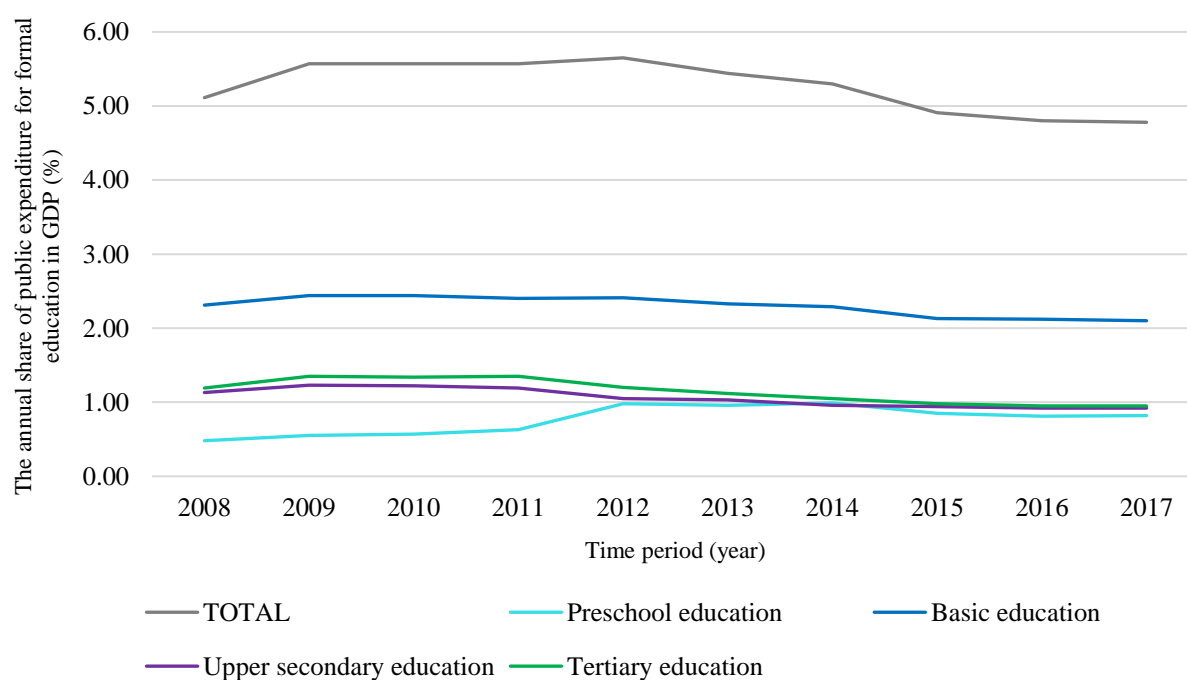
Source: *SURS (2019b).*

Slovenia also documented relatively high rates of enrolment in formal education during this period: following the obligatory basic (i.e. primary) education, 91.8% of the population aged 15–18 was enrolled in upper secondary education, while 46.5% of young people (aged 19–24 years) participated in tertiary education in the 2017/2018 school year (SURS, 2019a). Slovenia performs well in Europe and North America, the region with the highest skills score according to the Global Competitiveness Report for 2018 (74.2 out of 100 points), with a score of 73.5 points, close to the regional average and ranking 29th overall (i.e. out of 140 economies) (Schwab, 2018). Despite Slovenia having a relatively highly skilled labour force compared to other markets in the CEE and Western Balkan region, and less costly labour compared to the more developed markets, firms in Slovenia are faced with **a challenge of finding enough of adequately skilled employees**. This issue has been continuously reported not only by domestically owned firms, but also by foreign-owned ones operating in Slovenia (that are usually more attractive employers for skilled staff) as one of the main barriers to doing business, with the share of firms with foreign equity encountering difficulties in attracting sufficiently skilled local employees rising constantly during the 2014–2018 period, from 41.9% to 67%. Exporting firms have reported the most difficulties in this respect (see Rojec & Jaklič, 2014 and Jaklič et al., 2015–2018 for the results of the annual surveys of foreign investors on the Slovenian business environment between 2014 and 2018 prepared by the Centre of International Relations at the Faculty of Social Sciences, University of Ljubljana). One of the ways with which both domestic and foreign-owned firms have addressed this deficiency has been with additional internal or external vocational training for their employees. In 2015, 84.1% of all enterprises in Slovenia provided such training (SURS, 2019a). In fact, a large share of Slovenian enterprises (regardless of their size and sector – with the exception of construction) were already providing additional training to their employees (data is available for 2005, 2010, and 2015), and this number has been growing and was above the EU-28 average in 2005, 2010 and 2015 (Eurostat, 2019).

The annual survey of foreign investors on the Slovenian business environment conducted by the Centre of International Relations at the Faculty of Social Sciences, University of Ljubljana for 2017 (see Jaklič et al., 2017) indicated that the share of foreign-owned firms providing internal training for their employees as a tool for addressing the lack of adequately skilled employees is slightly larger (i.e. 92.3% of all surveyed firms with foreign equity in Slovenia implemented internal training in 2017) than that of domestic firms. The former group of firms also uses additional tools for training purposes and employee development: more than a quarter use expatriate international assignments, while inpatriation and recruitment of foreigners are each used by approximately 18%. These tools are more frequently used by manufacturing firms, exporters, and large(r) enterprises (with the exception of expatriation being more common in micro and SME firms) (results of the annual survey of foreign investors on the Slovenian business environment for 2017, as prepared by the Centre of International Relations at the Faculty of Social Sciences, University of Ljubljana – see Jaklič et al., 2017).[61] The lack of skilled labour is reflected in Slovenian labour productivity (see Figure 5).

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[61] There is no data on how many domestic firms use these tools for employee development purposes.

Figure 5. Labour productivity per person employed and hour worked (EU28 = 100), 2005–2017
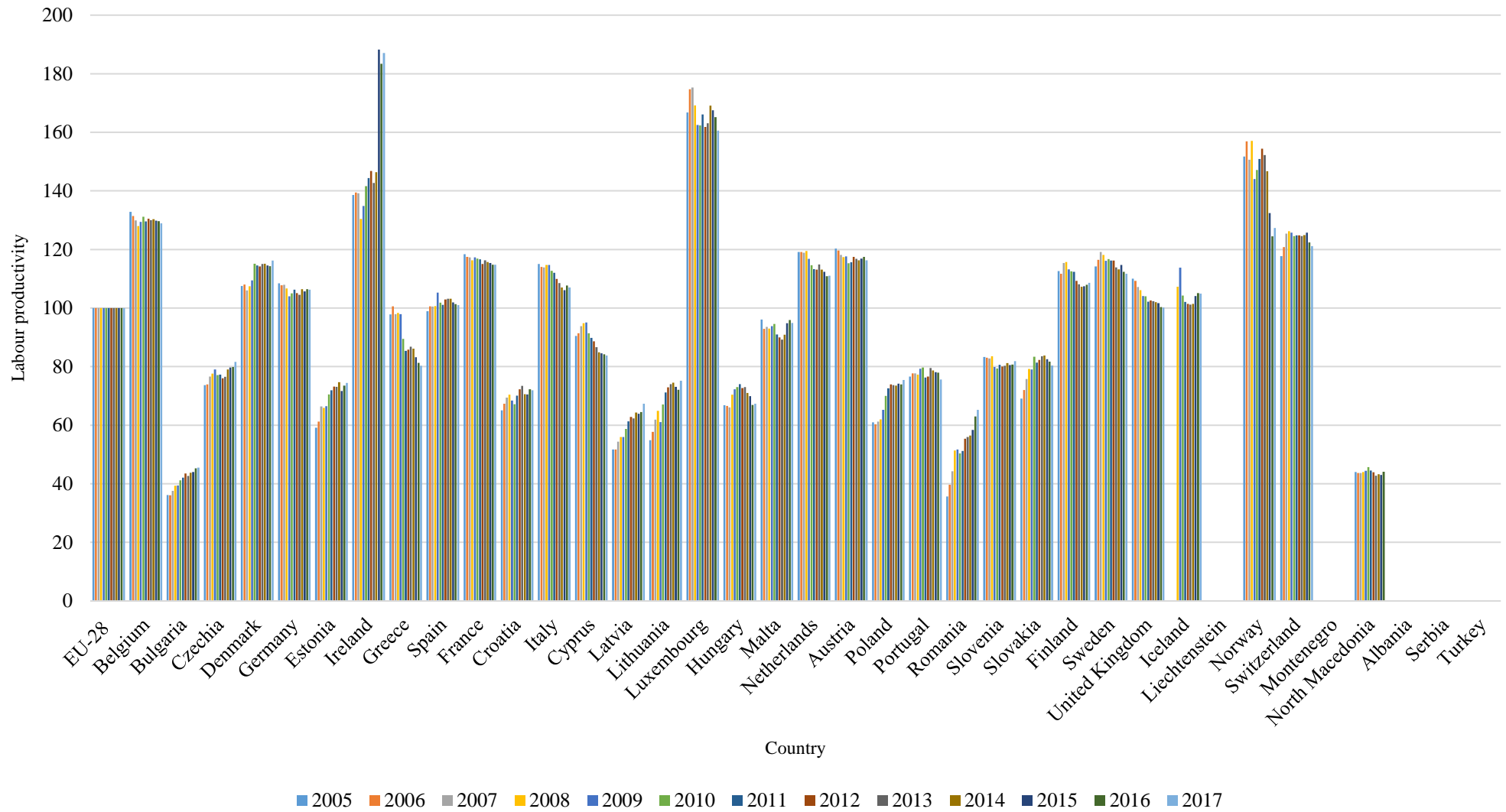
Source: *Eurostat (2019).*

Slovenian labour productivity per person employed and hour worked is below the EU-28 average, although still higher than in most CEE economies (with the exception of the Czech and Slovak Republics, which in the past couple of years have achieved similar labour productivity rates as Slovenia)[62] and in Western Balkan markets (Eurostat, 2019; International Labour Organization). In addition, labour market characteristics, as among the factors impacting a country's competitiveness according to the Global Competitiveness Report, are among the lowest ranking features of the Slovenian economy in comparison to the other 139 economies included in the report. In 2018, Slovenia ranked 133rd with regard to its internal labour mobility (with a 36.7- out of 100 point score) and 132nd (with a 27.1- out of 100 point score) regarding its hiring and firing practices (a remnant from the self-management system that operated under socialism). It also ranked low (115th among 140 economies) in terms of the ease of hiring foreign labour.[63] Its reliance on professional management was also rather low (with a 55.2- out of 100 point score it ranked 63rd among 140 economies) (Schwab, 2018).

Lack of international managers in particular has been the main barrier to faster and more effective internationalisation, as identified by managers and HRM officers in Slovenia. Well-educated and experienced managers in the domestic environment have been scarce since the 1990s, which is why their international mobility has been additionally restricted. This has become an even more pressing issue for Slovenian firms with an increase in internationalisation. The latter has led to a greater need for internationally mobile and experienced managers in both Slovenian and foreign-owned firms located in Slovenia (Jaklič, 2007). Jaklič (2007), Jaklič and Svetličič (2008a, 2011), and Svetličič (2006) all stress the issue of **the lack of internationalisation in the governance of Slovenian firms**[64] (both in their headquarters and the often highly geographically dispersed subsidiaries) and attribute it to three main factors.

First, Slovenian firms often employ **underdeveloped and *ad hoc* international human resources management practices**. IHRM practices are moreover rarely included in the firms' internationalisation strategies (although they are crucial for it). This suggests that firms from Slovenia do not strategically address international staffing. In their internationalisation, they rather focus on marketing and finance and neglect the human capital needed for their realisation (Jaklič, 2007; Jaklič & Svetličič, 2003, 2008b, 2011). Even some of the top performing Slovenian MNEs with a long tradition of outward FDI lack systematic IHRM (Jaklič, 2007; Jaklič & Svetličič, 2011). While firms acknowledge the importance of skilled internationally mobile managers for internationalisation and their integration into GVCs, long-term career development plans are often absent from Slovenian firms (see e.g. Jaklič, 2007; Jaklič & Svetličič, 2008b). Firms that are more geographically dispersed (i.e. present on at least three continents) tend to pay more attention to

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[62] No data is available for productivity of labour in Albania.

[63] In her study of internationalisation in Slovenia, Jaklič (2007) similarly discovers that the employment of foreigners in middle and top management is rare – despite their often greater mobility and sometimes lower costs.

[64] Changes in this area are slower than in other new EU members (Jaklič, 2007).

human resources management, but still neglect IHRM issues, which they address on an *ad hoc* basis (regardless of their potentially large size and long tradition of outward FDI) (Jaklič, 2007).

Second, Slovenian firms are also faced with **the lack of motivation for working abroad** among Slovenian employees (mostly due to the high quality of life in Slovenia – i.e. a country-specific characteristic) (Svetličič, 2006). Managers' unwillingness to expatriate and their tendency to promptly repatriate when they do choose to engage in international mobility are identified as two of the largest obstacles to the faster international growth of Slovenian firms by their top managers. A lack of willingness to expatriate is already present among younger employees, but increases with seniority (Jaklič, 2007). This is consistent with the finding by Alkire (2014) of the increasing unattractiveness of emerging markets for employees as they get older.[65] The more experienced the managers get, the less willing they become to accept international assignments due to their embeddedness in the firm, domestic culture, and domestic environment; prioritisation of family relationships over work; adoption of an 'international career immobility' (or career immobility in general) stance; and limited age-related options after expatriation (Highhouse, Thornbury, & Little, 2007; Newburry, Gardberg, & Belkin, 2006; Thomas, Lazarova, & Inkson, 2005; Tung, 1998). Jaklič (2007) identifies an exception to the rule: i.e. individuals used to living in an international environment since their youth, who are likely to change employers in the absence of international challenges. The domestic absence of a multicultural environment due to low inward FDI additionally decreases employee mobility: it leads to a lack of adjustment to other cultures, low motivation to work in multicultural environments, and underestimation of intercultural differences and barriers (Jaklič, 2007). It also prevents individuals from developing an international identity.

Third, knowledge transfers from foreign firms to local managers in domestic firms and learning opportunities for local managers in foreign-owned firms are further hindered by low (although increasing) levels of inward FDI to Slovenia (see also Jaklič, 2007). Foreign businesses coming to Slovenia have nevertheless had an important role in spreading modern human resources practices in Slovenia: as a result of indirect learning from foreign firms, **HRM has professionalised** and the HRM function has become part of the inner circle of main corporate issues. While recruitment, selection, training, and performance evaluation methods are now commonly used in Slovenian firms, further development is expected in job analysis and evaluation processes. At the same time, being important investors in other countries of the former Yugoslavia, Slovenian companies are likely to indirectly contribute to the spread of the HR practices from the more developed economies in the entire region (Svetlik et al., 2010).

In their pursuit of control, coordination, developmental or knowledge transfer goals, EMNEs can implement an ethnocentric, polycentric or geocentric staffing approach. The first refers to assigning only parent-country nationals to top level management positions abroad and in the headquarters. The second refers to MNEs filling top management positions abroad with host-

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[65] Next to employees' age, their tenure, gender, and self-efficacy influence their willingness to expatriate, willingness to expatriate to emerging markets, or willingness to pursue employment with emerging market firms (Alkire, 2014).

country nationals and equivalent positions at home with parent-country nationals.[66] Finally, in the third approach, top management positions are filled based on competence from a global pool of workers, regardless of their nationality (Banai & Sama, 2000; Perlmutter & Heenan, 1974). Typically, MNEs from high power distance cultures, like Slovenia (see e.g. Hofstede Insights), favour centralised practices in an effort to exercise control over their MNE networks (Brock, Shenkar, Shoham & Siscovick, 2008).[67] This makes them more likely to employ **ethnocentric staffing approaches** and send international assignees from headquarters across foreign affiliates – regardless of the host markets' level of development.

Slovenian firms usually maintain strong control abroad both in terms of holding a large ownership share of the foreign enterprise and in assigning Slovenian managers to top managing positions in subsidiaries (Jaklič & Svetličič, 2008a). However, due to a lack of international mobility-willing and ready managers, they are facing challenges to such an IHRM approach. Although the search and training of internationally assigned managers is challenging, it usually results in very good returns (Jaklič & Svetličič, 2008a). As a result, many Slovenian firms still use traditional long-term international assignments for managerial posts in their foreign affiliates. Rather than worrying about a low share of employees being willing to expatriate, the motivation and development of a limited pool of adequately skilled individuals should thus be the focal part of Slovenian MNEs' IHRM strategy. The share of employees needed for realisation of managerial international assignments in larger firms is relatively low, yet stable, which somewhat eases employee development planning and international staffing for these positions (while other types of assignments are likely to decrease in number due to long-distance options for performing various types of tasks, key positions will still need to be filled through physical presence). Focusing on a limited pool of employees reduces the costs and is also more effective due to a targeted approach tailored to an individual's and the firm's needs. The skill set needed for such assignments is broad and requires either careful selection (and motivation) of adequately skilled candidates, or large investments in developing sufficiently skilled employees in-house.

However, as Slovenian MNEs often cannot afford to expatriate large numbers of experts abroad, they mostly send one or two persons to foreign units (in 2016, 49.5% of all assigning firms – regardless of their size; sent one or two assignees abroad: more than a quarter of these were sent on multiple assignments (Health Insurance Institute of Slovenia, 2016)). They rely on local staff for the rest of the posts and tasks.[68] This means that managers assigned to foreign affiliates of

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[66] Slovenian firms report that localisation (i.e. training of local staff) is costly and lengthy (Jaklič & Svetličič, 2008a).

[67] Hofstede (2001, pp. 83) describes power distance "as a measure of the interpersonal power or influence between the boss and subordinate as perceived by the less powerful of the two". See also Khatri (2009) and Ghosh (2011) for some implications of power distance for organisations.

[68] Cost reduction is not only pursued through localisation and reducing the number of international assignments, but also through introducing regional managers or abandoning some of the established good practices, such as inter-unit rotations, systematic knowledge transfers among subsidiaries and headquarters, training for international assignments, and mentorships (Jaklič, 2007).

Slovenian firms need to possess a multitude of skills (Svetličič, 2006). This is an international staffing feature that makes the Slovenian context particularly interesting for investigating managerial international assignments. International staffing for these positions needs to consider the additional requirements imposed on assignees work-wise (i.e. assignees' tasks may include activities that are not necessarily related to their expertise, but rather involve a multiple of professions) and status-wise (assignees assume multiple roles in relation to other employees), compared to requirements for assignees from developed-market firms with more resources for expatriation (including larger employee pools and the more developed support functions).

Experts and managers sent on international assignments from Slovenia (a small emerging economy) **need to master the multiple and interdisciplinary dimensions of doing business**. They need to possess both the expertise of their profession and knowledge of technologies underlying the products and services provided by the firm, the economic dimensions of business performance, financing, marketing and sales, legal issues, as well as the soft skills related to people management, negotiations with domestic and foreign business partners – firms, public institutions, and the state (Svetličič, 2006). However, Svetličič (2006) stresses that Slovenia does not have adequate education programmes responding to the firms' need to develop managers with such interdisciplinary skills for business internationalisation. Some firms – especially those with sufficient resources – have thus developed their own customised training programmes for these purposes (see also pilot interviews and section 4); or entered public-private partnerships that offer both professional development and practical training for future managerial international assignments candidates. In other words, while international assignments can be a form of training, some prior training and experience is needed (especially for managerial assignments due to their strategic relevance for the firm). Jaklič (2007) discovers that awareness of the relevance of knowledge and employee preparation increases with firm success and geographic dispersion, as well as with the level of experience of international business by a manager and a manager's level of education.

The main **causes for failed international assignments** in Slovenian firms are similar to those reported by other business environments. They include (1) poor preparation, (2) incomplete selection criteria for international assignments (i.e. a focus on functional business or technical knowledge rather than consideration of 'soft' skills such as networking, intercultural communication, and negotiations as relevant selection criteria as well), (3) HRM's limited understanding of the knowledge, skills, and characteristics relevant for managerial international assignments depending on specific markets, market entry modes, stages in internationalisation and situational factors, (4) *ad hoc* IHRM (including lack of repatriation planning and management), and (5) the lack of an analytical approach to failure as a basis for developing better practices (rather than seeking to understand the true causes for failure and develop new internationalisation and IHRM plans, Slovenian firms tend to disinvest) (Jaklič, 2007). These factors all pertain to the firm and neglect country- and individual-level factors, as well as their interactions with the organisational factors in international assignment decision-making, implementation, and management. I present the findings on these from my own study, in sections 3 and 4. Based on population data analyses, I first present country-, firm-country-, and firm-level factors determining the organisations' decision to employ international assignments lasting up to 24 months (in general

or in a specific location) (see section 3). I then focus on individual and organisational international assignment-related decision-making processes in an organisational context. The findings of the multilevel comparative case study are presented in section 4.

3 DECISION TO ENGAGE IN INTERNATIONAL ASSIGNMENTS BY FIRMS IN AN EMERGING MARKET[69]

Operating across nation states puts an immense pressure on internationalising businesses to adjust and adapt to multiple and diverse economic, political, social, legal, and cultural contexts (Bartlett & Ghoshal, 1989; Zaheer, 1995). Differences in market environments have been identified as one of the main barriers to business internationalisation (Hilmersson & Jansson, 2012) – especially since, for the unexperienced firms in a particular environment, they create uncertainties regarding suitable business practices (Moreira & Ogasavara, 2018) as well as inhibit the transferability of knowledge among units in different countries (Bhagat et al., 2002; Li & Hsieh, 2009). As such, differences in sending and receiving environments also affect international assignment decisions (Conti et al., 2016; Gaur, Delios, & Singh, 2007).

Despite extensive research into international employee mobility (for an overview see e.g. Dabic et al., 2015; Kraimer, Bolino, & Mead, 2016), the literature on expatriation from either the international human resources management or international business fields falls short of providing an in-depth contextualised understanding of firms' international assignment implementation and location choices (Buckley et al., 2007; Cantwell, 2009). In particular, it lacks a comprehensive **mapping of firms employing international assignments** as well as insights into their **assignment location decisions** as determined by sending and receiving country-, firm-, and firm-country-specific factors. This is an important deficiency, since not all (internationalising) firms may be in need or capable of employing international assignments, or employing these assignments in particular locations. In addition, extant business internationalisation theories may not be well suited to explaining firms' international assignment patterns. First, an international assignment may also fulfil a different purpose than that of international market entry (see e.g. Edström & Galbraith, 1977). Second, it has been argued that international employee mobility flows do not fully reflect the firms' market entry or market entry mode location choices. For instance, countries may enact a favourable FDI policy and at the same time restrict international employee mobility or *vice versa* (Novicevic & Harvey, 2004), which results in firms' incongruent FDI and international staffing practices.

I thus argue that international assignment location decisions are better explained by institutional theory. Acknowledging the difference in firm capabilities for expatriation, in this section I also employ theories of heterogeneous firms and trade to account for firm-level determinants of emerging market expatriation in the macro (sending and receiving country) context. I thereby

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[69] This chapter was prepared in collaboration with Anže Burger and Michael Dickmann for a forthcoming scientific paper entitled 'The effects of institutions on emerging market firms' international assignment location decisions' to be published in Economic and Business Review.

recognise that, like any strategic business decisions, location decisions by firms are usually made in combination with other organisational decisions (McCann & Mudambi, 2004) and thus need to be studied not only in a country-level but rather also in a firm-level context. I discuss the latter in section 4, since quantitative data does not capture the organisational narratives and strategies that influence both firms' and individuals' international assignment-related decision-making. I argue that together, a better understanding of the impact of country-, firm-, and firm-country-specific factors on the firms' international staffing decisions during their internationalisation could inform both the international human resources management and international business literatures – especially in terms of when and where, as well as by what type of firms, international assignments can be or are used for enhancing a firm's international growth, development, or business performance.

Substantial work has examined the internationalisation and international staffing of developed market firms (see e.g. Ando & Paik, 2013; Chan et al., 2008; Gaur et al., 2007), while little research has investigated the global expansion of emerging market firms and their related international staffing practices (for an exception see e.g. Zhu et al., 2018). Beyond a few authors (e.g. Ando & Paik, 2013; Gaur et al., 2007; Moreira & Ogasavara, 2018) there has also been limited research into sending and receiving countries' institutional environments and their impact on international assignments. Given the stark differences between emerging and developed markets which are likely to affect firms' international assignment-related decisions and the substantial value involved, this is surprising (McNulty & De Cieri, 2016; Scullion, Collings, & Gunnigle, 2007).

International assignment patterns and decisions in emerging markets or by emerging market firms are particularly underexplored (see e.g. Briscoe, 2014; Dabic et al., 2015; Thite, Wilkinson, & Budhwar, 2011). For an exception see Harvey et al. (2001), who study international assignments from developed economies to developing markets, but still do not address emerging market firms' international staffing. The latter are addressed by Briscoe (2014) and Zhu et al. (2018), who discuss emerging market and emerging market firms' expatriation, respectively. However, despite the small group of authors starting to address the specificities of emerging market and EMNE expatriation, research in this area is still scarce. Most of the literature on international assignees does not even differentiate between developed and developing country assignments (Briscoe, 2014). Several authors nonetheless suggest that firms from emerging countries may follow a different approach to managing expatriation compared to firms from developed economies (Briscoe, 2014; Caligiuri & Bonache, 2016; Horwitz & Budhwar, 2015).

Harvey et al. (2001), for instance, acknowledge that firms internationalising into emerging markets through international assignments need to additionally consider individual-level challenges that pertain to (1) the reduced quality of life for an expatriate, and (2) extensive cultural adjustment – issues that emerging market firms' expatriates may not encounter or encounter to a limited extent due to already being used to lower living standards and an emerging market culture domestically. Complementing this, Tan and Mahoney (2004) find that the local environmental uncertainty and task complexity reduce the share of expatriates in the top management team of a foreign subsidiary, whereas cultural distance and internal uncertainty and task complexity increase this share. At the level of an individual, Stanley and Davidson (2011) argue that market volatility impacts the

individual's experience of an international assignment; forcing managers of entities located in or from the less favourable business environments to utilise a broader array of knowledge sources, such as local staff, managers in business associations or other (internationally) assigned managers in the MNE network, compared to managers operating in the more stable developed markets.

International staffing and international assignments in particular have been recognised as a primary tool for addressing **institutional differences** between sending and receiving markets (Collings, Scullion, & Morley, 2007; Gaur et al., 2007). This is because with international assignments firms can control and coordinate their internationally dispersed operations, and thereby better balance the classic 'global integration versus local responsiveness' dilemma in international business (Caligiuri & Colakoglu, 2007). International assignments enable firms to fill positions when (adequately skilled or sufficient) local labour is not available; facilitate knowledge development, sharing, and transfer (Edström & Galbraith, 1977; Minbaeva & Michailova, 2004); and assist coordination of an enterprise's network by linking its internationally dispersed units through different forms of control (e.g. direct surveillance, socialisation of host employees, and development of internal informal communication networks – depending on the type of investment, development stage, and level of localisation of a host unit (Harzing, 2001a)).

Briscoe (2014) draws up a host of areas where international assignments into or from emerging markets would differ with respect to human resources management, as well as institutional context factors. However, while there are some studies in the international business literature that investigate moves from emerging market countries – mostly China – to other emerging markets, this research focuses predominantly on talent and trust issues (Jackson & Horwitz, 2017; Li & Wang, 2010). It largely overlooks the macroeconomic and institutional context factors in sending and receiving markets, even though they have a strong impact on corporate success (Akkermans, Castaldi, & Los, 2009; Conti et al., 2016; Hall & Soskice, 2001; Szkudlarek et al., 2019) and the firms' international staffing patterns (Boyacigiller, 1990). It also neglects mezzo-level factors such as **organisational characteristics** and their impact on the firms' decision to expatriate or international assignment location choices (Baldwin, 1970; Bernard et al., 2007; Melitz & Redding, 2012; Redding, 2010). This is why I aim to explain which firms are more inclined to employ international employee mobility in the process of internationalisation, and what determines the location of assignments in the emerging market sending country context.

While I acknowledge that not only national, but also **supranational provisions** regulating international trade and global mobility determine the extent to which firms and individuals use (and are willing to use) expatriation, the way they perceive, frame, and experience international employee mobility, and the way they approach expatriation management (see also Szkudlarek et al., 2019) – e.g. through determining country- and firm-level international staffing-related discourses – the supranational level of analysis is beyond the scope of this study and as such presents potential for future research. In my analyses, I control for supranational context by limiting the study to expatriation from Slovenia to European Union (EU) member states, the European Economic Area (EEA) – i.e. Lichtenstein, Iceland, and Norway, and Switzerland, which follow a common legal principle of employee mobility across EU borders. In addition, economic integration requires individual EU countries to give up most of their discretion over immigration

laws. Thus, it is not the legal inhibitors but rather the market as well as institutional forces that influence firms' expatriation decisions (Favell & Hansen, 2002).

Besides looking at firm-level determinants of international assignments (as identified by theories of heterogeneous firms and trade for firm internationalisation), in this section, I focus on sending and receiving country institutional context factors as the closest higher-order aspect of context directly determining organisation-level expatriation context and in turn indirectly influencing the individual-level context of expatriation as well (see also Ashforth, Rogers, & Corley, 2011).[70] Since the greatest differences in institutional frameworks have been recorded between emerging and developed markets (Peng, Wang, & Jiang, 2008), I study the differences in assignment-related decisions made by firms from an emerging market economy within Central and Eastern Europe,[71] when they send expatriates to developed or other emerging market economies. More specifically, my research compares the determinants of use of international assignments by both domestic and foreign-owned firms from Slovenia directed at either CEE or non-CEE European Union member states (as well as Lichtenstein, Switzerland, Iceland, and Norway). Building on the theories of heterogeneous firms and trade (e.g. Bernard et al., 2007; Melitz & Redding, 2012; Redding, 2011) and the institutional distance literature (c.f. DiMaggio & Powell, 1983; Scott, 1995), I address the following research questions in this section:

- **RQ1**: What is the impact of (1a) the firm's characteristics and (1b) the firm's sending and receiving country institutions on the firm's decision to expatriate its employees from an emerging market?
- **RQ2**: What is the impact of (2a) the firm's characteristics and (2b) the firm's sending and receiving country institutions on the firm's decision to expatriate its employees from an emerging market into an emerging (CEE) or a developed (non-CEE) market location?

I empirically test the hypotheses on **a dataset comprising the entire firm population** (i.e. a dataset not limited to multinational firms, but also inclusive of the thus far neglected other types of enterprises (see Dabic et al., 2015)) in Slovenia (see section 1.3.2). I focus on **a single emerging market expatriate sending country** and analyse its firm population's international staffing decisions to destination countries in both developed and other emerging markets. This reflects the findings that the firms headquarters' country of origin is *"/t/he most consistent predictor of /expatriate/ presence /.../ in foreign subsidiaries /.../"* by Collings and Scullion (2006, p. 32). Such an approach is also consistent with Zaheer, Schomaker, and Nachum's (2012) recommendation on fixing one entity as the focal entity and defining all other entities of interest with respect to the focal entity in the analysis in order to incorporate direction in the research. The host markets

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[70] I recognise that this impact also works in the opposite direction.

[71] Central and Eastern European countries include Albania, Bulgaria, Croatia, the Czech Republic, Hungary, Poland, Romania, the Slovak Republic, Slovenia, and the three Baltic States: Estonia, Latvia and Lithuania (OECD, 2001). Jaklič et al. (2018) and Trąpczyński and Gorynia (2017) specifically call for more contextualised international business research of the CEE region as a context-specific construct defined through a mix of economic, political, social, and geographic meanings.

included in the analyses are EU member states, Lichtenstein, Switzerland, Iceland, and Norway. As suggested above, these countries employ common regulatory regimes related to factor mobility and international business, which is why the dataset allows for analysis of the institutional determinants of firms' international assignment location decisions that controls for the said labour migration-specific factor by design. I thereby study institutional factors in terms of institutional quality and distance as well as institutional direction. Central and Eastern European countries are regarded as emerging market economies and non-CEE European countries as the institutionally more developed economies.

The selection of Slovenia as the focal (sending) market is purposeful and based on the theory-building potential of the case (see section 1.3.1). Businesses from small, open economies demonstrate a higher propensity to internationalise (Bellak & Cantwell, 1998; Svetličič et al., 2000), and are as such more likely to implement international assignments for control, coordination, knowledge transfer or position filling purposes. The latter two motives may be especially prevalent in emerging market firms: the first due to these firms' greater knowledge gaps regarding foreign markets relative to international firms from large developed economies (Petersen et al., 2008), and the second due to their lower employer attractiveness compared to firms from developed markets (see e.g. Alkire, 2014)). I find Slovenia, a small emerging market country, to be a particularly suitable case-study for analysing foreign assignment patterns because of its high degree of internationalisation (see section 2.2.2) combined with the (human) resource constraints pertaining to its emerging market economy status (see section 2.2.4).

As a small emerging economy, Slovenia is relatively under-researched, yet may be marked by specific internationalisation and international assignment patterns due to its (also institutional) particularities compared to the larger emerging economies: by both domestically owned entities and foreign affiliates expatriating from Slovenia. Academic investigations into international assignment patterns from Slovenia (including both domestic and foreign-owned firms) are thus likely theory-generating. A further reason to choose Slovenia was data access that provided the opportunity to explore the entire firm population in a country with respect to actual international assignment patterns rather than solely a sample. The theoretic framework, hypotheses development, and empirical results of the quantitative part of the study are outlined below. I first present the methods used (see section 3.1). I then proceed to theoretical arguments for firm-level determinants of the firms' likelihood to assign (in general or to a specific location); and present the findings from the basic summary statistics (see sections 3.2.1 and 3.2.2 respectively). I then develop country-level hypotheses to be tested based on institutional theory and describe the empirical tests for the latter (see sections 3.3.1 and 3.3.2 respectively). I conclude the section with a summary and discussion of the main results of the quantitative part of my study (see section 3.4). The synthesis of research results from both the quantitative and qualitative parts of the mixed methods study is given in the final concluding chapter of the dissertation.

3.1   Quantitative methods applied to population data

My approach to studying the patterns of international assignments is divided into two segments. I first provide **summary statistics**, comparing the international assignment implementing firms with the median population firm and other internationally engaged enterprises in Slovenia between 2015 and 2016: (1) firms assigning to the CEE region as a subgroup of internationally assigning firms, (2) exporters, (3) foreign-owned firms, and (4) firms with outward foreign direct investment. In this section, I also analyse **firm-level determinants of the firms' likelihood to assign at least one assignee abroad**. To study the determinants of assignment decision and test Hypotheses 1(a–b), I apply binary response models where my dependent variable is binary with $y_{it} = 1$ if firm i sent at least one employee abroad in year t and $y_{it} = 0$ otherwise. Conditional probability is given by:

$$P(y_{it} = 1|x_{it}, c_i) = F(x_{it}\beta + c_i) \tag{1}$$

where F() is a specified function (standard normal cdf in probit, logistic distribution cdf in logit or cdf of the extreme value distribution in complementary log-log model), x_{it} is vector of explanatory variables including year, region, and industry dummies, and c_i is the firm-specific time-invariant unobserved effect. First, I estimate the pooled probit, logit, and complementary log-log model with standard errors clustered by firms, thus ignoring potential unobserved heterogeneity. Next, I apply panel data estimators. Random effects (RE) estimators assume independence between c_i and x_{it} and that c_i has a normal distribution. In the fixed-effects (FE) logit, I allow c_i and x_{it} to be arbitrarily related by estimating a conditional density that does not depend on the unobserved effect. The population-averaged (PA) model I apply ignores the random effects, yielding population-average effects of the regressors. I also use a complementary log-log model since some studies show they perform better than logit or probit for rare events data such as mine (see Calabrese & Osmetti, 2013). To test whether there are any differences between CEE and non-CEE regions, I estimate bivariate probit for the binary choice of assignments to CEE countries and non-CEE countries, and perform Wald tests to compare coefficients across the two equations.

In this part, I also aim to explain the frequency of assignments in terms of the number of assignments per firm. I study **the determinants of the number of assignments by a firm** in each year. The measure can be generated by sending the same individual abroad several times at one extreme, sending each of the assignees only once at the other extreme, or by any combination of the two. Since the dependent variable takes on nonnegative integer values, I apply count data models. I assume that the number of assignments is Poisson distributed, $y_{it} \sim \mathcal{P}(c_i \exp(x_{it}\beta))$. I first run a pooled Poisson regression that ignores the heterogeneity term c_i, followed by negative binomial model II (NegBin II) which assumes c_i is independent of x_{it} and has a gamma distribution with the unit mean and variance η^2. Given the prevalence of zeroes in the data, I run zero-inflated Poisson and NegBin models that complement the count density with a binary process that determines the probability of no assignment. Next, I run panel count data models: RE model assumes c_i is independent of x_i and distributed as Gamma(δ, δ), while the FE estimator allows arbitrary dependence between c_i and x_i and uses the conditional maximum likelihood to eliminate the fixed effects. For 2016, I also estimate specifications with the number of different posted

employees as the dependent variable. Apart from Poisson, NegBin II and zero-inflated models, I also estimate binomial logit and binomial complementary log-log models. Here I assume y_i given the known upper bound n_i (number of assignments in 2016) and a set of exogenous variables x_i has a binomial distribution, $Binomial\big(n_i, p(x_i, \beta)\big)$, where $p(x_i, \beta)$ is the conditional probability of success on each trial.

Finally, I examine the extensive margin of assignments by looking into **decisions of firms to send employees into a particular country**. Country-specific information on international assignments is only available for 2016. To study the determinants of international assignment decision, I apply a binary response model where the dependent variable is dichotomous with $y_{ic} = 1$ if firm i sent at least one employee to country c in year 2016 and $y_{ic} = 0$ otherwise. I therefore expand the dataset to allow each firm to assign an employee to each of the available 31 host countries. The conditional probability is given by:

$$P(y_{ic} = 1 | x_i, x_c, x_{ic}) = F(\beta_0 + x_i\beta^I + x_c\beta^C + x_{ic}\beta^{IC} + u_{ic}) \qquad (2)$$

where F() is a specified function (logistic distribution cdf in logit, standard normal cdf in probit, or cdf of the extreme value distribution in a complementary log-log model), x_i is the vector of firm-specific explanatory variables, x_c is comprised of host-country-specific determinants, and x_{ic} is a set of variables that vary across firms as well as across markets. I report the results from logit estimates with standard errors clustered by firms. In addition, I use a probit and complementary log-log model as a robustness check (see also Calabrese & Osmetti, 2013).[72]

I include a broad set of **control variables** beyond those that test Hypotheses 1–3, because excluding them would produce omitted-variable bias. For example, omitting the information on firms' geographical patterns of exports, imports, and FDI would falsely attribute their effects on international assignments to host country institutional quality or international assignment agglomeration forces. The vector of firm-level regressors x_i includes total factor productivity (*TFP*) as a measure of firm productivity, estimated according to the Ackerberg et al. (2015) method, a logarithm of employment (*emp*) and a logarithm of revenue to account for firm size, a dummy for exporters (*I(exporter)*), the share of exports in total revenue (*Ex share*), a foreign ownership indicator (*inFDI*), and a dummy for outward foreign direct investment (*outFDI*) to account for firms' integration in global value chains, a logarithm of average wage per employee (*avgwage*) as a proxy for human capital, the capital-labour ratio (*K/L*) to control for relative factor intensity in production, the debt-to-assets ratio (*debt/asset*) to account for financial indebtedness, return on assets (*ROA*) as a measure of profitability, the share of intangibles in total assets (*intang/assets*) as a proxy for firm tacit knowledge, firm age, a dummy for firms established before 1994, when the available dataset begins, region dummies, and 2-digit NACE industry dummies. Apart from firm-level regressors that are constant within each firm spell, I include host-country-specific variables (x_c) that vary within the firm spell but are identical within each host-country unit. These include the log of host country population to account for market size and the log of its GDP per capita to control for level of development and production cost. Finally, the firm-country-

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[72] The results are similar and thus omitted. They are available upon request.

specific set of variables (x_{ic}) includes information on firm i's exports of goods to host country c, its imports of goods, exports of services, imports of services, outward FDI to country c, and foreign ownership over firm i from country c. Initially, these variables enter the model in binary form, followed by a specification using logarithmic values of these variables.

I test Hypotheses 2(a–c) (that quality of economic, political, and legal institutions in the host country decreases the probability of international assignments) by including the level of host country's institutions as measured by five Worldwide Governance Indicators (WGI): (i) Regulatory Quality as a proxy for economic institutions, (ii) Political Stability and Absence of Violence, (iii) Government Effectiveness, and (iv) Control of Corruption as proxies for political institutions, and (v) Rule of Law as a proxy for legal institutions. The hypothesis is corroborated if the coefficients on the institutional indicators are statistically significant and negative.

To test Hypothesis 3, that firms are more likely to implement international assignments to institutionally similar emerging markets compared to dissimilar developed markets, I add a CEE dummy and a set of interaction terms between international assignment determinants and the CEE dummy ($CEE * x_i, CEE * x_c, CEE * x_{ic}$) to the above specification (1). Hypothesis 3 will be corroborated if the coefficient on the CEE dummy is statistically significant and positive. Coefficients on interaction terms will identify the differences in the pattern of international assignments between CEE and non-CEE host countries.

The theoretical development of hypotheses, empirical tests, and results of the analyses are presented in sections 3.2 and 3.3.

3.2   Firm-level determinants of firms employing international assignments

3.2.1   Theories of heterogeneous firms and trade

In developing a theoretic framework for explaining firms' decisions regarding assignments, I first turn to theories of heterogeneous firms and trade. These are used as a theoretic basis for mapping firms according to their inclination and capability for engaging in international assignments. Theories of heterogeneous firms and trade provide a strong basis for studying firms' inclination for international employee mobility, especially due to an emphasis on international intra- rather than inter-industry trade, and a focus on firm-level determinants of doing international business. International assignments most often take place within the same industry and are aimed at facilitating business internationalisation (i.e. they either aid foreign market entry or promote greater engagement in a firm's existing foreign market through learning and networking). Since assignments coincide with firms' internationalisation decisions, whereby not all firms are motivated or capable of engaging in internationalisation and the related activities, I develop hypotheses on firms' likelihood to implement international assignments based on the heterogeneous firms and trade literature.

This stream of the literature argues that exporting as well as importing firms (i.e. firms most likely to engage in international employee mobility) differ substantially from firms serving solely

domestic markets. Internationalised firms are larger, pay higher wages, and are more productive compared to firms from the latter group, even prior to entering international markets. They are also more likely to be active in skill-intensive rather than labour-intensive sectors. Being the most productive, resource-rich, and efficient in their domestic markets (already pre-internationalisation) enables such firms to overcome the costs of entering international markets (Bernard et al., 2007; Melitz & Redding, 2012; Redding, 2010). The capability of entering a foreign market does not imply a capability of (or a need and inclination for)[73] employing international assignments, though, as this staffing strategy may bestow further costs upon a firm. The first-year costs alone of sending employees on assignments abroad are estimated to be at least three times the base salaries of assignees' domestic counterparts (see e.g. Wiederspahn, 1992). Due to the large costs of international employee mobility and a need for its sufficient dispersion to create knowledge spillovers (for skill-intensive sectors)[74] or sufficient quantity to generate economies of scale in concentrated locations (for labour-intensive sectors), I thus argue that:

– **H1a**: Firm-level performance is positively related to the firms' likelihood to use international assignments.

In line with theories of heterogeneous firms and trade, assigning employees to emerging or developing markets entails firms having sufficient resources to be able to cope with the additional barriers these markets present. It has been suggested that internationalisation and expatriation from and to emerging markets can be particularly costly (e.g. due to the additional uncertainties introduced by the scarce, unstable, and poorly enforced institutions as well as the unwillingness or unavailability of suitable international assignees to expatriate to these locations). Chen and Moore (2010), for instance, find a positive correlation of total factor productivity with firms' ability to invest abroad to be more pronounced in less attractive markets (i.e. markets with a relatively small market potential, high unit labour cost, large fixed cost of investment, and low import tariff) that

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[73] Another labour-related finding by these theories is that not only does size of a firm matter for its international success, an even more important growth benefit associated with international firms may be related to the transfer of knowledge among countries. Since (technological) knowledge transfer may not always be efficient through market mechanisms such as patent agreements, temporary physical international employee mobility may solve this issue more efficiently – especially if the levels of knowledge and skills in the recipient area are low. The very lack of knowledge on the part of its recipients, however, is also posited to prevent them from appreciating the full value of the knowledge available from more technically advanced firms abroad (Baldwin, 1970).

[74] Among the costs of entering a market, the costs of knowledge acquisition and transfer in particular vary according to the type of knowledge prevalent in a sector or industry. Tacit knowledge is the most difficult to transfer as it requires face-to-face mechanisms such as (longer-term) international assignments to be dispersed cross-units and cross-borders (see e.g. Bonache & Zarraga-Oberty, 2008; Stanley & Davidson, 2011) effectively and efficiently, whereas technological knowledge, which is less likely location-specific, tends to be more easily applicable to different countries (Anand & Delios, 1997; Fang, Jiang, Makino, & Beamish, 2010).

tend to have higher cut-off productivities and attract a greater proportion of productive multinationals. I thus further propose that:

− **H1b**: Quality of the host institutional environment weakens the positive correlation between the firm-level performance and likelihood to use international assignments.

In both hypotheses, I suggest that emerging market firms with limited resources in particular tend to optimise their costs and increase their return on investment by capitalising on expatriation by employing further international assignments after the first: i.e. once they build the capabilities for expatriation they also use them. Empirical tests for the first set of hypotheses (H1a–b) are presented in section 3.2.2. However, the variables considered in theories of heterogeneous firms and trade only include tangible aspects of the firm's characteristics and business performance. They neglect the intangible aspects such as organisational narratives and discourses that are also likely to influence expatriation patterns through impacting the decision-making processes rather than solely the outcomes of assigning. These aspects are addressed in the qualitative part of the study presented in section 4.

3.2.2 Empirical tests for firm-level determinants of international assignments

I begin the presentation of empirical results by presenting simple summary statistics for firms with international assignments in the years 2015 and 2016 in comparison to the population of firms and in contrast to exporters, foreign-owned firms, and firms with foreign subsidiaries abroad (see Table 5). This is an extension of the analyses presented in section 2.2.3, where I provide a comparison of firms by international engagement type (excluding international assignments). The analyses show that the median firm using international assignments is on average 3.5 times larger in terms of employment, 4.8 times larger in revenue, pays a 85.9% higher average wage per employee, and generates 63.1% higher value added per employee than the population median firm. This is useful comparative data that does not exist in the typical international assignment research that predominantly looks at management patterns (Dowling, Festing, & Engle, 2013). Assigning firms are also much more likely to export, have considerably higher export intensity, exhibit higher profitability, and experience a better total factor productivity. They perform better compared to foreign-owned firms and exporters (except in terms of labour productivity) and firms with outward FDI (except in size, average wage, and labour productivity). Firms assigning employees to CEE countries exhibit better performance indicators than firms posting their employees to non-CEE countries. This is consistent with previous research arguing that only the most productive firms can overcome the high transaction costs related to doing business in less stable and (perceived to be) riskier environments (Rasciute & Downward, 2017).

Table 5. Comparison of firms with international assignments and other internationally engaged enterprises in Slovenia, 2015–2016

	ln(emp)[#]	ln(rev)[#]	Exporter	Ex share	ln(avgwage)[#]	VA/emp[#]	ROA	TFP	Age
Int Assign	1.95	12.69	77.8%	48.1%	9.54	17,339	5.1%	4.03	7.8
N=5,049	(1.30)	(2.30)	(0.416)	(0.423)	(1.01)	(19,589)	(18.1%)	(6.31)	(7.2)
Assign to CEE	2.77	13.94	76.5%	35.8%	9.84	24,822	6.3%	3.34	11.6
N=526	(1.45)	(1.90)	(0.424)	(0.391)	(0.63)	(19,577)	(12.0%)	(6.08)	(7.8)
Exporters	1.15	12.64	100.0%	40.1%	9.48	20,043	4.7%	0.35	10.6
N=39,961	(1.24)	(1.98)	(/)	(0.388)	(3.19)	(133,948)	(17.4%)	(3.72)	(7.83)
inFDI	0.94	12.78	63.6%	36.4%	9.46	22,374	1.9%	-0.65	9.7
N=15,759	(1.69)	(5.27)	(0.481)	(0.424)	(4.59)	(866,488)	(0.21%)	(3.80)	(7.5)
outFDI	3.17	15.34	80.4%	35.3%	10.10	39,033	4.0%	-0.60	17.3
N=1,039	(2.00)	(3.49)	(0.397)	(0.362)	(2.76)	(147,236)	(11.7%)	(3.57)	(6.0)
Total	0.69	11.13	33.0%	13.3%	8.92	10,629	1.4%	-0.009	9.6
N=121,150	(1.06)	(4.42)	(0.470)	(0.292)	(4.36)	(201,552)	(18.8%)	(4.31)	(7.8)

Notes. [#] report median values, otherwise average values of the variables are stated. The standard deviations are in parentheses. ln(emp) is the log of employment, ln(rev) is the log of revenue, Exporter is an exporter dummy, Ex share is the share of exports in total revenue, ln(avgwage) is the log of average wage per employee, VA/emp is the value added per employee, ROA is the return on assets, TFP is the total factor productivity estimated by the Ackerberg et al. (2015) procedure, Int Assign are the firms with international assignments, inFDI are the foreign-owned firms, outFDI are the firms with outward foreign direct investment and Total is the entire population of firms in 2015 and 2016.

Source: *Own calculations based on the merged dataset.*

Finally, among all the studied groups of internationally engaged firms the median firm using international assignments is the youngest (while still a mature) firm, which may imply that international assignments are the first market entry mode during the internationalisation of firms from Slovenia. In comparison, a median firm with outward FDI has the longest tradition compared to other types of firms and is also (almost two times) older than the population median firm.[75] This further suggests that Slovenian firms follow **the two-stage internationalisation strategy** for emerging market firms proposed by Williamson (2015): i.e. they first build up their competitive advantage and strengthen their position domestically and only then enter foreign markets, whereby they proceed with caution – by applying international assignments as their initial market entry mode (an approach also confirmed by several pilot cases). This further gives support to the traditional business internationalisation theories arguing for the incremental internationalisation of firms (see e.g. Johanson & Vahlne, 1977), and also for internationalisation from emerging markets.

An overview of the sectoral distribution of assigning firms shows that half of international assignments are used by companies from the construction sector (51.2%), followed by the

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[75] This is consistent with the findings by Jaklič and Svetličič (2008) that Slovenian firms with the largest and most dispersed outward FDI funds are mainly older, privately-owned firms established pre-transition.

manufacturing industry (35.5%) (see Figure 6). Because of the specificities of international assignments in construction (these international assignments are far less concerned with control or knowledge acquisition and transfer, but are rather focused on service provision, and also create the lowest share of income and value added (data for 2017, SURS, 2018)), I omit this sector from the remaining part of the analysis.

Figure 6. Distribution of firms with international assignments by industry, 2015–2016
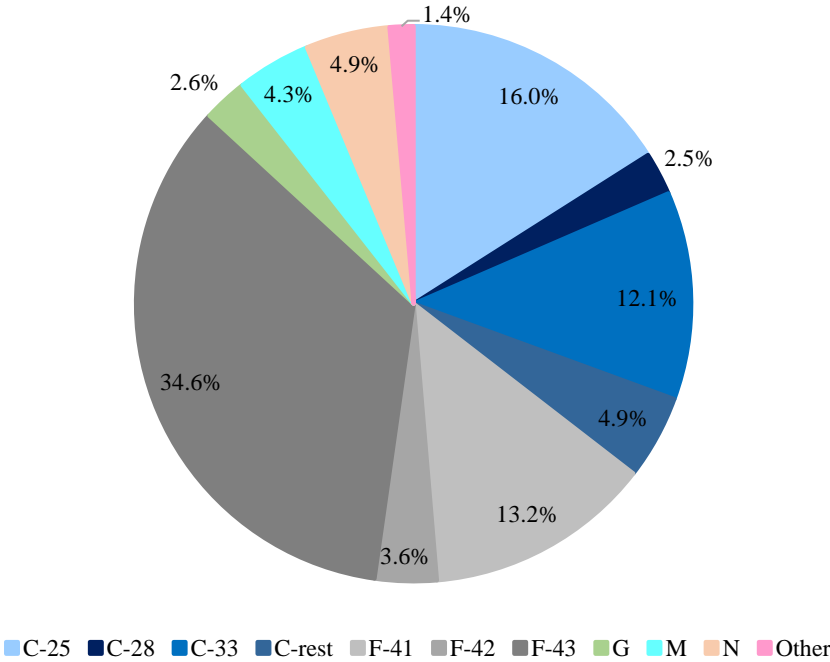
Notes. Figure 6 depicts the number of assignments in an industry as a share in the total number of assignments in 2015 and 2016. C-25=Manufacture of fabricated metal products; C-28=Manufacture of machinery and equipment; C-33=Repair and installation of machinery and equipment; C-rest=Rest of manufacturing; F-41=Construction of buildings; F-42=Civil engineering; F-43=Specialised construction activities; G=Wholesale and retail trade; M=Professional, scientific and technical activities; N=Administrative and support service activities.

Source: *Own calculations based on the merged dataset.*

Most of the international assignments outside of construction are directed to Slovenia's largest trade partners or neighbours. The CEE region hosted only 6.2% international assignments from Slovenia in 2016 (see Figure 7). Not all CEE markets are included in official statistics on expatriation from Slovenia, however. The historic ties to CEE markets as well as the findings on Slovenian firms' internationalisation patterns (see sections 2.2.1 and 2.2.2) suggest that the overall percentage of assignments to these markets may be higher. Also, the vast majority of assigning firms (74.5% in 2015 and 75.5% in 2016) implement more than one international assignment per year (excluding sole proprietors, this percentage increases further and exceeds 80%), which confirms my assumption that firms are more likely to use multiple assignments rather than one.

Figure 7. Geographical distribution of firms with international assignments by host country, 2016
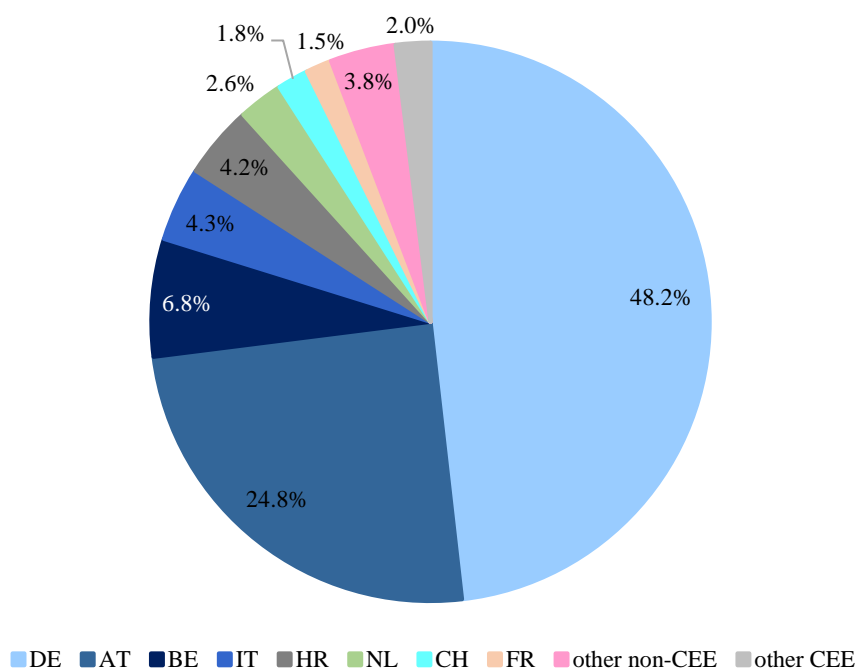
Notes. In Figure 7 grey depicts countries belonging to the CEE group (construction sector is omitted).

Source: *Own calculations based on the merged dataset.*

I now present the results of the analysis explaining **a firm's decision to conduct international assignments**. Consistent with H1a and H1b, Table 6 shows that firm productivity as measured by TFP is positively correlated with assignment status (column (1)), which is driven by the positive association between productivity and assignments to non-CEE countries (column (3b)). Higher ROA, on the other hand, is positively correlated with assignment to CEE countries (column (3a)), but not with assignments to non-CEE countries. Similar to export and FDI decisions (Helpman, Melitz, & Yeaple, 2004), more productive and profitable firms apparently self-select into this form of international operations. Next, larger firms in terms of employment are more prevalent with regard to posting employees abroad, while the partial effect of higher revenue is consistently negative for postings to non-CEE region and positive for assignments to CEE countries. Exporters are on average more frequent users of international assignments and the probability increases with higher export share, especially for assignments to the non-CEE region, even after controlling for higher productivity and size. This implies assignments are tightly interlinked with the exporting activity of a firm. On the other hand, neither inward nor outward FDI is associated with higher assignment probability.[76] Human capital reflected in higher average wages affects the international

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[76] Differences in assignment utilisation may exist between foreign investors based on the type of FDI they employ (i.e. market seeking, resource seeking, export seeking, and efficiency seeking FDI (Dunning, 2004)). Due to data limitations, i.e. the databases used do not include data on the type of FDI other than inward and outward, this assumption cannot be tested. In the future,

transfer of employees positively in the FE Logit model (and PA Logit and PA complementary log-log model), implying that international assignments can serve as a channel of knowledge transfer from or to the sending firm.

Table 6. Explaining the decision to implement international assignments and number of assignments per firm, 2015–2016

	(1)	(2)	(3a)	(3b)	(4)	(5)	(6)	(7)
	Decision to assign				Number of assignments		Number of assignees	
	C LogLog	Logit FE	CEE	nonCEE	NegBin II	NegBin FE	ZI NegBin	Bin Logit
TFP	0.0427**	0.126	-0.0350[a]	0.0319**[a]	0.178***	0.0634*	0.0330**	0.0228
	(0.0211)	(0.153)	(0.0328)	(0.0133)	(0.0398)	(0.0362)	(0.0151)	(0.0516)
ln(emp)	0.494***	0.915**	0.238***	0.313***	1.525***	0.441***	0.554***	-0.0959
	(0.0364)	(0.414)	(0.0438)	(0.0237)	(0.0832)	(0.0778)	(0.0872)	(0.0986)
ln(revenue)	-0.104***	0.0247	0.0692**[a]	-0.0572***[a]	-0.229***	-0.148***	0.181***	0.108
	(0.0187)	(0.216)	(0.0330)	(0.0117)	(0.0379)	(0.0419)	(0.0696)	(0.0823)
I(exporter)	0.869***	0.711***	0.193**[b]	0.339***[b]	0.771***	0.589***	-0.157	-0.310
	(0.0799)	(0.247)	(0.0765)	(0.0485)	(0.137)	(0.121)	(0.133)	(0.202)
Ex share	0.920***	2.247***	0.0788[a]	0.624***[a]	1.926***	0.974***	1.116***	-0.0961
	(0.0798)	(0.608)	(0.0827)	(0.0514)	(0.155)	(0.147)	(0.127)	(0.164)
inFDI	0.0597	-0.338	-0.105	0.0267	-0.316**	0.0111	-0.520***	0.297***
	(0.0735)	(1.053)	(0.0799)	(0.0464)	(0.158)	(0.144)	(0.104)	(0.0995)
outFDI	0.0658		0.00225	-0.0506	-0.440	-0.0346	-0.663**	0.646**
	(0.167)		(0.129)	(0.112)	(0.564)	(0.427)	(0.332)	(0.273)
ln(avgwage)	0.0705	0.982***	0.0615	-0.0137	-0.0544	0.672***	0.248**	-0.231*
	(0.0457)	(0.351)	(0.0756)	(0.0314)	(0.109)	(0.0945)	(0.110)	(0.126)
K/L	-0.168***	-0.226*	-0.0415	-0.0683***	-0.193***	-0.108***	-0.157***	0.160***
	(0.0184)	(0.119)	(0.0259)	(0.0113)	(0.0381)	(0.0407)	(0.0496)	(0.0616)
debt/asset	0.0427	-0.603	0.0150	0.0148	0.242*	0.166	0.589***	0.259
	(0.0557)	(0.572)	(0.0738)	(0.0322)	(0.137)	(0.143)	(0.174)	(0.196)
ROA	0.201	-0.393	0.362*	0.123	1.097***	0.477***	0.826***	-0.215
	(0.140)	(0.568)	(0.189)	(0.0936)	(0.271)	(0.185)	(0.279)	(0.329)
$(\text{intang/assets})^2$	3.338*	-7.871	1.744	1.546	4.562*	2.947	40.48***	3.908
	(2.017)	(26.94)	(1.864)	(1.017)	(2.560)	(6.400)	(11.61)	(10.49)
intang/assets	-3.863***	1.354	-2.269*	-1.951***	-6.826***	-1.079	-17.46***	-1.696
	(1.331)	(10.29)	(1.324)	(0.751)	(2.304)	(2.953)	(3.785)	(4.132)
age	-0.048***	-0.275	-0.00200[a]	-0.0209***[a]	-0.0286**	-0.0440***	-0.0198**	-0.00385
	(0.0059)	(0.000)	(0.00583)	(0.00350)	(0.0114)	(0.0167)	(0.00970)	(0.0100)

researchers are advised to investigate potential differences in FDI type and its links to international assignment use.

	(1)	(2)	(3a)	(3b)	(4)	(5)	(6)	(7)
		Decision to assign			Number of assignments		Number of assignees	
	C LogLog	Logit FE	CEE	nonCEE	NegBin II	NegBin FE	ZI NegBin	Bin Logit
I(old)	0.0789		-0.114	-0.0147	-0.134	-0.0648	-0.0952	0.102
	(0.107)		(0.0916)	(0.0644)	(0.220)	(0.273)	(0.168)	(0.160)
I(year=2016)	0.126***	0.537***			0.0864	0.211***		
	(0.0291)	(0.0816)			(0.0636)	(0.0341)		
constant	-3.609***		-4.493***	-2.206***	-0.924	-7.732***	-4.539***	-0.329
	(0.540)		(0.772)	(0.431)	(1.042)	(1.515)	(0.945)	(1.405)
alpha					38.9***		1.75***	
					(1.76)		(0.17)	
N	69,851	1,584	36,130		70,959	3,022	36,130	1,328
Log likelihood	-7,552	-549.0	-4,727		-18,001	-3,436	-8,387	-5,624
Year FE	yes	yes	no		yes	yes	no	no
Region FE	yes	yes	yes		yes	yes	yes	yes
Industry FE	yes	yes	yes		yes	yes	no	yes
Firm FE	no	yes	no		no	yes	no	no

Notes. The dependent variable in columns (1)-(3b) is a dummy variable for a firm sending at least one employee on an international assignment in the current year; in (4) and (5) it is the number of international assignments a firm conducts in a given year; and in (6) and (7) it is the number of different employees sent on international assignments by a firm in 2016. The standard errors clustered at the firm level are in parentheses. ***, **, * indicate a significance level of 1%, 5%, and 10%, respectively. [a(b)] indicates variables for which the Wald test shows a statistically significant difference in coefficients for CEE (column (3a)) and non-CEE (column (3b)) equations in the bivariate probit at 5% (10%) level. The standard deviations are in parentheses. TFP is the total factor productivity estimated by the Ackerberg et al. (2015) procedure, ln(emp) is the log of employment, ln(rev) is the log of revenue, Exporter is an exporter dummy, Ex share is the share of exports in total revenue, inFDI are the foreign-owned firms, outFDI are the firms with outward foreign direct investment, ln(avgwage) is the log of average wage per employee, K/L is the capital-labour ratio, debt/asset is the debt-to-assets ratio, ROA is return on assets, intang/assets is the share of intangibles in total assets and, age is a dummy for firms established before 1994.

Source: *Own calculations based on the merged dataset.*

Moving from simple assignment status to **explaining the number of assignments by a firm in a given year**, columns (4) and (5) in Table 6 report the results where the dependent variable is the number of postings. Since the parameter alpha in negative binomial models is highly statistically significant, implying overdispersion, the NegBin model is more appropriate than the Poisson model, so I only report the former. Acknowledging this fact, I find that (consistent with H1a) more productive, profitable, and larger firms (in terms of employment) make more personnel transfers. Exporters, and particularly exporters with higher export share in revenue, send their employees abroad more often, thus confirming the significance of exporting on the intensive margin of international assignments. There is no convincing association between outward FDI and the number of international postings. This supports the implications of international assignments presenting a separate market entry mode. The results of the analyses also show that firms with foreign ownership tend to have a lower number of expatriate assignments from Slovenia. Human

capital, as revealed through higher average wages, increases the expected number of assignments, while the firms' intangible assets exhibit a U-shaped relationship with transfers abroad. As in the case of assignment status, the number of postings decreases with firm age and increases with the labour intensity of the production process. This is consistent with past research showing that MNEs experience greater needs for expatriation (especially aimed at knowledge transfer) at both their parent firm's and foreign affiliates' early development stages (Belderbos & Heijltjes, 2005; Fang et al., 2010; Gaur et al., 2007; Hébert, Very, & Beamish, 2005; Smale & Suutari, 2011). It is thus important to consider the temporal dimension when studying expatriation and its patterns (Fang et al., 2010).

Firms not only have to decide whether to use international assignments and how many times these are conducted, but also which of their employees to send abroad. This is an important HRM decision bound on one side by a firm's human resource capacities and shaped on the other by strategic considerations between specialisation and dispersion of its expatriates. Columns (6) and (7) in Table 6 show the determinants of firm's decision on how many different employees it sends on assignment abroad. Productivity, profitability, size, export share, foreign ownership, average wage, capital-labour ratio, intangible assets, indebtedness, and firm age exhibit the same direction of association between the number of transferred personnel as was the case for assignment status and number of postings. Binomial logit (column (7)) and cloglog models, performed only on a sample of a positive number of assignments, suggest that the probability of sending an additional employee abroad is higher for foreign-owned firms, firms with subsidiaries abroad, and more capital-intensive firms. I attribute this to the high costs of international assignment implementation and management.

Overall, the results of the analyses presented in this section confirm the first set of hypotheses (H1a–H1b), and thus that only the best performing firms decide to expatriate. This effect is further strengthened for emerging markets. I address the remaining two hypotheses (H2 and H3) in the next section (i.e. section 3.3).

3.3 Firm-country and country-level determinants of firms employing international assignments

3.3.1 Institutional theory: institutions as determinants of firms' international assignment location decisions

Once a firm is capable of assigning its employees internationally and recognises a need for expatriation, it has to strategically select the locations in which such mobility will have the desired impact. However, the firm's international location choice is not determined solely by its capacities and strategic goals. It is also conditioned upon the macro-contexts in which the firm operates or aims to operate. In this respect, institutions as determinants of internationalisation strategies and corporate expatriation patterns are particularly relevant in emerging markets and for emerging market firms (Chan et al., 2008). I thus use institutional theory to explain why firms assigning employees from emerging economies might do so, and whether they are more likely to send

expatriates to other emerging or developed markets. The theoretical framework for further empirical tests is presented below (see section 3.3.1.1).

3.3.1.1 Institutional quality and international assignments

Institutions are more or less codified (Ahlstrom & Bruton, 2006) 'rules of the game' (North, 1990) that determine social relationships, actors' roles in them, and standards and expectations for legitimate action by actors in a certain context (Ahlstrom & Bruton, 2006; Ando & Paik, 2013). One of the key roles of institutions is to reduce uncertainty through restricting firms' strategic options in a specific context (Friel, 2011; Meyer et al., 2009; Peng, 2008). The 'uncertainty reduction' role performed by international assignees is most needed in environments with poor institutions (Berry, 2017; Moreira & Ogasavara, 2018). 'Poor institutions' is a concept related to the quality and stability of regulatory provision. Poor institutions can be seen to exist when the enforcement of norms, regulations, and provisions is weak (Buonanno et al., 2015). This lower institutional quality creates costs and problems that may be especially pertinent where institutions are more recent and less developed – i.e. in many emerging economies (Dunning & Lundan, 2008b; Lombardo, 2000).

Institutions can be deconstructed into **economic, political, legal, and social institutions**. Economic institutions refer to market intermediaries that determine the incentives for and constraints on economic actions (Chan et al., 2008; North, 1990). Political institutions are comprised of governments and the constraints they impose on actors through different policies (Chan et al., 2008). Legal institutions refer to distinct legal systems that govern specific forms of social behaviour within the overall legal system (Ruiter, 2001). Finally, social institutions include a set of positions, roles, norms, and values that generate relatively stable and regular patterns of human behaviour in recurrent situations aimed at sustaining viable societal structures (Schotter, 1981 in Langlois, 1986; Turner, 1997). Hitherto, the expatriation and international management literature has concentrated on cultural differences between countries and thereby on the social institutional context factors influencing expatriation (Caligiuri, 2012; Dickmann et al., 2018; Haslberger, Brewster, & Hippler, 2013). Harzing and Pudelko (2016) are particularly critical of the concept of (cultural) distance in international business. They empirically show that the differences in home and host country contexts rather than (cultural) distance between them have greater power in explaining the firms' choice of market entry mode. They describe cultural distance as "nothing more than a proxy for factors that *really* matter" (Harzing & Pudelko, 2016, pp. 10, original emphasis). Brookes, Croucher, Fenton-O'Creevy, and Goodrham (2011) come to a similar conclusion in their empirical study on the determinants of organisational HRM practices, whereas Kazlauskaitė et al. (2013) present a similar case for non-culture related determinants of HRM practices in CEE countries. In this part of the study, I thus research the more codified economic, political, and legal institutions that impact assignment choices. The intangible social aspects of the context that may additionally explain the firms' international staffing decisions and decision-making are captured in the qualitative part of the study (especially in the part focusing on organisational and individual-level international staffing discourses – see section 4).

Combined or individually, institutions determine the level of and variation in foreign affiliate performance as well as international staffing practices (Chan et al., 2008; Gaur et al., 2007). When addressing economic institutions, authors argue that poor availability of and access to credible local informants about a foreign business environment in less developed markets can be compensated for by firms' participation in informal networks (e.g. business groups) and through relationship building (Khanna & Palepu, 1997, 2000; Peng, 2000, 2003; Peng & Heath, 1996). As trustworthy boundary spanners (i.e. connectors and mediators) between enterprise units (Ando & Paik, 2013; Reiche et al., 2009) as well as between various organisations in multiple countries, international assignees can play a key role in relationship building. They are socialised into and trusted by the firm (Belderbos & Heijltjes, 2005; Tan & Mahoney, 2006), while international assignees from the headquarters in particular also possess parent firm knowledge (Harzing et al., 2016; Reiche et al., 2009) and can transfer this to local operations (Chang, Gong, & Peng, 2012; Gaur et al., 2007; Gong, 2003b) and back. Overall, expatriates are useful in minimising agency problems and other uncertainties amplified through distance and poor institutions (Berry, 2017).[77] Extant research shows that firms are thus more likely to assign employees to volatile economies, which are short of skilled local labour (Khanna & Palepu, 2000; Tung, 2007). However, most studies on international assignments in emerging market contexts focus on developed market firms assigning their employees to emerging markets (e.g. Beddi & Mayrhofer, 2010) rather than on emerging market firms assigning their employees abroad (for an exception see Zhu et al., 2018). I thus test the following hypothesis specifically for firms expatriating from an emerging market:

- **H2a**: Quality of economic institutions in the host country is negatively related to the use of international assignments by firms.

In terms of political institutions, (perceived) political risk increases the level of information processing that occurs between the affiliate and corporate headquarters (Boyacigiller, 1990), and augments the need for stronger control and coordination mechanisms (Staw, Sandelands, & Dutton, 1981), leading to higher instances of staffing units with international assignees (Ferner, Quintanilla, & Sánchez Runde, 2006; Kanter, 1977). In contrast, if political institutions are well developed, there is a local pool of skilled (public) professionals with whom the organisation can work. In turn, the firm is also less likely to assign employees abroad with the aim of interacting with the government (Gaur et al., 2007). I thus propose that:

- **H2b**: Quality of political institutions in the host country is negatively related to the use of international assignments by firms.

In relation to the legal institutional environment of the assignee host country, transparency of laws and their adequate enforcement are the key determinants of doing business in a particular market. Poor legal institutions imply poor protection of intellectual property rights (IPR) and costly corruption (Chan et al., 2008). Berry (2017) argues that international assignees can limit the unintended knowledge spillovers occurring during firm internationalisation due to poor

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[77] This does not preclude expatriates from entering a principal-agent relationship with the firm themselves, however.

institutional protections for intellectual property. I add to this, and argue that international assignees can also act as commercial diplomats (i.e. individuals lobbying for institutional change in a foreign market on the firm's behalf) in environments with poor legal institutions. Boddewyn (1988) and Boddewyn and Brewer (1994) suggest that corruption may even create opportunities for foreign firms to engage in political behaviour – a role that may be performed by assignees. I propose that:

- **H2c**: Quality of legal institutions in the host country is negatively related to the use of international assignments by firms.

In summary, I propose that poor institutions promote the assignment of parent-country nationals in subsidiaries for their inter-organisational networking role, for commercial diplomacy, and for (knowledge) control purposes. Given that the academic literature has concentrated on cultural differences between countries and their impact on expatriation (Dickmann et al., 2018), it is crucial to assess the until now neglected economic, political, and legal institutional pressures on firms' international staffing decisions.

3.3.1.2 Institutional distance and international assignments

International firms do not exist in one national institutional environment, but rather operate in at least two contexts (Xu, Pan, & Beamish, 2004) – and encounter pressures for compliance with both (Rugman & D'Cruz, 1993), thereby bridging institutional distance. Phillips, Tracey and Karra (2009, pp. 343) define **institutional distance** as *"a measure of the differences in the cognitive, regulative and normative institutions that characterize the relevant organizational fields in the home and host environments and the degree of institutional uncertainty in the host country."* Normally, firms are most cognisant of their domestic institutional environments. Since no two markets are identical, internationalisation aimed at the exploitation of the firm-specific resources and location-specific advantages of a particular host country (Dunning & Lundan, 2008b) always presents a certain level of (institutional) uncertainty. Differences in sending and receiving institutional environments thus necessitate (additional) learning by firms and their employees about the new environments (Benito & Gripsrud, 1992) in order to reduce uncertainty (Perkins, 2014).

Here, I do not refer only to the institutional distance between sending and receiving markets, but also to the institutional distance between the country of the new foreign entry and the institutionally closest country in which the firm is already active. Hutzschenreuter et al. (2011) describe this feature of internationalisation and internationalisation learning as **the added distance**. Biased by the 'lessons' already learnt, firms are expected to agglomerate their international activities in additional foreign markets that are similar to their home environment over time (Barkema & Vermeulen, 1997). Only once firms gain more experience can they recombine the acquired knowledge in order to use it in new (also more distant) environments. As the firms' (institutional) knowledge base expands, so does the range of their future internationalisation choices (Cyert & March, 1963; Perkins, 2014). I argue that international assignment patterns will reflect the cumulative and gradual nature of learning as well.

Institutional theorists argue that institutional differences between sending and receiving countries play a key role in firms' internationalisation (Martinez & Williams, 2012; Xu & Shenkar, 2002), and more recently also in firms' expatriation behaviour (Moreira & Ogasavara, 2018). When the differences between firms' sending and receiving environments are large, as is the case for businesses operating in both emerging and developed economies, the opposing institutional pressures can result in potentially conflicting business practices (Brouthers, Brouthers, & Werner, 2008) and increased transaction costs due to the strategic adjustments and learning investments needed (Carlson, 1974; Eriksson et al., 1997). It is likely that emerging market firms will focus their international assignment efforts on a group of institutionally similar markets (either individually or as a region) to diminish the learning costs (Boeh & Beamish, 2012) as well as increase the effectiveness and efficiency of the exchange of knowledge or good practices within their MNE networks (Stanley & Davidson, 2011).

Zaheer et al. (2012) argue that addressing the question of how two entities (e.g. markets) differ, and not merely focusing on how much they differ, could prove more insightful for researching the impact of institutions on international business. They suggest that, when analysing the impact of institutional differences on internationalisation and international staffing, **the direction** (rather than solely the magnitude) **of distance** should also be considered (Zaheer et al., 2012). This means that institutional distance may have a different impact depending on whether an emerging or developed market firm is entering an emerging or a developed market (Beugelsdijk, Ambos, & Nell, 2018).

For emerging market firms, other emerging markets classify as institutionally proximate markets, where emerging market firms have the advantage of possessing operational knowledge in dealing with institutional weaknesses, such as poorly functioning capital, labour, and information markets (Banerjee et al., 2015; Khanna & Palepu, 2000). These markets nevertheless also present high levels of uncertainty for emerging market firms due to the frequent changes in their institutional environments (Ahlstrom & Bruton, 2006; Trąpczyński & Gorynia, 2017). Developed markets, on the other hand, are classified as institutionally distant markets (see also Phillips et al., 2009) with the already well-developed institutions that emerging market firms have little or no direct experience with (Banerjee et al., 2015). I thus argue that from the perspective of emerging market firms developed markets rather than other emerging markets present greater risks, uncertainties, and market entry costs. Emerging market firms' unfamiliarity with the more developed contexts can increase the uncertainties of these firms operating in such environments, whereas their familiarity with the riskier and less stable business environments may give them an advantage over firms from developed markets lacking such experience in emerging market business environments. I thus posit that:

−   **H3**: Similarity between institutions in assignee-sending and receiving countries is positively related to the firms' likelihood to engage in international assignments.

Contrary to this hypothesis, Ando and Paik (2013) find a positive relationship between institutional distance and the absolute number of parent-country nationals assigned to the subsidiary (see also Gaur et al., 2007), but discover a negative relationship between institutional distance and the ratio

of parent-country nationals to subsidiary employees. The authors attribute these 'mixed' findings to firms (1) overcoming a lack of legitimacy by employing more locals and at the same time (2) maintaining control over foreign operations by increasing the absolute number of parent-country nationals in institutionally distant markets. However, since these findings are based on data on developed market firms, they may not apply to emerging market firms internationalising into distant developed markets, as legitimacy and control issues in the institutionally more developed markets are different from the ones in emerging economies (McMillan & Woodruff, 2012).

In addition, even if emerging market firms faced the same staffing challenges as developed market firms in the institutionally distant economies, they would have limited capacities to address them. Emerging market firms are faced with shortages of international managers (Dickmann, 2018; Meyer & Xin, 2018) and a general difficulty in hiring skilled employees (Khanna & Palepu, 2000; Tung, 2007). The supply of expatriates from emerging market economies to go to other emerging markets is likely to be particularly low. However, this supply is likely to be low for any host market. I argue that international assignment-related location decisions made by emerging market firms have to be even more strategically thought-out – meaning they reflect consideration of factors of assignment success at multiple levels. Empirical tests for firm-country and country-level determinants of expatriation and expatriation location decisions are presented in the next section (i.e. section 3.3.2), whereas the related multilevel decision-making processes are investigated in section 4.

3.3.2   Empirical tests for firm-country and country-level determinants of firms employing international assignments

In this section, I turn to the analysis of firms' decisions about the location of international assignments as based on firm-country and country-level factors (see Table 7). The results in columns (1) and (2) show specifications with a full set of firm-level, host-country-level and firm-country-specific variables. In column (1), I use a binary type of **firm-country-specific variables**, indicating only whether a firm exports, imports or has direct investments in a given host country. In column (2), I test whether not only the presence but also the extent of international business linkages with a host country influences the decision to assign an employee to that country. To this end, I use the logarithm of the value of exports, imports, and FDI stocks instead of the dichotomous indicators. Sending at least one employee to a particular host country is positively associated with firm size in terms of employment, export status and export share, average wage per employee, profitability, labour intensity, and indebtedness. Human capital reflected in higher average wages affects the international transfer of employees positively, implying that international assignments can serve as a channel of knowledge transfer.

Table 7. Decision to post employees to an individual host country

	(1) Logit	(2) Logit	(3) Logit	(4a) ßnonCEE	(4b) ßCEE	(5a) ßnonCEE	(5b) ßCEE
Firm-level variables:							
TFP	0.00159	-0.00441	-0.00114	0.000302	-0.00489	-0.00694	-0.0125
	(0.0312)	(0.0312)	(0.0315)	(0.0318)	(0.0366)	(0.0319)	(0.0365)
ln(emp)	0.516***	0.523***	0.525***	0.548***	0.421***	0.554***	0.450***
	(0.0526)	(0.0518)	(0.0527)	(0.0508)	(0.104)	(0.0505)	(0.102)
ln(revenue)	-0.112***	-0.110***	-0.109***	-0.124***	0.0214 [b]	-0.119***	0.00312 [b]
	(0.0258)	(0.0256)	(0.0259)	(0.0256)	(0.0668)	(0.0256)	(0.0633)
I(exporter)	0.683***	0.712***	0.686***	0.690***	0.570***	0.711***	0.607***
	(0.124)	(0.123)	(0.124)	(0.127)	(0.220)	(0.126)	(0.220)
Ex share	1.005***	0.988***	1.019***	1.153***	0.406**[a]	1.142***	0.408**[a]
	(0.122)	(0.122)	(0.122)	(0.121)	(0.206)	(0.121)	(0.205)
inFDI	-0.447**	-0.419**	-0.441**	-0.518***	-0.238	-0.468***	-0.282
	(0.176)	(0.175)	(0.177)	(0.171)	(0.275)	(0.168)	(0.284)
outFDI	-0.573**	-0.589**	-0.553**	-0.573**	-0.439	-0.562**	-0.515
	(0.254)	(0.254)	(0.253)	(0.248)	(0.425)	(0.245)	(0.430)
ln(avgwage)	0.191**	0.190**	0.190**	0.130	0.617***[a]	0.128	0.613***[a]
	(0.0840)	(0.0840)	(0.0844)	(0.0853)	(0.182)	(0.0853)	(0.182)
K/L	-0.220***	-0.218***	-0.219***	-0.219***	-0.189***	-0.217***	-0.186***
	(0.0299)	(0.0297)	(0.0300)	(0.0303)	(0.0676)	(0.0302)	(0.0678)
debt/asset	0.182**	0.177**	0.183**	0.164**	0.359**	0.160**	0.349**
	(0.0782)	(0.0786)	(0.0786)	(0.0766)	(0.166)	(0.0772)	(0.169)
ROA	0.635***	0.626***	0.637***	0.611***	0.854**	0.597***	0.894**
	(0.216)	(0.216)	(0.217)	(0.220)	(0.411)	(0.220)	(0.411)
(intang/assets)^2	2.224	2.479	2.057	2.056	1.005	2.251	1.940
	(4.078)	(4.036)	(4.130)	(3.853)	(7.968)	(3.815)	(7.730)
intang/assets	-4.076	-4.229*	-3.982	-3.939	-3.610	-4.058*	-4.108
	(2.539)	(2.557)	(2.549)	(2.402)	(4.328)	(2.413)	(4.473)
age	-0.0367***	-0.0364***	-0.0362***	-0.0418***	-0.00563 [a]	-0.0412***	-0.00699[a]
	(0.00773)	(0.00776)	(0.00775)	(0.00771)	(0.0136)	(0.00771)	(0.0137)
I(old)	-0.0263	-0.0104	-0.0259	-0.0132	-0.1548	-0.000874	-0.132
	(0.164)	(0.165)	(0.165)	(0.166)	(0.252)	(0.166)	(0.253)
Host-country-specific variables:							
CEE dummy			-2.325***	-14.92		-18.60	
(Hypothesis 3)			(0.165)	(17.81)		(17.93)	
ln(distance)	-1.874***	-1.900***	-1.919***	-2.128***	-1.413**	-2.166***	-1.342**
(Hypothesis 2)	(0.0753)	(0.0749)	(0.0640)	(0.0970)	(0.587)	(0.0976)	(0.587)
regulatory quality	0.768***	0.771***	0.813***	-0.0357	1.748	-0.0325	1.575
(Hypothesis 2a)	(0.242)	(0.246)	(0.208)	(0.217)	(1.979)	(0.219)	(1.989)
political stability	0.100	0.120	0.692***	1.217***	2.330**	1.249***	2.458**
(Hypothesis 2b)	(0.163)	(0.165)	(0.159)	(0.200)	(0.977)	(0.202)	(0.993)
gov. effectiveness	-1.215***	-1.293***	-0.438*	-0.684	-1.023	-0.753*	-1.056

	(1)	(2)	(3)	(4a)	(4b)	(5a)	(5b)
	Logit	Logit	Logit	ßnonCEE	ßCEE	ßnonCEE	ßCEE
(Hypothesis 2b)	(0.202)	(0.201)	(0.239)	(0.427)	(0.659)	(0.430)	(0.666)
contr. of corruption	0.575***	0.578***	0.707***	1.684***	1.562**	1.736***	1.697**
(Hypothesis 2b)	(0.171)	(0.173)	(0.183)	(0.301)	(0.683)	(0.305)	(0.688)
rule of law	0.716***	0.769***	0.103	-0.292	-2.096	-0.296	-2.385
(Hypothesis 2c)	(0.179)	(0.180)	(0.193)	(0.361)	(1.637)	(0.364)	(1.652)
ln(population)	0.862***	0.880***	0.694***	0.821***	0.251 [a]	0.835***	0.245[a]
	(0.0524)	(0.0531)	(0.0450)	(0.0639)	(0.153)	(0.0647)	(0.153)
ln(GDP p.c.)	0.555***	0.572***	-1.304***	-1.540***	-0.492	-1.572***	-0.127
	(0.0797)	(0.0798)	(0.141)	(0.189)	(1.860)	(0.192)	(1.882)
Firm-country-specific variables:[‡]							
goods EX to cntry	0.451***	0.0404***	0.410***	0.319***	0.641***	0.0268***	0.0695***[a]
	(0.0922)	(0.00915)	(0.0922)	(0.0937)	(0.184)	(0.00907)	(0.0178)
goods IM from cntry	-0.000296	-0.0133*	-0.0658	-0.0859	-0.0506	-0.0209**	-0.0202
	(0.0701)	(0.00778)	(0.0702)	(0.0756)	(0.157)	(0.00828)	(0.0169)
serv. EX to cntry	0.725***	0.0887***	0.709***	0.766***	0.271	0.0885***	0.0538
	(0.187)	(0.0169)	(0.191)	(0.198)	(0.334)	(0.0176)	(0.0331)
serv. IM from cntry	0.768***	0.0550***	0.770***	0.746***	0.968***	0.0544**	0.0719**
	(0.218)	(0.0208)	(0.223)	(0.225)	(0.309)	(0.0212)	(0.0318)
outFDI to cntry	0.884***	0.0356	0.851***	0.163	1.031**	-0.0357	0.0510
	(0.323)	(0.0265)	(0.323)	(0.410)	(0.450)	(0.0331)	(0.0355)
inFDI from cntry	0.201	-0.00467	0.149	0.233	-0.410	-0.00203	-0.0207
	(0.211)	(0.0161)	(0.213)	(0.221)	(0.823)	(0.0171)	(0.0532)
constant	-19.94***	-20.23***	2.119	4.963		5.298	
	(1.606)	(1.620)	(2.102)	(3.289)		(3.317)	
N	1,035,183	1,034,951	1,035,183	1,035,183		1,034,951	
Log likelihood	-11,350	-11,191	-11,109	-11,020		-10,966	
Region FE	yes	yes	yes	yes		yes	
Industry FE	yes	yes	yes	yes		yes	

Notes. The dependent variable is a dummy variable for a firm sending at least one employee on an international assignment to a given host country in 2016. Standard errors clustered at the firm level are in parentheses. ***, **, * indicate a significance level of 1%, 5%, and 10% respectively. Columns (4) and (5) report the results from the CEE interaction specification $\beta_0 + \beta_1 CEE + X\beta_2 + (CEE * X)\beta_3$, where (4a) and (5a) report the coefficients β_2 for non-CEE countries and (4b) and (5b) report the coefficients $\beta_2 + \beta_3$ for CEE countries and the corresponding standard error of the sum. [a (b)] in columns (4b) and (5b) indicates variables for which the corresponding β_3 on the interaction term *CEE*X* is statistically significant at 1% (5%) level. [‡] specifications in columns (1), (3), and (4) use binary indicators for firm-country-specific variables, while (2) and (5) use logged values of these variables. Hypothesis 2 denotes variables that test Hypothesis 2, whereas Hypothesis 3 denotes variables that test Hypothesis 3. Standard deviations are in parentheses. TFP is the total factor productivity estimated by the Ackerberg et al. (2015) procedure, ln(emp) is the log of employment, ln(rev) is the log of revenue, Exporter is an exporter dummy, Ex share is the share of exports in total revenue, inFDI are foreign-owned firms, outFDI are firms with outward foreign direct investment, ln(avgwage) is the log of average wage per employee, K/L is the capital-labour ratio, debt/asset is the debt-to-assets ratio, ROA is the return on assets, intang/assets is the share of intangibles in total assets and, age is a dummy for firms established before 1994.

Source: *Own calculations based on the merged dataset.*

Next, expatriation is more prevalent among labour intensive firms, where person-to-person interaction is more essential. The intangible assets of a firm have a non-linear effect on expatriation, initially decreasing the probability of international assignments at lower shares of intangible assets, while increasing it at higher shares.[78] This could be explained by the dual role of international assignments in knowledge transfers. Firms with lower tacit knowledge use international transfers to acquire knowledge from abroad, while firms with abundant intangible assets use their expatriates to transfer and augment knowledge through inter- and intra-organisational networks (Björkman, Barner-Rasmussen, & Li, 2004; Minbaeva & Michailova, 2004).

Moving to **host country-level determinants**, I observe that traditional gravity model variables perform as expected: market size and level of development increase the odds of sending employees to a destination country, while geographic distance (a control variable) between Slovenia and the host country decreases them.[79] Where economic institutions as measured by the WGI regulatory quality index are of higher quality, the probability of international assignments is higher. A better quality of legal institutions (as assessed by the WGI rule of law index) similarly attracts more international assignments. The quality of political institutions in a host country matters as well: the better control of corruption in a country attracts international assignments more often, yet there is no effect of political stability on the firms' likelihood to assign employees to a specific host country in the pooled sample of both CEE and non-CEE host countries.

The only institutional quality index that exhibits a negative association with international assignments is the government effectiveness index. Where the quality of public services, the quality of the civil service and the degree of its independence from political pressures is lower, there is a higher probability that firms assign their employees. This might mean that firms believe that international assignments can be an effective instrument for protecting firm assets and interests in more unfavourable environments with higher policy instability. It may also imply that emerging market firms asses that they are capable of influencing host country institutions in other emerging markets through international assignees as commercial diplomats. My results thereby indicate that assignees' engagement in commercial diplomacy is linked to poor political (rather than economic) institutions. All in all, my results partially confirm Hypothesis 2b, that the host countries with quality political institutions attract less international assignments. On the other hand, Hypotheses 2a and 2c are rejected, as emerging market firms are more likely to assign their employees to host countries with a higher quality of economic and legal institutions.

There is no statistically significant difference between the CEE and non-CEE region in regard to the correlation between the quality of legal or economic institutions in a host country and the probability of international assignments to such environments. This implies that assignments can

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[78] This conclusion follows from calculating marginal effects of intangibles on the probability to assign at different values of the share of intangible assets in total assets.

[79] I thereby acknowledge that geographic distance is only a rough proxy for travel time, which may be a more important determinant of international assignment flows (see e.g. Boxall & Purcell, 2008).

be an effective instrument of protecting firm assets and interests in more unfavourable environments. The quality of legal institutions has no effect on assignment decisions in the pooled sample (specification (1) in Table 7), however, when split into CEE and non-CEE regions, they exhibit the opposite effect. CEE countries with better legal institutions attract assignments more often, while international postings are used more frequently in non-CEE countries with lower legal institutional quality. Furthermore, international assignments are less likely in countries with better political institutions. This linkage is more pronounced in non-CEE host countries, whereas the association between political institutions and assignments is weaker in the CEE region.

Turning to the last group of determinants, which are **firm- and host-country-specific**, reveals that firms that export goods to a country, export services to a country, or import services from a country are significantly more likely to assign their employees there. From specification (1) in Table 7, it is evident that the exporting of goods to a country increases the odds of posting an employee there by 57%, exporting services to a country by 106%, and importing services from a country by 116%. Having a subsidiary in a country increases the probability of international assignments, conditional on being an outward foreign direct investor. Combining the coefficients on 'outFDI' and 'outFDI to country' yields that for foreign direct investors the odds of an international assignment to a host country increase by 36% if they have a subsidiary in that country. Conversely, foreign direct investors with no subsidiary in a country have a 44% lower probability of posting an employee to this country compared to firms without outward FDI. Slovenian multinationals are thus much more bound within their existing network of subsidiaries abroad in posting international assignments than firms without foreign direct investment abroad.

Foreign ownership, on the other hand, reduces the odds of international assignments, especially to countries from which none of the foreign owners of the Slovenian subsidiary originates. This may be because the direction of international assignments within multinationals is more prevalent in the direction from headquarters to subsidiaries. Unfortunately, I have no data on inbound assignments to test this. In specification (2) in Table 7, where I use the values of exports, imports, and FDI linkages between the firm and potential host country, the results confirm a positive association between international assignments and exports of goods and services to a country and imports of services from a country. In contrast to the dummy variable specification in column (1) of Table 7, the value of outward and inward FDI stock is not relevant in explaining the probability to assign workers to a specific host country.

In column (3) of Table 7, I augment specification (1) with a CEE dummy that distinguishes CEE countries from non-CEE European countries. Once I control for firm-level, country-level, and firm-country-specific factors, firms have a 90% lower probability of assigning employees to CEE countries compared to non-CEE countries. The inclusion of the CEE dummy does not affect the firm-level and firm-country-specific variables much, but increases the effect of political stability and diminishes the effects of government effectiveness and the rule of law. **Comparing CEE with non-CEE host counties** (columns (4a) and (4b) of Table 7), suggests that revenue and average wage are more influential predictors for international assignments to the CEE region (the interaction terms $CEE*x_i$ are positive and statistically significant). Conversely, the export intensity of a firm and the size of host country are less important for international assignments to the CEE

region. These differences between the two groups of host countries are corroborated in specification (5) in Table 7, where I use logarithmic values of firm-country-specific variables instead of simple dichotomous indicators from specification (4) in Table 7. Once I allow for different partial effects of each of the regressors in specifications (4) and (5) in Table 7, there is no significant preference any more in favour of international assignments to the non-CEE region (both CEE dummies turn insignificant). Country size and geographic distance from Slovenia matter less for international assignments to CEE host countries. Two additional differences between CEE and non-CEE host countries are identified by specifications (4) and (5) in Table 7. First, a firm's export of services to a non-CEE country increases the odds of international assignments to this region but does not influence international assignments to CEE countries. Second, the previously identified association between the presence of a foreign subsidiary and international assignments to a country is applicable only in CEE host countries. In summary, the results reject Hypothesis 3 claiming that emerging market firms are more likely to implement international assignments to institutionally similar (i.e. other emerging) markets.

3.4   Discussion of the main findings from the quantitative part of the study

3.4.1   Main findings of the quantitative analyses

In this chapter, I combine theories of heterogeneous firms and trade with institutional theory to explain:

- **Firm-level determinants** of the firms' decision to implement single or multiple international assignments and to implement these assignments in a specific host location (e.g. firm size, age, ownership structure, industry, international experience, and performance indicators);
- **Firm-country determinants** of the firms' decision to implement single or multiple international assignments and to implement these assignments in a specific host location (e.g. firm i's exports of goods to host country c, its imports of goods, exports of services, imports of services, outward FDI to country c, and foreign ownership over firm i from country c); and
- **Country-level determinants** of the firms' decision to implement single or multiple international assignments and to implement these assignments in a specific host location (e.g. market size, level of development, production cost, and the quality of political, legal, and economic institutions).

Based on data for the entire firm population in a selected 'expatriate sending' CEE country (Slovenia), I study the firms' decisions to use expatriate international assignments from Slovenia to (1) any market, (2) another emerging (CEE) market or (3) a developed (non-CEE) market. International assignments are thereby not differentiated according to length (mobilities lasting up to 24 months are recorded in the official statistics) and purpose due to data limitations. However, based on the determinants at each level of analysis and assignment location patterns, some inferences can also be made regarding assignment purposes by firms using expatriation from Slovenia. With the quantitative analyses, I provide one of the first empirical assessments of the

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multilevel determinants of international assignment implementation and location choices by firms from an emerging market differentiating between the types of assignee host markets.

I show that **the firms' likelihood to implement international assignments** is positively associated with firm size in terms of employment, export status[80] and export share, average wage per employee, profitability, labour intensity, and indebtedness. The intangible assets of a firm have a non-linear effect on the international posting of personnel, initially decreasing the probability of assignments while increasing it at higher shares of intangibles in assets, which I explain with potential differences in knowledge-related organisational needs and the corresponding assignment direction. I argue that firms with lower tacit knowledge use international transfers to acquire knowledge from abroad (i.e. they use inpatriation), while firms with abundant intangible assets use their assignees to transfer and augment knowledge through inter- and intra-organisational networks (i.e. they use expatriation).

In terms of **the number of international employee postings** by individual firms, I discover that the more productive, profitable, and larger firms (in terms of employment) make more personnel transfers. This also holds for exporters (particularly exporters with higher export share in revenue), while outward FDI does not seem to have significant effects on the number of assignments. Foreign ownership, on the other hand, has a negative effect on the number of postings. The number of international postings also decreases with firm age and increases with the labour intensity of the production process. The number of transferred employees exhibits the same direction of association to profitability, size, export share, outward FDI, average wage, capital-labour ratio, intangible assets, and firm age as assignment status and number of postings do.

For firms that have at least one international assignment, the results suggest that foreign ownership and foreign direct investment abroad reduce the probability of sending employees on an international assignment. As this result may be an indication of firms that use international assignments being better able to progress to more complex internationalisation stages following an assignment, future research is advised to look into the (potentially) lagged effects of international assignments on both domestic and international business performance of firms. My analysis also suggests that the probability of sending an additional employee abroad is higher for more capital-intensive firms and firms with lower average wages per employee. I attribute this to the high costs of international assignment management. I thereby confirm Hypotheses 1(a–b), stating that firm-level performance has a positive effect on the firms' likelihood to use international assignments (once or multiple times), whereby only the best performing firms are capable of expatriating to environments with poor institutions.

My empirical results on **location-related decisions**, furthermore, indicate that firms implementing international assignments from Slovenia expatriate more strongly to countries with high rather than poor institutional quality. The results with respect to Hypothesis 2 show that emerging market

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[80] This is consistent with Black, Gregersen, Mendenhall, and Stroh's (1999) finding that firms have higher demands for international employees during their export stage of internationalisation compared to when having achieved coordinated MNE stage.

businesses are more likely to use international assignments in environments with high quality economic and legal institutions, but not to environments with high quality political institutions (i.e. the results only confirm Hypothesis 2b and reject Hypotheses 2a and 2c). This is contrary to my expectations that firms would send more assignees to emerging markets in order to capitalise on their familiarity with similar (emerging market) business environments and reduce uncertainties stemming from their unfamiliarity with dissimilar (developed market) business environments (Berry, 2017; Boyacigiller, 1990; Moreira & Ogasavara, 2018).

However, since emerging market firms from (or experienced in) low quality institutional contexts, such as Slovenian enterprises, are more used to (or more comfortable with) institutional uncertainty, this may result in these firms relying less on control and coordination international assignments (Edström & Galbraith, 1977), or being motivated less by capitalising on their extant (emerging market-focused) knowledge. Instead, firms from emerging markets may be strongly focused on knowledge acquisition and the reverse transfer of insights through international assignments (Dickmann & Baruch, 2011; Fang et al., 2010; Hocking et al., 2004; Lazarova & Tarique, 2005; Zhu et al., 2018) that they can gain in countries with **high quality economic and legal institutions**. Firms from emerging markets with low quality institutions may also benefit more in terms of their learning from expatriating into markets with high quality institutions compared to enterprises that originate in a context with high quality institutions. Overall, I build on Zaheer et al. (2012) to nuance the institutional literature with respect to international assignments from low quality institutional contexts and refine the insights of the international business literature in relation to the influences of institutional quality on assignment objectives (Edström & Galbraith, 1977; Hocking et al., 2004; Reiche et al., 2009).

Beyond legal and economic context factors, I get **mixed results for the impact of political institution indices** on the utilisation of international assignments: while better control of corruption in a country attracts international assignments, there is no effect of political stability (i.e. security) on the firms' likelihood to assign in the pooled sample of both CEE and non-CEE host countries. The only institutional quality index that exhibits the expected negative association with international assignments is the government effectiveness index. This implies that specific aspects of political stability have different effects on the likelihood to implement such an assignment. While assignees cannot nullify the problem of corruption, they can act as an effective instrument for protecting firm assets and interests in environments with a low quality of public services, low quality of civil service, and with a high degree of political pressures.

Firms can be active partners in the formation of institutions (i.e. institutions are endogenous to firms). Previous research indicates that this is more likely in emerging markets (see e.g. Tihanyi, Devinney, & Pedersen, 2012). Based on the results of the quantitative part of my study, I argue that assignees can have the role of working towards creating a favourable business environment for a firm in the host country and establishing the firm's legitimacy abroad (see also Ruël & Visser, 2014). More specifically, I propose that internationalising firms can use international assignees for the purpose of corporate political activity, which refers to corporate attempts at influencing public policymakers and shaping government policy for them to be favourable to the firm (Hillman & Hitt, 1999). This is especially likely in Slovenian firms that have a strong tradition of tripartite

bargaining with the government and thus substantial domestic experience with corporate political activity that they can transfer to their business practices abroad (Feldmann, 2006).

I consider the firms' attempts at influencing and shaping public policy in a foreign environment as part of commercial rather than business or economic diplomacy and assignees as commercial diplomats. This is because **commercial diplomacy** involves collaborative efforts by businesses, governments, and other stakeholders to promote home country business in a specific host country through the use of diplomatic channels (Ruël, 2013), which suggests fulfilment of both business and national interests through influencing institutional environments (the focus of my study). Economic and business diplomacy, on the other hand, are primarily concerned with national economic interests and establishing individual firm's legitimacy abroad respectively, and as such are more focused on objectives at a single level of analysis (Ruël, Wolters, & Loohuis, 2013; Saner & Yiu, 2003). However, it is also possible that corporate political activity through international assignees occurs as a nonmarket strategy pursued by individual firms seeking to gain competitive advantage through political means independently[81] and not as a collaborative or country-level system response (see also Baron, 1995). Further research on how international assignees are used for the purpose of influencing and co-shaping the institutional environments they or their employers operate in is needed. In the future, researchers should also consider the modes of international assignees' corporate political activity, the situations and context they are used more or less successfully in, and possible sinergies between domestic and international corporate political activity by assignees during expatriation and upon repatriation.

In summary, my findings give a more nuanced understanding of the institutional host context, which allows me to identify commercial diplomacy reasons for expatriation. Thus, I propose a subtle addition to the roles of expatriates outlined by Baruch et al. (2013), who depict a set of variables that shape the roles of expatriates. These range from the international assignment type and duration to cultural differences and tasks dimensions. I suggest that an assignee as a commercial diplomat needs to understand and navigate the dynamic and weakly enforced institutional context of the host country (something that assignees from emerging markets can learn domestically). As such, assignees as commercial diplomats may use the poor institutional environment to the advantage of the firm through negotiation or delaying tactics in relation to some of the institutional requirements and dynamics. The role of commercial diplomat and its dependence on the quality of the institutional context adds nuance to the expatriation literature.

Firms from Slovenia expatriate more strongly to institutionally dissimilar countries. In relation to Hypothesis 3, the data shows that – against what the institutional literature would predict – firms are more likely to send expatriates from Slovenia to developed countries and less likely to other emerging markets. Once I control for firm-level, country-level, and firm-country-specific factors, firms are 90% less likely to assign employees to CEE countries compared to non-CEE countries. This indicates that despite the historic connections between Slovenia and other CEE

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[81] Independence does not preclude collaboration, as nonmarket actions include building coalitions, lobbying legislators or regulators, making campaign contributions, and providing information to influence institutions that might defend or create revenue (Doh, Lawton, & Rajwani, 2012).

markets in Europe, these connections do not result in a greater likelihood to assign to CEE markets. In fact, firms operating in Slovenia are more likely to assign to non-CEE countries. Since expatriation flows by both emerging market firms headquartered in Slovenia and developed market firms' affiliates are included in the datasets, the finding regarding stronger expatriation flows into developed market economies may imply a strong inpatriation pull to foreign-owned headquarters for learning purposes, rather than foreign affiliates using the Slovenian market to gain access to other less developed economies. However, this is unlikely as foreign ownership reduces the likelihood for expatriation. I argue that the finding may thus instead reflect the shift in Slovenian firms' expansion from the less developed CEE (and ex-Yugoslav markets) markets, where they already have an established presence, to the more developed markets, where they are still establishing their position and thus inclined to employ international assignments as a market entry mode. An additional reason may be that (as the more developed environments) non-CEE countries often offer better learning opportunities and are institutionally less difficult and taxing for assignees (Bhagat et al., 2002; Caligiuri & Bonache, 2016).

Based on my research results, I strengthen the conclusion that firms use (although overall less) international assignments for control and coordination purposes in emerging host markets, but they are more driven by market access, learning, and leadership development motives in developed host countries (see also Zhu et al., 2018), where (perceptions of) non-transparent business practices by (project) managers from emerging markets reduce their legitimacy for control and coordination tasks (Meyer & Xin, 2018).[82] My work thus refines the expatriation literature (Baruch, Steele, & Quantrill, 2002; Edström & Galbraith, 1977; Mayrhofer, 2001) by showing that the broad institutional context and not just organisational rationale seems to be important for major expatriation flows.

My findings furthermore suggest that, when analysing the impact of institutional differences on internationalisation and international staffing, the direction (rather than solely the magnitude) of distance should be considered (Zaheer et al., 2012). Individual factors also have different strength and sometimes even the opposite effect on expatriation to CEE and non-CEE host countries. My findings confirm that **international assignment decisions are likely to follow a firm's international business activities**, but they also indicate a different effect of the latter for CEE and non-CEE host countries. While a firm's export of services to a non-CEE country, for instance, increases the odds of international assignments to this region, a firm's export of services to CEE countries does not influence international assignments to CEE countries. Export intensity in general is much more vital for international assignments to non-CEE host countries, which implies that international assignments to these markets are utilised when greater commitment to a market is achieved, whereas in CEE host countries, where reducing uncertainty may be one of the key roles assignees play, this is not the case. My results thus show that with regard to assigning employees to the more developed (non-CEE) countries, high commitment does not necessarily coincide with firm seniority. Firms sending employees to the non-CEE region tend to be younger,

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[82] An advanced institutional context also reduces the need for control and coordination through international assignments due to clear rules of operation provided by institutions (Chan et al., 2008; North, 1990).

which suggests their early capacity to implement the more complex market entry modes compared to expatriation as well as implies their strong organisational learning capacities that allow them to quickly shift between market entry modes. Finally, international assignments to non-CEE markets seem to be driven by market-seeking motives that are not typical for international assignments to CEE countries, where control due to institutional environment and IPR seems to be more relevant. This confirms my conclusion on international assignments acting as a market entry mode – especially to developed markets – for emerging market firms.

The effect of **the traditional gravity model variables on CEE and non-CEE host countries varies** too. For example, country size and distance from assignee-sending country matter less for assignments to CEE host countries. While the quality of economic institutions has a positive effect on international assignment probability regardless of its destination, better legal institutions attract assignments to CEE countries more often, but have the opposite effect in non-CEE countries. Better political institutions have a more pronounced negative effect on assignment likelihood in non-CEE host countries, whereas the negative association between political institutions and assignments is smaller in the CEE region. This may be related to firms expecting these environments to be less stable (or the political institutional factors being less relevant compared to economic and legal institutions), and thus already accounting for this upon their decision to assign or internationalise to other emerging markets. It may also imply that firms expatriating from a similarly unstable environment learn to deal with the latter domestically, whereas affiliates in these markets may use Slovenia as a training ground to access other, similarly risky economies.

Overall, my work refines the understanding of institutional influences on international staffing patterns, nuances the insights into the expatriation patterns of firms embedded in low quality institutional contexts, and adds to the understanding of the effects of institutional distance in general. I reiterate that it is not only the institutional context that is important for firms' international assignment-related decisions. It is also the administrative heritage of firms (Bartlett & Ghoshal, 1989), the experience of enterprises handling low quality institutional contexts, and further business drivers together with firm-level factors influencing the firms' capability to expatriate (in general or to a specific location) that impact the firms' expatriation decisions. For instance, the expatriation literature has long identified knowledge acquisition and individual interests as key drivers of international assignments (Dickmann, Doherty, Mills, & Brewster, 2008a). I suggest that a more holistic assessment of international assignment drivers and decisions at multiple levels needs to include individual, organisational, and institutional elements. Overall, my contribution refines institutional theory and its application to international business in general and expatriation in particular.

3.4.2 Managerial and policy relevance of the quantitative analyses

I have argued above that firms from emerging markets – at least where I looked at the assignment patterns of all firms from Slovenia – expatriate more strongly to countries with high institutional legal and economic quality and, against my predictions, to host countries that are more institutionally dissimilar. In terms of a managerial contribution, my findings have implications for the pre-assignment, expatriation, and post-assignment phases.

During **the pre-assignment stage**, firms would do well to factor in how expatriation candidates cope with uncertainty and learning depending on the institutional environment of the sending and receiving markets in their global mobility selection criteria and decision-making. My findings support prior calls for organisations to coordinate their talent and global mobility management more strongly when faced with large institutional distances between sending and receiving markets (Cerdin & Brewster, 2014). This would also allow firms to prepare expatriates for international assignments to emerging markets differently than assignees for international assignments targeted at developed markets.

The on-assignment support and communication mechanisms implemented by organisations could also depend on the institutional quality of host environments. Where emerging market firms expatriate to locations embedded in high quality institutions in developed countries, host teams could be prepared to be supportive and to facilitate the assignee's learning (Toh & DeNisi, 2005). Since my analysis implies the commercial diplomacy potential of international assignees, particularly in reference to political institutions, firms may also benefit from the selection of assignees factoring in this role in addition to other assignment roles and introducing policy-related training pre-assignment, as well as providing networking support with policymakers for assignees tasked with this role during expatriation. As the results also indicate that knowledge acquisition and transfer are important for emerging market companies' choice of assignment locations, it is important to create a receptive learning atmosphere during all assignment stages and to encourage home organisation knowledge absorption and use (Lazarova & Tarique, 2005; Oddou, Osland, & Blakeney, 2009). In addition, given the developmental nature of these assignments, organisations should develop strong on-assignment and post-assignment **retention** mechanisms (Dickmann et al., 2018).

Emerging market firms may particularly benefit from identifying the key competencies, skills, and personalities and personality traits that best match the different host country environments, apply them in the recruitment process, and map their employees accordingly for a continuously targeted and flexible international staffing. Such mapping of employees would also facilitate their further development according to the changing organisational needs, as well as increase the odds of assignment success in either emerging or developed economies. As emerging market firms and economies often face deficiencies in labour markets combined with limited resources for employee development, they may also consider regionalisation and either consecutive assignments of the same individual to similar host markets or simultaneous assignments of the same individual to multiple similar markets (when the tasks of the assignments allow for sporadic presence in both sending and receiving units). This could be particularly valuable during firms' international expansion, since my research indicates that international assignments can also act as an independent market entry mode – especially to other emerging markets. Fostering a culture of multiple assignments could optimise emerging market expatriation costs, as it would allow firms (and employees) to capitalise on the already acquired assignment-specific knowledge of an individual assignee multiple times. Since assignees' tasks for market entry purposes, control and coordination, knowledge development, transfer and sharing, or commercial diplomacy purposes differ, organisations should also take the different assignee roles into consideration when selecting

individuals for international mobilities, preparing them for expatriation, and planning their return (to also achieve spillover effects upon repatriation, where applicable).

Policymakers, on the other hand, could especially incorporate the findings regarding the firms most capable of expatriation in their policy drafting: taking into consideration which firms need and can benefit most from expatriation to specific locations. They may also wish to establish collaboration with assignees performing the commercial diplomat role in order to strengthen their negotiation power relative to host country governments.

3.4.3 Limitations and future research implications of the quantitative part of the study

Despite its numerous insights for both academia and practitioners, the quantitative part of the study has several limitations, which present an opportunity for further research. First, I use **a single-country database** that does not allow for comparisons of potential differences in international assignment-related decisions made by firms from both emerging and developed markets. Future research could thus explore assignment-related decisions in all possible directions based on the level of sending and receiving countries' institutional development. Since emerging market economies do not constitute a homogeneous group, researchers could additionally differentiate between countries based on size, power, and affiliation to a free trade area, a specific regulatory regime, or a particular regional grouping, to establish whether the findings from this part of the study hold in these environments as well. Future research could also consider the impact of different organisational and ownership structures of firms,[83] subsidiary roles (see e.g. Bartlett & Ghoshal, 1986; Chung, Park, Lee, & Kim, 2015), the firms' different positions in the global value chains or network interrelatedness (Bartlett & Ghoshal, 1986; Boyacigiller, 1990), and internationalisation motives (Conti et al., 2016) on their international staffing patterns. A comparative study regarding the effects of assignments on firm performance should also consider whether firms employing international assignments outperform those without such assignments in domestic and/or international markets.

Second, research into the outcomes of assignment-related decisions (which may be different for emerging and developed markets) is hindered due to **the lack of longitudinal data** on international assignments. Firms may be switching in and out of international assignments. A longitudinal research design could thus uncover (1) how their international assignment patterns change over time (e.g. with firm growth and internationalisation, institutional dynamics or market changes), (2) what factors in the macro and mezzo environments determine the international staffing dynamics, (3) the purposes that international assignments are used for at the different stages of firm/market development, and (4) whether these processes are also location-determined. In this respect, the dynamic impact of institutional factors on international staffing should be addressed by future research on the topic, as institutions also change over time. Overall, longitudinal research

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[83] See Konopaske, Werner, and Neupert (2002) for a discussion on the firms' ownership structures, their role in firms' staffing choices, and their impact on business performance.

of the phenomenon could provide insights on whether over time international staffing strategies by emerging and developed market firms are converging or diverging further (see e.g. Friel, 2011).

Third, my study is **limited to outward international assignments**, since firms are only obliged to report outward assignment flows to national agencies. The data thus fails to capture inpatriation. It also does not differentiate among different formats of assignments (e.g. based on assignment purpose or length), which are likely to impact location choices and the related assignment outcomes. As a result, the study cannot elaborate on how a type of assignment[84] and its direction define its impact on international business outcomes, as well as whether the determinants of firms' decisions for an assignment vary according to assignment type. Future research could look into these issues.

Fourth, researchers are encouraged to study the effects of international assignments on the firms' integration into **global value chains** as well as their inclusion in **inter-organisational networks** with governmental and nongovernmental actors aimed at firms' inclusion in commercial diplomacy (a potential assignment objective completely ignored by the extant literature). They could thereby investigate both the impact of the various groupings on assignment decisions and the reverse impact of assignments on the outcomes of networking. Furthermore, researchers could study the potential complementarities between the different market entry modes and/or approaches to networking, and policy-influencing.

Finally, while the quantitative analyses provide insights into the firm-, firm-country, and country-level determinants of international assignment decisions and location patterns for expatriate international assignments in an emerging market context, they cannot unravel the mechanisms of decision-making processes behind international assignment decisions – at either the organisational or individual levels. The latter are studied in section 4, where I present the results of a comparative case study conducted in two large and mature EMNEs.

3.4.4   Theoretical implications of the quantitative analyses

Despite the limitations of the quantitative part of the study, theoretically, my quantitative findings refine the evolving understanding of global mobility and its institutional embeddedness. While most of the global mobility literature focuses on individuals' and organisational reasons for international assignments (Dickmann et al., 2008a), I integrate both mezzo- (firm-) and macro- (country-) level contextual factors such as the quality of economic, political, and legal institutions that have an impact on the firm's likelihood to use international assignments and its decision to implement an assignment in specific locations. Moving beyond micro (individual) and mezzo (organisational) perspectives has already been called for by the emerging literature on macro-talent

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[84] Since firms rarely differentiate between the different types of international assignments and tend to apply a single global mobility policy which, at most, distinguishes between long- and short-term assignments (Dickmann & Baruch, 2011; Doherty & Dickmann, 2012), an aggregate approach to mapping international assignments can nevertheless be argued to reflect organisational international assignment practices quite well.

flows (Khilji, Tarique, & Schuler, 2015). I moreover refine the theoretical insights with respect to institutional quality (also by type of institution) and distance. The literature indicates that firms predominantly use international assignments into emerging markets to reduce risks and fill skill gaps. In contrast, the data presented in this study shows that firms from emerging market economies have stronger expatriation patterns into developed countries, presumably for developmental and knowledge transfer reasons, whereas they use international assignments as a market entry mode to other emerging markets. I also find that organisational context and institutional experience may outweigh political, economic, and legal institutional considerations with respect to the strengths of assignment flows.

Although I use theories of heterogeneous firms and trade and institutional theory to inform individual levels of analysis in the dissertation separately (institutional theory the macro and theories of heterogeneous firms and trade the mezzo level), the quantitative results of the study support the notion of reciprocity between the two levels. On the one hand, country-level institutions (more specifically, their quality, differences, and direction of institutional distance) determine how (and how strongly) the different firm-level capacities affect the firms' decisions to use international assignments. For example, I show that different performance factors at firm level have different effects on the firms' decisions to expatriate from Slovenia for international assignments to CEE or non-CEE host markets and thus demonstrate that institutional theory can inform theories of heterogeneous firms and trade. On the other hand, the organisational capacities are crucial for the firm to be able to enter a country with specific (sets of) institutions. The effects of individual or combined sets of firm characteristics needed for different assignment purposes in specific environments (based on firm, market, and institution type) need to be explored further for the theories of heterogeneous firms to inform institutional theory too, however.

My findings from the quantitative part of the study also have implications for international business theories. They confirm that the firms operating or originating in Slovenia follow the two-stage internationalisation strategy for emerging market firms proposed by Williamson (2015) and use international assignments for building up their competitive advantage and position domestically (by learning through inpatriation) before entering foreign markets (first through expatriation and only over time through the more complex entry modes with higher levels of commitment). In following the incremental pattern of internationalisation, emerging market firms use international assignments to fulfil both the market- and knowledge-seeking motives. Control and coordination motives for expatriation are rare when considering the entire firm population in Slovenia. This is consistent with past research showing that EMNEs tend to delegate more power to foreign subsidiary managers than traditional MNEs (Wang, Luo, Lu, Sun, & Maksimov, 2014) – also because host-country nationals are not particularly attracted to working for foreign bosses from emerging markets (Leung & Morris, 2015; Tung, 2007, 2016), who are perceived as ''*low in expert power*'' (Leung & Morris, 2015, pp. 1045).

Two-stage internationalisation thereby differs from springboarding in that it is focused on building the firm's competitive advantage domestically in order for it to be able to internationalise (Williamson, 2015) – often for market- and natural resources-seeking motives, which may require strategic-asset seeking through indirect learning or inpatriation first. It also proposes a more

incremental approach to internationalisation. **Springboarding**, on the other hand, involves rapid improvements of the firm's global competitiveness through aggressive strategic asset- (e.g. knowledge) and opportunity-seeking by benefitting from favourable institutions abroad, integrating the newly acquired capabilities into the domestic entity and upgrading domestic capabilities, before globally catapulting. This view proposes a dual path to internationalisation for EMNEs. It suggests that EMNEs invest in both developed and developing economies: in the former for strategic-asset seeking and in the latter for market- and natural resources-seeking motives (Luo & Tung, 2007, 2018). The springboard view acknowledges the learning and experience effect, but does not correlate springboarding with the accumulation of host country-specific market experience. Unlike the two-stage model, springboarding thus does not suggest an incremental internationalisation pattern for EMNEs but rather proposes that firms can venture into advanced markets first (with large initial commitment). This is not the case for Slovenia: partially because of its small domestic market size that necessitates international markets for growth and partially because of the EMNEs' inability to integrate domestic and foreign value-chain activities as well as to transfer relevant strategic assets and knowledge on demand in time and space (see Luo & Tung, 2018) – at least through international assignees as suggested in this study.

Overall, my work enables researchers to draw up a more detailed international assignment-decision model that can capture broader expatriation flows into institutional systems rather than focusing on small subgroups of assignees. Therefore, it does not simply add to the institutional, internationalisation, and expatriation literature, but may also encourage institutional actors to rethink and refine their approaches. As such, my study is an important step towards an internationalisation theory inclusive of international employee mobility.

4 (INTERNATIONAL) STAFFING DISCOURSES IN EMERGING MARKET FIRMS

In this section, I present the results from a comparative case study conducted in two purposively selected mature and large EMNEs (for sampling criteria see sections 1.4.3.2 and 1.4.3.3). I first present the findings for each firm, whereby the structure of the presentation follows the structure of analyses. I start each within-case analysis with a basic description of the firm (or at the level of the individual, with a basic description of the person's characteristics, such as their international experience). This description is based on desk research (including analysis of annual reports for the 2012–2017 period, corporate website analysis, analysis of internal acts, an overview of relevant media appearances by interviewed managers or management board members and CEOs, media coverage of the firm's employee-related activities or critical events, and interviewees' LinkedIn profiles)[85] and interview data.

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[85] Not all analyses are presented in-depth, as many of the narratives coincide and would thus overwhelm rather than inform the reader. Some of the sources are also not available for both firms. As such, inclusion of them would limit the commensurability of the cases in cross-case analyses.

Following a descriptive section that mostly serves the purpose of contextualisation, I present the research findings based on a combination of methods described in section 1.4. First, the findings from content analysis of the entire corpus of materials (excluding internal acts that are not available for both entities) for the individual firm are explained. These are followed by the results of a critical discourse analysis, which is split into two parts. Firm-level analyses consist of both the annual reports and the firm-level interview transcripts. In Firm A, the latter are based on an interview with an HRM department representative, whereas in Firm B they are based on an interview conducted simultaneously with the management board member responsible for the MNE's foreign trade network (and thus managing international assignees) and the HRM department representative. Individual-level analyses, on the other hand, are limited to analyses of interview data with managerial international assignees, who have been identified as the group with the most intensive and comprehensive experience of expatriation as well as the group whose assignments are most likely to be strategically managed by the organisation (see the implications from pilot interviews in section 1.4.3.1). In Firm A, seven managerial assignees are interviewed, whereas in Firm B the number of assignees interviewed is limited to five (one of them a third-country national) and a local manager considered to be an assignee-equivalent by the firm.

When interpreting individuals' responses, their LinkedIn profiles are used to comprehend each person's career path in more detail, and thus this data provides contextualisation and is not part of the corpus for discourse analyses. Media appearances by interviewees serve a similar task. Had interviewees actively posted their assignment-related activities on their profiles or engaged in media appearances aimed at employer branding based on its international career opportunities, analyses of the LinkedIn posts and media coverage could have provided further insights into the individual- and firm-level international staffing discourses. Since this is not the case, they are excluded from more in-depth analyses and only presented through being integrated into the interpretations. The same holds for any other supplementary materials (e.g. corporate websites) that provide further insights into the corporate culture or critical events, relevant to interviewees' comprehension and perception of their mobilities and roles in the organisations.

Since the firm and the individuals are considered to be nested cases, within-case analyses are also conducted from a multilevel perspective. They are focused on both (1) uncovering the differences and similarities in organisational and individual-level international assignment (management) discourses and perceptions, and (2) understanding the related EMNE's international assignment (management) strategies, practices, and actions. The results of these integrative analyses are reported at the end of each firm-based section (i.e. in sections 4.1.4 and 4.2.4). I discuss cross-case analyses together with their theoretical and practical implications at the end of the section (see section 4.3), whereas integrated mixed method results, including the methodological implications of the entire study, are presented in the conclusion.

Analyses continuously focus on the overall objective of the dissertation, which is to explain firms' decisions and decision-making processes related to international assignments and their management in an emerging market (firm) context. The above described procedures allow me to consider the macro, mezzo, and micro factors impacting the decision-making processes related to international assignments and uncover the mechanisms that determine how such assignments

(particularly long-term managerial international assignments) are framed, perceived, and approached by both the organisation and the individuals in emerging market (firm) environments. I thus study the firms' organisational cultures, discourses, narratives, and strategies that determine organisational and individual decision-making, as well as the individuals' characteristics, such as their national and professional backgrounds, that may also influence these processes. I constantly keep the specifics of an emerging market macro and mezzo contexts in mind. Since both studied firms are highly centralised and hierarchical organisations (as typical for emerging market firms), a headquarter-centred view is particularly suitable for studying these enterprises.

Overall, the qualitative part of the study addresses the third research question (RQ3) about what mechanisms influence the international assignment decision-making, implementation, and management processes at organisational and individual levels. I particularly focus on role shifts and identity work as emergent themes throughout the analyses, and the related international assignment perceptions, experience, and actions, by both individuals and organisations. I present the results of analyses in sections 4.1–4.3.

4.1 Firm A

4.1.1 Firm A case description and relevance

Firm A is a large manufacturing MNE founded and headquartered in a small emerging market – Slovenia.[86] It is an export-oriented firm[87] with an international structure of facilities, employees, and owners. Over almost 70 years of existence, Firm A has established a global presence in more than 90 markets. More specifically, it has built a network of about 15 entities in the country of its headquarters (i.e. its home country), and more than 50 entities that operate in either emerging or developed foreign markets. These entities include production, development as well as sales facilities, whereby the latter outnumber the production and development facilities both site- and location-wise. However, it is the production facilities that employ the largest share of the firm's employees (Firm A's annual report 2017; Firm A's corporate website; Interview 1a; media coverage on Firm A).

Five characteristics make this firm particularly relevant for an international staffing-focused study: (1) a centralised and operationally interconnected MNE network that enhances international employee mobility (especially of the managerial staff from the headquarters); (2) a highly international employee base due to the firm's global presence and ambitions that strengthens the importance of intercultural collaboration; (3) the international inter-organisational ownership structure of the firm that supports (IHRM) knowledge and good practices transfers; (4) an employee development focus and a learning organisational culture dispersed throughout the MNE

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[86] Firm size is evaluated based on the criteria determined in the 55. Article of the Republic of Slovenia's Companies Act (ZGD-1-NPB14) published in the Official Gazette of the Republic of Slovenia [Uradni list RS], No. 65/09, on 19 April 2006.

[87] Firm A realises roughly 95% of its revenues in exports (Firm A's annual report 2017).

network that enhances the need for – as well as the added value of – international employee mobility fostering cross-border learning and collaboration; and (5) employer branding through international employee mobility (opportunities) that indicates the long-term strategic international staffing orientation of the firm, something that will continue into the future.

Firm A's MNE network is **highly centralised**. For instance, the financial policy is executed through the central financial function based in the headquarters; the model for risk identification, analysis, and evaluation is developed in the headquarters, yet common for all MNE's entities; and the overall business strategy is determined by the headquarters and monitored throughout the network by the headquarters as well (see e.g. Firm A's annual reports for 2013–2014 and Interviews 1a–8a). The centralisation of the Firm A's MNE network is best portrayed in the corporate governance policy, which defines the relations between the headquarters and subsidiaries or affiliates in the MNE network as tightly interknit. While subsidiaries and affiliates in the network operate independently – in accordance with the respective local legislations – they are operationally dependent on and tightly connected with the headquarters (see e.g. Interview 8a).

Subsidiaries are controlled and managed by an assembly of subsidiaries represented by the management board of the parent company. A system of corporate governance of subsidiaries and representative offices is also in place, whereby a holding company located outside the headquarters' home country is authorised for the implementation and operation of this system in the core business of Firm A internationally. In addition to managing the holding company, selected management board members from the parent company are also included in internal supervisory boards, supervisory committees, panels, and business or management boards of some of the subsidiaries (in domestic or foreign markets). Steering of business in subsidiaries is also approached jointly at the functional level for the entire Group: especially in marketing, development, supply chain, financing, controlling, accounting and reporting, as well as communication, legal consulting, HRM, information technology (IT) support, and quality control. The company has moreover established an internal system of informing subsidiaries of its strategy, operations, and management standards at the Group level, as well as introduced periodic informative events such as sales conferences and conferences of the board management (Firm A's corporate governance policy).

Next to a centralised international network of entities, Firm A also has **a very international employee base**. It employs over 10,000 people of more than 40 nationalities, whereby almost 40% of Firm A's employees are based in a country other than that of the Group's headquarters (Firm A's annual report 2017; Firm A's corporate website; Gvin.com; media coverage on Firm A). Around three fourths of Firm A's employees are employed in the EU (this share includes the employees based in the company headquarters), while almost one fourth work in ex-Yugoslav markets.[88] Less than 1.5% of Firm A's staff operate elsewhere (see Firm A's annual reports for 2015–2017). The firm has decades of experience with international employee mobility (Interview

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[88] It is not clear from the firm's annual reports whether Croatia is defined as an EU or an ex-Yugoslav market in reporting data on Firm A's employees, so this ratio may be different depending on the country classifications used.

1a). Its pool of employees includes numerous long-term international assignees deployed predominantly from the firm's headquarters to managerial posts in either production or sales units in the MNE network (Firm A's annual reports for 2012–2017; Interview 1a). Firm A's development facilities (i.e. competence centres), on the other hand, are utilised for knowledge transfers to the headquarters through extended business trips or joint projects: i.e. these shorter-term forms of employee mobility are mainly aimed at the firm capitalising on local expertise (Interview 1a).

Despite constant adjustments of international assignment management practices to both the organisational needs (related to the stage in the internationalisation process and firm growth) and environmental factors (e.g. shifts in socio-economic systems in sending and receiving markets), long-term managerial assignments from the headquarters to the firm's facilities abroad have dominated Firm A's 'international employee mobility portfolio' for decades (Firm A's annual reports for 2012–2017; Interviews 1a and 7a). In line with the objective of my dissertation, I focus on the long-term managerial international assignments in Firm A (to either the firm's sales units or its production facilities abroad), the related discourses at organisational and individual levels, and assignment management practices, whereas the short-term assignees and assignments from and to development facilities in Firm A are excluded from the study.

Firm A is a privately owned joint stock company (Gvin.com) with **an international ownership structure**: approximately 60% of its shareholders are foreign nationals (see Firm A's annual report 2016). The organisational owner entities include organisations headquartered in both developed and emerging market economies (Gvin.com). The mixture of owners from developed and emerging markets is an important contextual factor in terms of discourse analysis, as it may explain specific characteristics of Firm A's international assignment (management) discourses and their outcomes in the form of international assignment strategies and practices at the organisational and individual levels. More specifically, this international and inter-organisational ownership structure may imply the mixing of national and organisational cultures, social practices, power relations, and knowledge transfers within the multinational network. This ownership structure also renders Firm A more likely to engage in both indirect and direct (experiential) learning in markets where its (especially organisational) owners operate.

Firm A explicitly identifies itself as **a learning organisation**, and fosters a learning organisational culture (Firm A's annual report 2017). Employee development is embedded in the organisation's overall business strategies (it is stressed in both Firm A's 2012–2015 and 2016–2020 strategic plans), as well as in its human resources development strategies. Although earlier documents on the firm's strategic orientation and objectives (in general or more specifically in terms of human resources management) are not available for research purposes due to their confidential nature, other sources (e.g. Firm A's annual reports for 2012–2017; Firm A's corporate website; media coverage on Firm A; and Interview 1a) indicate that the tendency towards 'employee development' at Firm A dates back to the 1970s, when the firm's first educational centre was established. A more systematic development of specialised training programmes followed in the 1990s with the intensification of internationalisation, and has continued in response to the changes in the business environment and according to the firm's needs ever since, whereby the internal programmes have

grown not only in the number of the areas they cover, but also in the diversity of employees they engage (in terms of both profession and country of operation) (Firm A's annual reports for 2012–2017; Firm A-based case study; Firm A's corporate website; Interview 1a). In other words, the internal employee development programmes in Firm A have become increasingly inclusive.[89] In addition to individual employee development and familiarisation with the firm's internal processes (Interview 1a), these internal training programmes also act as a tool for cross-border learning and improving internal collaboration between organisational units – in all countries where Firm A operates (Firm A's corporate website 2008–2019) – and are thus in the interest of the internationalised and internationalising firm.

The focus on employees and their development is not limited to current employees, but rather takes prospective employees into consideration as well. Employee development is thus part of the firm's (international) **employer branding** aimed at attracting young talents and key employees to the firm: e.g. through promoting internal training programmes and opportunities for (international) career development in the firm to prospective employees, offering scholarships and traineeships to such individuals, and collaborating with local schools and universities (Firm A's annual reports for 2012–2017; Firm A's corporate website; Interview 1a; Interview 6a; articles on Firm A gathered by Gvin.com). Current employees thereby act as the Firm A's ambassadors worldwide (Firm A's code of conduct; Firm A's corporate governance policy). An international component is present in Firm A's employee development orientation. Therefore, the firm's corporate governance policy also stresses the relevance of adapting communication to employees' multicultural specificities in order to become an attractive employer for highly motivated, potential new recruits internationally (through employee development and providing opportunities for employee mobility).

Wishing to establish the reputation of a desirable employer globally, Firm A presents international employee mobility as one of its advantages over other employers, and promotes the opportunity for international career development within the Group as part of its responsibility towards employees (Firm A's corporate website). The president of the management board, for instance, explicitly presents international employee mobility as an opportunity for talented individuals with high potential in their public appearances and public relations statements. In one of the journals, they mention that the *"/s/uccessful employees, with high evaluation results, are nominated as talented high potential and key employees /who/ have the possibility to develop their careers internationally in challenging working positions and projects."* This shows that international mobility is presented as a reward for individuals with high potential in the firm, who have proven their worth and wish to develop their careers further internationally (papers on Gvin.com). This feature is not heavily emphasised, however.

To sum up, (1) an international composition of Firm A's network, staff, and owners; (2) its emphasis on employees and employee development; as well as (3) the organisation's substantial experience with international employee mobility and international assignment management

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[89] More than 70% of employees were included in the firm's educational programmes in 2017 (Firm A's annual report 2017).

practices during internationalisation, that have become part of the employer brand, make Firm A particularly relevant for studying international assignment (management) discourses and their outcomes in the form of assignment perceptions, strategies, and practices at the organisational and individual levels. In the following sections, I present the results of the content analysis of the firm's annual reports for the 2012–2017 period (see section 4.1.2) along with the results of the critical discourse analysis based on firm- and individual-level interview transcripts (see sections 4.1.3.1 and 4.1.3.2 for the firm-level perspective and section 4.1.3.3 for the individual-level one).

4.1.2 Content analysis: Firm A's ethnocentric international staffing of managerial posts across the MNE network

In this section, I provide an overview of the content analysis findings based on combined data from annual reports and eight interviews in Firm A. The results of the analysis uncover the studied firm's international staffing strategy and practices. I first describe the types of international mobility (according to duration, purpose, direction, location, and category of host entity) employed by Firm A. I then explain the shifts in international staffing of the managerial posts across the MNE network (with a particular focus on the 2012–2017 period for which detailed data on individual managers' international transfers is available in the firm's annual reports) and clarify their inferences for the firm's overall international staffing strategies and practices.

4.1.2.1 Firm A's international employee mobility portfolio

The content analysis of interviews and annual reports for Firm A shows that **long-term managerial international assignments** dominate Firm A's employee mobility portfolio (Firm A's annual reports for 2012–2017; Interview 1a). When on long-term managerial international assignments, assignees mainly perform control,[90] coordination,[91] and organisational culture transfer functions (Interviews 1a–8a). These assignments thus mainly originate in the firm's headquarters. They are predominantly directed at the firm's sales facilities, but also target its production facilities. They are (almost) non-existent in Firm A's development facilities, however, as these entities have served the purpose of capitalising on local expertise (Interview 1a). An exception to this rule are the managerial international assignments from the headquarters to competence centres immediately after acquisition of the latter (Firm A's annual reports for 2012–2017).

Since the firm's MNE network is highly centralised and its entities are extremely (operationally) dependent on the headquarters, I suggest that the long-term assignments to the development

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[90] The control function is prevalent in markets known for, or where the firm has experienced, corruption, whereby assignees break local networks as well as introduce the headquarters' standards and processes to the foreign facility (Interviews 1a–8a).

[91] The coordination role is relevant due to the operational connectedness of entities forming the MNE network to the headquarters and their functional dependence on the latter (Interviews 1a–8a).

facilities act as a tool for (1) establishing relations and collaboration between the newly acquired entities and the headquarters (e.g. by transferring information on firm-specific procedures and networks to these entities and familiarising the headquarters with similar information regarding the foreign unit); (2) transferring organisational culture from the headquarters to the foreign units, further enhancing effectiveness and efficiency of inter-unit communication; and (3) establishing common standards throughout the MNE network. Since these mobilities seem to be a rare occurrence and a provisional solution aimed at firm integration in the MNE network rather than long-term managerial international assignments (see Interview 1a), they are excluded from further analyses.

Another type of international assignments used in Firm A are **short-term international assignments**. These mainly involve operatives (i.e. professionals) who are sent abroad for transfers of technology and know-how. Their expert assistance is most commonly required when specific business functions or processes are being established according to, or adjusted to fit, the standards specified in the headquarters. Short-term international assignments by experts or manual workers are also implemented to address labour shortages in individual facilities. Unlike long-term managerial international assignments, the short-term expert international assignments take place in all directions within the firm's MNE network: i.e. from the headquarters to the foreign facilities and *vice versa*, as well as between foreign facilities (see e.g. Interviews 1a and 8a). However, short-term international assignments do not appear in Firm A's annual reports, and are not particularly stressed by the interviewees as a key international assignment format used across the Firm A's MNE network either.

One might argue that the lack of short-term assignment referencing at the individual level could be an indication of sampling bias, as the interviewed assignees in Firm A are exclusively long-term managerial assignees (based on the firm-level interviewee's identification of key informants and pilot interviews revealing managers as the most information-rich cases). Interviewees might have thus developed myopia regarding other forms of mobility and their relevance for the firm due to defining mobility based on their own experience. However, this is highly unlikely, as the interviewed managerial assignees are responsible for managing foreign entities holistically, and have an insight into not only the overall performance of the entities they are managing, but also individual employee performance. In other words, they have the information that allows them to identify the key contributors to the firm's performance. They are also involved in (international) staffing decision-making in their respective entities. The absence of short-term international assignments from their responses to the interview questions thus implies that short-term assignments are either a rare occurrence in Firm A, have limited added value, or are organisationally defined (and thus also individually perceived) as a different type of international employee mobility than international assignments – one that does not require additional preparation or compensation and is considered as a regular (organisational needs-based) task for employees. Such an organisation-induced definition (through the exclusion of short-term international assignments from the organisational international assignment discourse) may be motivated by cost-optimisation purposes, since smaller organisational investments are needed for non-assignment types of international employee mobilities (Firm A's annual reports for 2012–

2017; Interviews 1a–8a). Based on their scarcity, short-term mobilities are also excluded from further analyses.

Both **individual and team assignments** are used in Firm A, whereby the former (mainly managerial) prevail greatly over the latter (mainly expert) (Firm A's annual reports for 2012–2017; Interviews 1a–8a). As indicated above, the prevalent direction of international assignments in Firm A's MNE network is that **from the headquarters to foreign offices**, whereas inpatriation (i.e. mobility from the firm's units abroad to the headquarters) or mobilities between foreign offices (with an exception of exchanges of manual workers between production facilities that require no knowledge adaptations based on the location they are performed in) are not commonly used (see e.g. Interviews 1a, 6a, and 8a). Traditional rather than alternative formats of employee mobility dominate the firm's international mobility portfolio, but instances of flexpatriation and commuter assignments also occur (e.g. Interviewees 6a and 8a) – mainly due to the lack of motivation for international assignments and a small pool of potential assignees in the firm (see e.g. Interviews 1a and 8a).

Flexpatriate and commuter assignments have been recognised as a viable alternative to the challenge of employees' unwillingness to relocate abroad for various reasons. Both formats achieve high goal congruence between the firm and the individual. However, commuter assignments enable the assignee a moderate work-life balance, whereas flexpatriation may be more detrimental in this respect due to the need for extensive travel (see e.g. Meyskens et al., 2009). In response to a lack of employees' willingness to take on the traditional long-term international assignments, the firm has also been considering the regional integration of units that would enable a single assignee to be in charge of multiple entities in the region as a potential future international staffing strategy (Interview 1a).

While **traditional assignments** have always been the dominant international assignment format in Firm A, they have changed throughout the firm's history. They were initially more permanent (i.e. they involved sending managerial assignees to a single market, where they usually maintained their position abroad until retirement), but have, over the past decade, become more dynamic (i.e. the firm has opted for managers' rotations in different firms within the MNE network: some with and others without interim periods in the headquarters, some in one and others in several markets). The shift from a preference for the more permanent residence in one foreign country to changing markets throughout an assignee's career is related to the firm's increased internationalisation. With numerous acquisitions and greenfield investments, the number of firms in the MNE network has increased, which has in turn also increased the need for international assignments in various directions. This shift in the approach to international assignments is, moreover, also connected with the better infrastructure for international mobility and the globalisation culture within the firm (Interview 1a).

Overall, Firm A implements **an ethnocentric staffing approach** (Firm A's annual reports for 2012–2017). According to this strategy, unidirectional flows of staff from the headquarters to the

multinational's periphery prevail (Reiche et al., 2009).[92] Sales facilities, which dominate the MNE network, are mostly managed by long-term international assignees from the headquarters (Interview 1a) – and so are the production facilities (despite aiming for localisation (Interview 1a)). In the latter, management from the headquarters often acts as provisional management: breaking the local networks that reduce the operational efficiency and effectiveness of teams in foreign units (see e.g. Interviews 6a and 8a), and re-establishing the headquarters' standards (Interview 1a).

In the following paragraphs (see section 4.1.2.2), I study the shifts in the firm's international staffing strategy as reported by Interviewee 1a and implied in the annual reports. In particular, I research the managerial changes and shifts across the MNE network over a six-year period based on the data from the firm's annual reports. The time span incorporated in the study is delimited according to the usual (four-year) duration of mandates for long-term managerial international assignments in Firm A. Including the 2012–2017 period in the study allows detection of changes in mandates (e.g. an assignee changing facilities or the firm changing top managers in a particular facility), double or prolonged mandates (e.g. in case no successor can be found), as well as shortened mandates. No data on employee mobility across hierarchical levels in the same or different entities is available, however, so no inferences regarding the consequences of the shifts in international staffing of managerial positions for an individual can be made. Instead, the analysis provides organisation-level insights.

4.1.2.2 Changes in Firm A's international staffing strategy and staffing of managerial posts

I start this section with a brief report of the main Interviewee 1a's (the firm's HRM department representative's) references to the firm's international staffing strategy and its developments throughout the firm's history (for more in-depth insights from Interview 1a, see section 4.1.3.2). I then study the data on long-term managerial international assignments across the MNE network provided in the firm's annual reports for 2012–2017. I first consider the country of origin for the top management in each entity – distinguishing between (1) managers from the headquarters (i.e. parent-country nationals), (2) third-country national managers (i.e. managers from neither the headquarters nor the host country), and (3) local managers (i.e. host-country nationals). I thereby acknowledge that both the parent-country nationals and the third-country nationals may be permanent residents of the country where they are managing Firm A's subsidiaries rather than assignees. Data is not sufficiently detailed for a more precise estimation, though.

In the second step of analyses, I investigate the shifts in the management by country of origin across the MNE network throughout the six-year analytical period. I continue the analysis by identifying the firms managed by teams of managers (whereby managerial pairs are also considered to be teams for analytical purposes). Here, I study the managerial shifts again – in teams and in individually managed entities. I consider the changes in the size of the managerial team as well as changes in terms of the managers' origin. I moreover investigate the number of

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[92] For definitions of the different staffing approaches see Perlmutter and Heenan (1974) or section 2.2.4.

provisional managerial solutions (i.e. managerial assignments lasting up to one and a half years). The causes of provisional solutions in Firm A's entities cannot be deduced from the available data, however. Some of these may include poor management or business results, conflict, crises, retirement, death or other developments (as also suggested by Interviewee 1a). Because of the implied regionalisation trends in relation to international assignments in Firm A (see e.g. Interview 1a), I also study how many managers manage multiple firms (again considering the managers' country of origin and the host countries linked by a single assignee). Finally, I analyse whether (and how often) the firm tends to reassign managers with previous international assignment experience to either a different entity in the same market or a different foreign market, whereby I differentiate between emerging and developed market host economies. The core findings of these analyses are reported below.

According to Interviewee 1a, the firm employs **an ethnocentric staffing approach** and predominantly staffs the top managerial posts across the MNE network with assignees from the headquarters. This staffing approach **is grounded in two factors**:

- The centralised organisational structure of Firm A: Such a structure results in functional dependence on as well as the intense operational connectedness of the foreign entities to the headquarters, thus requiring the managers of affiliates or subsidiaries to be familiar with the firm-specific processes and culture in the headquarters, as well as embedded in the firm's internal social networks, to successfully manage foreign units; and
- The lack of trust in or satisfaction with local managers: This is based on the local managers' limited connectedness to the headquarters, their poor integration in the MNE network, and the previously observed unethical practices of local managers.

Internal recruitment in the headquarters is the prioritised recruitment option for managerial posts abroad due to the relevance of internal recruits' firm-specific knowledge and embeddedness in the firm for managerial effectiveness (Interview 1a). Interviewee 1a reports a lack of employee willingness to be internationally assigned, as well as the organisational need for the key positions to be constantly filled – both domestically and internationally. This means that internal recruits may not be always available. When this happens, the firm broadens its search for managers in its foreign units to extant assignees or external recruits. In the former case, three scenarios are possible:

- Extant assignees are relocated (e.g. are promoted from a middle management position in one entity to a top management position in another entity);
- Extant assignees are promoted within the same entity; or
- Extant assignees are designated to manage multiple locations simultaneously (see also Interview 7a).

When the firm opts for **external recruitment**, new recruits can be sought among the firm's former employees (see e.g. Interviews 6a and 8a) or among individuals without prior experience in the firm. According to Interviewee 1a, the external recruits (regardless of the group they fall under) need to be integrated (or reintegrated in the case of former assignees) into the firm and familiarised

with the firm's internal processes, organisational culture, products, services, and staff (or their changes if they are returnees to the firm) (see also Interviews 6a and 8a), which suggests an emphasis on firm-employee relations, relevance of firm-specific knowledge and embeddedness for assignment execution, and the firm's preparedness to invest in employee socialisation.

More insights into the firm's (longer-term) trends regarding its international staffing of managerial positions can be gained from the analysis of the firm's annual reports for the period between 2012 and 2017. Although the firm-level interviewee (see Interview 1a) suggests that the firm currently implements an ethnocentric staffing approach, the analysis of its annual reports for the period between 2012 and 2017 shows that parent-country nationals only started prevailing in Firm A's managerial international assignments in 2014, when the firm refocused its strategy on employees as the key value creators for the MNE network. As shown in Table 8, the majority of managers in foreign units between 2014 and 2017 have consistently originated in the firm's headquarters. In comparison, all firms based in the firm's domestic market have been run solely by local managers (i.e. nationals of the country where the headquarters are based) throughout the 2012–2017 period (with an exception of one firm in a non-core business with a foreign manager for less than six months in 2014) (Firm A's annual reports for 2012–2017).

Between 2012 and 2013, however, **residual elements of a polycentric staffing approach** across Firm A's network were present in the organisation's staffing of international managerial posts. These were the years when the majority of shifts in the foreign entities' management in terms of the managers' country of origin occurred: in 2012, the changes mostly took place in the direction of localisation, whereas in 2013 a move towards management assigned from the headquarters was identified. Even after implementing an ethnocentric staffing approach to most of its entities, however, local management has remained a preferred option for both the sales and production facilities in the Balkans. This could be explained by the greater relevance of local networks (internally and externally) for doing business in these markets, the importance of market-specific knowledge for managing these entities' performance successfully, or cost optimisation through localisation. The latter is the most likely, since longer-term sequences of localisation, delocalisation, and relocalisation of managerial posts can be identified in these emerging markets – as well as in some of the more developed markets in times of facility acquisitions.

This means that international assignees in emerging markets and newly acquired units (regardless of the type of market or the unit's role) act as transferors of the organisational culture, processes, and standards from the headquarters to the foreign entities (or their reinforcers when acting as a provisional solution). This implication is also consistent with the answers from Interview 1a. The trend of Firm A's international staffing moving towards ethnocentric staffing furthermore suggests that the functional dependence on and operational connectedness of the foreign entities to the headquarters (i.e. organisational determinants), as well as the need for control, are strengthening with firm growth and have a greater impact on international staffing than the characteristics of the foreign markets alone (i.e. business environment factors) (see Table 8; Firm A's annual reports for 2012–2017).

Table 8. Firm A's foreign entity management by country of origin, 2012–2017

Year	PCN*	HCN	PCN-HCN team**	TCN***	PCN-TCN team	Total number of foreign entities
		Number of foreign entities in the MNE by origin of management				
2017	33	11 (10 in the Balkans, 1 in South America – all EEM)	2 (1 in Eastern Europe – EEM; 1 in Western Europe)	3	2 (Eastern Europe – EEM)	53
2016	31	12 (10 in the Balkans, 1 in South America – all EEM; 1 in Western Europe)	3 (1 in Eastern Europe – EEM; 2 in Western Europe)	4	2 (Eastern Europe – EEM)	56
2015	32	16 (12 in the Balkans, 1 in South America – all EEM; 2 in Western Europe, 1 in Northern Europe)	2 (1 in Eastern Europe – EEM; 1 in Western Europe)	4	2 (Eastern Europe – EEM)	57
2014	37	14 (10 in the Balkans – all EEM; 3 in Western Europe, 1 in Northern Europe)	2 (1 in Eastern Europe – EEM; 1 in Western Europe)	5	2 (Eastern Europe – EEM)	61
2013	30	19 (10 in the Balkans, 1 in Eastern Europe – all EEM; 6 in Western Europe – 4 managed by a firm under acquisition, 2 in Northern Europe)	1 (Eastern Europe – EEM)	6	0	66
2012	28	20 (12 in the Balkans, 1 in Eastern Europe – all EEM; 5 in Western Europe – managed by a firm under acquisition; 2 in Northern Europe – 1 from mid-2012)	1 (Eastern Europe – EEM)	7	0	63

Notes. PCN – parent-country national (usually an internationally assigned manager from the headquarters); HCN – host-country national (local) manager; TCN – third-country national manager; PCN-HCN team – team composed of at least one PCN and at least one HCN; PCN-TCN team – team composed of at least one PCN and at least one TCN. *No pattern can be identified by type of the host economy. **Combined management is acquisition-related, with an exception of one entity in the firm's largest market managed by combined management in 2016 as well. ***TCN managed the less attractive, instable emerging, developing or transition markets or geographically extremely distant markets between 2012 and 2017, with an exception of the USA market and a regional grouping of four markets in Scandinavia managed by a single manager from the region (three as TCN) in 2012.

Sources: *Firm A's annual reports for 2012–2017 and managers' LinkedIn profiles, media appearances and promotional interviews.*

The analysis of the Firm A's annual reports for the 2012–2017 period also shows that most of the MNE's entities abroad were managed by an individual manager rather than a team or a pair of managers during this period. The share of firms in the Group managed by a pair or a team of either local, foreign or mixed team managers has been continuously increasing from 2012 to 2017, however. In addition, all managerial pairs and teams in Firm A's subsidiaries have also included at least one parent-country national since 2015 (see Table 9). This indicates the increasing complexity of the multinational's network composition and subsidiaries' roles (as well as sizes) necessitating greater control, coordination, and knowledge spillovers from the headquarters across the network, as well as international management development. A managerial pair or a team including at least one member from the headquarters (temporarily – during introduction and implementation of change – or more permanently; physically present or acting as a manager from the headquarters or another foreign location) has mainly been used in locations of strategic importance (e.g. in the holding company that owns the Group; in large production facilities and development centres acquired by the headquarters; or in the firm's key markets). However, some of the firm's strategic locations have also been managed by (local or foreign) individual managers or by pairings without a representative from the headquarters – with changes in managerial compositions taking place throughout the 2012–2017 period (Firm A's annual reports for 2012–2017). There thus appears to be no clear pattern in terms of the number of assigned managers according to firm size, function or strategic relevance in the multinational network. Finally, there are also no distinctive patterns in team composition or assignees based on country of origin sent to a specific location.

Table 9. Individual and team management of Firm A's foreign entities, 2012–2017

Year	Number of firms abroad managed by individuals	Number of firms abroad managed by teams (including pairs)		
		Managerial teams from HQ (PCNs)	Local managerial teams (HCNs)	Combined management teams
2017	44	4 managerial pairs in 4 developed markets (3 in Western and 1 in Northern Europe)	0	2 managerial pairs in 3 entities in 1 EEM (the same pair of TCN and PCN managing 2 entities in the same market, a pair of PCN and HCN in an acquired entity) 1 managerial pair of PCN and HCN in 1 acquired entity in a Western European market transitioning to PCN pair mid-year (counted also as PCN managerial team) 1 team of one PCN and two HCNs in an acquired entity in Western Europe
2016	49	2 managerial pairs in 2 developed markets (1 in a Central European market – in	0	2 managerial pairs in 3 entities in 1 EEM (the same pair of TCN and PCN managing 2 entities in the same market, a

Year	Number of firms abroad managed by individuals	Number of firms abroad managed by teams (including pairs)		
		Managerial teams from HQ (PCNs)	Local managerial teams (HCNs)	Combined management teams
		the MNEs owner; 1 in a Western European market)		pair of PCN and HCN in an acquired entity) 1 managerial pair of PCN and HCN in a Northern European market transitioning to HQ single manager 1 team of PCN and two-three HCNs in an acquired entity in Western Europe
2015	51	1 managerial pair in a developed market in Central Europe – in the MNEs owner 1 managerial pair in a developing market	0	2 managerial pairs in 3 entities in 1 EEM (the same pair of TCN and PCN managing 2 entities in the same market, a pair of PCN and HCN in an acquired entity) 1 team of PCN and two-three HCNs in an acquired entity in Western Europe
2014	54 (2 by entities for half a year)	2 managerial pairs in 2 developed markets (1 in Central Europe – in the MNEs owner; 1 in Western Europe)	1 managerial pair in 1 EEM (later managed by a single local)	2 managerial pairs in 3 entities in 1 EEM (the same pair of TCN and PCN managing 2 entities in the same market, a pair of PCN and HCN in an acquired entity) 1 team of PCN and HCN in an acquired entity in Western Europe transitioning to single HCN at the end of the year
2013	61 (4 by entities)	2 managerial pairs in 2 developed markets (1 in a Central European market – in the MNEs owner; 1 in a Western European market)	1 managerial pair in EEM	1 managerial pair of PCN and HCN in an acquired entity in EEM 1 managerial pair of PCN and HCN in an acquired entity in Western Europe
2012	60 (5 by entities)	1 managerial pair in a developed market in Central Europe – in the MNEs owner	1 managerial pair in EEM	1 managerial pair of PCN and HCN in an acquired entity in EEM

Notes. HQ – headquarters; PCN – parent-country national (usually an internationally assigned manager from the headquarters); HCN – host-country national (local) manager; TCN – third-country national manager.

Sources: *Firm A's annual reports for 2012–2017.*

Regardless of the foreign entities' management size (individual, pair, or team) and origin (local, foreign – from headquarters or third country; or mixed), further analysis of the changes in individual foreign entities' top management shows that the latter mostly use **a consistent strategy for staffing their managerial posts** according to the managers' country of origin (see Table 10). If a particular foreign entity has been managed by assignee(s) from the headquarters in the previous mandate, the management is replaced by other managers from the headquarters or (rarely) by management assigned from a third country. If a particular foreign entity has had local management in the past, the latter is mostly replaced by local management as well.

The rare exceptions deviating from this pattern have occurred in some of the firm's strategic locations (such as a managerial pairing from the headquarters replacing local management in one of the firm's largest markets), during acquisitions (when managers from the headquarters have been employed for the purpose of transferring Firm A's organisational culture, processes, and standards to a newly acquired entity, as well as for control and change management purposes),[93] or in riskier markets (e.g. a rare case of management localisation in one of the Balkan markets, where Firm A mostly uses expatriates, occurred with the firm employing a local manager with international experience in the Group, which indicates that Firm A follows a strategy of employing managers with a certain distance to local employees in the Balkan markets – either nationals absent from the market in question for a long period of time or international assignees). The greatest shift from this earlier HR strategy in Firm A in terms of localisation or delocalisation is evident in 2013, when the majority of managerial changes included local managers being replaced by parent-country nationals – a finding lending further support to my conclusion on a transfer from a polycentric to an ethnocentric HRM strategy in the firm (see Table 10; Firm A's annual reports for 2012–2017).

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[93] Firm A's annual reports show that, in the newly acquired locations, individuals from the headquarters are either managing foreign units for a transitional period before they transfer their responsibilities to (new) local management; or permanently – in teams or pairs with local managers (Firm A's annual reports for 2012–2017).

Table 10. Shifts in foreign entity management in Firm A by origin of management and interim solutions, 2012–2017

Year	Localisation**	Delocalisation**	Maintaining foreign management**			Maintaining local (HCN) management	Provisional solutions (managers up to 1.5 years)	Total number of foreign entities
			Maintaining HQ (PCN) management	TCN replaced by PCN or TCN	PCN replaced by TCN			
2017	2	2 (both to PCN)	9	2 by PCN	0	0	2 PCNs (1 as transition between HCNs in Northern Europe, 1 as transition between PCNs in the Balkans – EEM)	53
2016	1	2 (both to PCN)	4	1 by PCN	0	0	3 PCNs (2 as transition between PCNs in EEMs, 1 as transition from TCN to PCN in an EEM)	56
2015	1	0	4	0	1	0	4 (3 PCNs in 4 firms as transition to PCN; 1 PCN as transition to HCN)	57
2014	1	1	4	2 by the same TCN	0	0	3 (1 PCN as transition to HCN, 1 PCN as transition to PCN, 1 PCN as transition to TCN)	61
2013	3	4 (1 HCN replaced by a pair of HCN and PCN upon firm acquisition, 1 'HCN' regional manager replaced by PCN for the same region, 2 HCNs replaced by PCNs)	6	4 by TCN (3 by the same regional manager – counted in delocalisation as well)	2	2	5 (1 HCN as a transition to PCN, 2x PCN as transition to HCN management, 2x TCN already managing two affiliates as transition to PCN and 1 TCN manager)	66

Year	Localisation**	Delocalisation**	Maintaining foreign management**			Maintaining local (HCN) management	Provisional solutions (managers up to 1.5 years)	Total number of foreign entities
			Maintaining HQ (PCN) management	TCN replaced by PCN or TCN	PCN replaced by TCN			
2012	2	2	7 (1 paired with HCN)	0	1	1	1 HCN as transition to PCN interim management and later permanent HCN management	63

Shift in management by origin of management*

Notes. PCN – parent-country national (usually an internationally assigned manager from the headquarters); HCN – host-country national (local) manager; TCN – third-country national manager. *Changes due to newly established or closed units and special cases of managerial shifts, such as the decrease in the number of entities managed by single managers or additional managers being designated to individual markets, are excluded from analyses as they are not indicative of international staffing trends. **No pattern can be identified according to the type of the host economy.

Sources: *Firm A's annual reports for 2012–2017 and managers' LinkedIn profiles, media appearances and promotional interviews.*

The analysis of annual reports furthermore shows that the large majority of **changes in management occur without a transition period** aimed at the transfer of business (regardless of the origin of the management) (see Table 10). This implies either the absence of a need for an interim period (e.g. due to Firm A appointing senior employees to these posts) or a lack of willingness for managerial international assignments pushing the firm to make swift (even *ad hoc*) changes in management when needed. Rapid changes are also usual for acquisitions, as they enable the new owner (Firm A) to quickly establish control over an acquired entity, clearly communicate its goals for the latter (also with an aim to retain key talents), accelerate the (organisational) culture transfers, the transmission of its standards, and knowledge sharing, and successfully implement change management. Managerial change upon acquisition can thereby be implemented as a provisional solution (i.e. until a more permanent local manager is found) or a permanent change, where the assigned manager remains abroad to manage the acquired entity – either in teams or pairs with local managers. Another reason for prompt managerial shifts could also be the managers' failure. However, this is unlikely – especially since the same managers are used in multiple locations either at the same time or successively (this may also be another indication of a limited pool of potential international assignees in the MNE) (see Table 10; Firm A's annual reports for 2012–2017).

Where **provisional solutions**, i.e. solutions shorter than the usual four- or five-year mandates, are implemented, they include host- (i.e. local), parent-, and third-country nationals alike. These 'intermediate' managers are later substituted by other host-, parent-, or third-country nationals as the more permanent solutions (see Table 10; Firm A's annual reports for 2012–2017). There is no clear selection pattern regarding the provisional staffing of Firm A's foreign entities' managerial posts based on the managers' origin. The provisional solutions thus indicate that *ad hoc* position filling (e.g. when HR or other crises arise in foreign entities and when succession cannot be planned) does not necessarily reflect the general international staffing of the MNE network or its individual entities. This is further supported by the fact that the shifts in nationalities from the provisional to the more permanent solutions are rather frequent. There is nevertheless a consistent trend in staffing of the managerial positions in the newly acquired entities with at least one parent-country national (see Table 10; Firm A's annual reports for 2012–2017), which supports the previously identified role of assignees from the headquarters as disseminators of the organisational culture, processes, and standards – especially since once the processes and values from the headquarters are successfully transferred and/or when the trust with the local management is established, these assignees return to the headquarters (see also Interviews 1a and 6a). The causes of provisional solutions in Firm A's subsidiaries cannot be identified based on the data from annual reports: as suggested by Interviewee 1a, they may include poor management and poor business results, conflict, crises, individuals' retirement or other factors.

The analysis of Firm A's annual reports for a six-year period also reveals that several managers (either host, third-country or parent-country nationals) **manage multiple firms** – either at the same time or successively and either in a single market or in numerous markets (see Table 11). In the case of a manager managing multiple firms simultaneously, said manager usually originates in the parent country and manages multiple proximate markets (geographically or in terms of their similarity to the markets where the assignee has already gained managerial experience) or entities

responsible for the same brands.[94] The prevalence of parent-country nationals among managers who manage entities in multiple markets simultaneously has been especially evident since 2015. As of then, all managers with multiple, simultaneous managerial roles in Firm A's MNE network – except for two (one a local and one a third-country national) – have been parent-country nationals. On the one hand, managing multiple firms at the same time implies a certain level of managerial absence from (at least) some of the entities, and thus their less effective management (from the perspective of an individual entity). On the other hand, since some of Firm A's entities abroad have zero employees (in 2017, 10 out of the 53 foreign units fell under this category; in 2016, 11 out of 56 firms had zero employees; in 2015, 10 firms were in this group; in 2014, eight had zero employees; and in both 2013 and 2012 12 firms had zero employees (Firm A's annual reports for 2012–2017)) or are active in the firm's non-core business, being managed together with another entity (without a permanent managerial presence) may be more effective from the Group's perspective. Using a manager of another entity for managing the units with zero employees or from non-core businesses may, furthermore, be used for closing down these units or preparing them for sale. The practice of managing several firms simultaneously is mostly used in the foreign entities and less in the domestic market of Firm A, which further implies it is a response to a lack of employee willingness to expatriate rather than a strategic approach to international staffing (see Table 11; Firm A's annual reports for 2012–2017).

Table 11. Management of multiple entities: comparison of Firm A's HRM strategies in domestic and foreign markets, 2012–2017

Year	Number of managers from the headquarters (HQ) managing multiple firms				Number of foreign managers managing multiple firms	
	In HQ country	In multiple locations abroad	In HQ market and foreign locations	In multiple firms in the same foreign market	In multiple locations abroad	In multiple firms in the same foreign market
2017	2	5	4	4	0	2
2016	2	4	3	3	0	2
2015	2	5	2	5	0	3
2014	2	5	2	4	1	2
2013	1	3	5	3	4	2
2012	1	4	4	3	3	3

Sources: *Firm A's annual reports for 2012–2017 and managers' LinkedIn profiles, media appearances and promotional interviews.*

The decision of a firm to use **the same manager for multiple markets successively**, on the other hand, can reflect cost optimisation objectives: e.g. using the same manager in similar markets may result in knowledge spillovers, faster adjustment of an individual, more efficient team management due to familiarity with internal processes in the firm as well as the processes related to expatriation,

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[94] The analysis only covers the location changes of top managers. However, there are also cases of individuals changing locations at lower managerial levels or across levels that are not recorded in the annual reports (see e.g. Interview 3a).

etc. The analysis of Firm A's annual reports for the 2012–2017 period shows that **managers with prior international managerial experience** in particular are increasingly utilised across the MNE's network for multiple assignments, too (see Table 12). The progressive use of managers with experience in managerial international assignments reflects the increasing pool of internationally experienced staff throughout the firm's history. In 2017, seven managerial changes out of the total of 15 included managers with past experience of managerial international assignments being sent to other foreign markets. In comparison, in 2016, one managerial change included an experienced (parent-country national) manager; in 2015, three managers assuming new positions had international managerial experience (two of them were parent-country nationals, and one was a third-country national); in 2014, there were two cases of managers with international experience (both parent-country nationals – one assigned abroad after a long-term interim period in Slovenia); and in 2013, there were five cases of newly appointed subsidiary managers with previous international experience (all parent-country nationals – one used as an interim solution in a similar market to the one of the more permanent parallel assignment) (see Table 12; Firm A's annual reports for the 2012–2017).

Table 12. Assignees' prior managerial international assignment experience, 2012–2017*

	Past experience in similar market(s)		Past experience in dissimilar market(s)		
Year	Transitions between EEMs	Transitions between developed markets	Transition from a developed market to an EEM	Transition from an EEM to a developed market	All managerial changes by managers with past international experience
2017	3	2	1	1	7
2016	0	1	0	0	1
2015	2	0	0	1	3
2014	1	1	0	0	2
2013	2	2	0	1	5
2012	0	0	0	1	1**

Note. *Due to data unavailability, only managerial assignments since 2012 are included in the analysis. This means that international assignees may have had previous international experience before 2012 as well as international experience at non-managing director positions abroad. While a shift in management may not imply constant physical presence (this especially holds for managers covering multiple markets at the same time), this is highly likely for managers operating in single markets as their positions are key positions that need to be constantly filled (see also Interview 1a). **Also included in the 2014 sum due to an additional market managed in-between.

Sources: *Firm A's annual reports for 2012–2017 and managers' LinkedIn profiles, media appearances and promotional interviews.*

Overall, most of the internationally experienced managers were **assigned to similar markets** between 2012 and 2017. Only exceptionally were they sent to dissimilar markets, whereby the managers with experience in emerging markets were more often sent to developed markets rather than *vice versa* in Firm A. This implies the possibly greater transferability of international assignment-specific process knowledge gained in the more complex business environments to the less complex markets than in the other direction (which is contrary to the findings on the efficiency

and effectiveness of gradual adjustment to different types of stress, rather than experiencing a sudden shock and then decreasing this shock in the later stages of an individual's career) (see Table 12; Firm A's annual reports for the 2012–2017). Due to the lack of available data, only managerial assignments since 2012 are included in the analysis, though. This means that some of the international assignees may have had international managerial experience before 2012, as well as international experience at non-managing director positions abroad (also during the 2012–2017 period, since the data does not cover inter-level managerial shifts).

However, the shifts to the institutionally dissimilar developed market locations being limited to internationally experienced individuals may also indicate the limited pool of potential assignees in the firm, rather than strategic objectives such as the transfer of market-specific knowledge. They may also imply that soft skills such as managerial competencies, intercultural communication, and assignment-specific procedural knowledge are more relevant for successful firm management than market-specific knowledge for assigned managers. In a few cases, the changes also involved **short-term or long-term interim periods in the parent country** (see Table 12). This suggests the changing international staffing needs across the MNE network, and points at the dynamics inherent to international staffing. This is partially related to firm growth and the changing MNE structure: with some entities being newly established and others being closed. Temporarily repatriating assignees to headquarters might also be an indication of the need for managers' reintegration into the headquarters after longer absences for them to be able to successfully coordinate the relations between the foreign entities and the parent firm during their later assignments (a principle also applied in diplomacy) (see Table 12; Firm A's annual reports for 2012–2017).

In summary, Firm A mostly employs an ethnocentric international staffing strategy, yet maintains a predominant localisation approach to staffing top managerial positions in its entities in the Balkans. Individual rather than team management in foreign entities prevails, although managerial teams (usually involving at least one parent-country national, especially in the strategic entities) are on the rise. When managers are changed, individual entities often preserve the staffing approach based on their previous manager's origin. These changes are also mostly immediate – with no transition periods. Several cases of provisional solutions are identified (mostly during the search for new local or longer-term parent-country national solutions and during acquisitions). To optimise assignment costs and overcome the lack of employee willingness to expatriate, managers are put in charge of multiple entities simultaneously or successively. In the former case, they usually manage (geographically or institutionally) proximate markets for cost-optimisation purposes. In the latter case, this is also true – but managing (geographically or institutionally) proximate markets successively is grounded in the organisation aiming to capitalise on the experienced managers' soft skills, such as assignment-specific process knowledge for their faster work adjustment, and other knowledge spillovers.

Firm- and individual-level rationalisations of the international staffing strategies and practices in Firm A are discussed in more detail in the following sections (i.e. sections 4.1.3.1, 4.1.3.2, and 4.1.3.3), where I conduct critical discourse analyses of annual reports and interview data. To detect the firm-level discourses related to (international) staffing and international assignments, I first

conduct a critical discourse analysis of the firm's annual reports and the interview with an HRM department representative responsible for assignment management (see sections 4.1.3.1 and 4.1.3.2). I then perform similar analyses of data from interviews with individual assignees to detect individual-level discourses and decision-making related to (international) staffing and international assignments (see section 4.1.3.3). I finally compare the discourses at both levels of analysis as well as link them to the results from content analysis to explain how firm-level and individual-level discourses are reflected in one another, as well as in the firm's international staffing strategies and practices (see section 4.1.4).

4.1.3   Critical discourse analysis: a strong learning organisational culture, absence of an international assignments discourse, and prevalence of a managerial discourse in Firm A

4.1.3.1 The organisation's voice as presented in Firm A's annual reports

When analysing Firm A's annual reports for the 2012–2017 period, I first focus on the content analysis of the documents to identify the key constructs (i.e. codes, categories, and themes) used by the firm in reference to its (international) staffing strategy and employees. I then look at how these constructs appear in individual annual reports and across multiple texts (comparing annual reports section by section – for the entire period analysed) by employing a critical discourse analysis approach. In other words, I use critical discourse analysis to inform the content analysis results and provide in-depth insights into how firm-level discourses emerge and are either changed or maintained through the analysed period. I thereby deliberate on the contexts that the references to (international) staffing and employees appear in (or do not appear in). I also study the linguistic features of the texts in the corpus: particularly the wording used in reference to (international) staffing and employees in the annual reports. The wider organisational context is considered with an aim to explain why social actors (particularly the firm's employees), international employee mobility-related events, and the entities within the MNE network are presented in a specific way, and why the arguments used in relation to (international) staffing are constructed in a particular manner. I furthermore reflect on the implications that the studied organisational discourses may have on the related individual-level discourses, as well as both the firm- and individual-level behaviours (see e.g. Beelitz & Merkl-Davies, 2012; Merkl-Davies & Koller, 2012).

In Firm A's annual reports, employees, employee relations, and employee development appear in (1) the general presentation of the firm and its network, (2) the business reports, and (3) the accounting reports (Firm A's annual reports for 2012–2017). The latter are excluded from critical discourse analysis, however, as they are the most standardised parts of the firms' annual reports that focus on financial indicators (meaning they do not differ substantially across firms), and thus provide limited insights into firm-level (international) staffing discourses.[95] Although employees,

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[95] Data on staffing the managerial posts in Firm A's MNE network from the accounting reports, however, has been included in the content analysis presented in section 4.1.2. They enable the

employee relations, and employee development are dispersed throughout Firm A's annual reports, they are not included in all subsections of the reports and the contextual emphases they appear in change over time. In the following paragraphs, I first concentrate on the subsections of the annual reports that do refer to employees. These are indicative of the context that the firm considers employees relevant in, as well as of how the firm constructs the (international) staffing discourse (co-)shaping the (international) staffing practices at the organisational and individual levels. Throughout the analysis of the contexts that employees are referenced in, I continuously consider the language used and report the findings regarding the latter as well. Several illustrative citations are provided and their implications from the perspective of the research focus (i.e. international staffing and assignments) are discussed. I finish the chapter with a brief discussion of the subsections that make no reference to employees, employee relations, and employee development, as these are also revealing: the extent to which employees are not included in specific firm's strategies, business processes, and activities shows the firm's lack of acknowledgement of – or a need for – employees' contribution to these areas. This is in turn likely to be reflected in the firm's smaller investments in employees for related tasks. For a discussion of the results, see the text below.

The **subsections** of Firm A's annual reports **containing references to employees** – specifically employee development, employee relations, and (international) staffing; include (1) the business performance highlights, (2) the calendar of key events for the past year, (3) the CEO letter, (4) the supervisory board report, (5) the corporate social responsibility (CSR) subsections (particularly the separate subsection on responsibility towards employees), and (6) the risk management subsections. In 2016 and 2017, employees are additionally mentioned in a separate subsection on key stakeholders which is presented in the annual reports as part of the general presentation of the Group at the very beginning of the publication (Firm A's annual reports for 2012–2017). I discuss the implications of employee-related references and their evolution through time in each of these subsections in more detail in the following paragraphs.

An overview of the introductory **business performance highlights** subsections of Firm A's annual reports for the 2012–2017 period shows that employees, employee relations, and employee development first appear in this part of the reports as late as in 2015. Prior to that, highlights were exclusively focused on financial indicators related to the firm's business performance (Firm A's annual reports for 2012–2013). Initially, the references to employees in the business performance highlights subsection were limited to the statistics on the number of employees in the Group, their inclusion in the Firm A's scholarship scheme, as well as external and internal training (Firm A's annual report 2015). However, the emphasis on employee development and especially the firm's internal training scheme was enhanced in the 2016 and 2017 business performance highlights. Increasingly more details regarding the content of internal training, the number of participants, and the outcomes of individual programmes were reported in this subsection. The content of training thereby evolved from a focus on production processes (e.g. development, quality guarantees, purchasing, technology, and digitalisation) in 2016 to a focus on soft skills, such as innovativeness,

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identification of Firm A's international managerial staffing strategies and practices across the network and in its individual entities over the analysed period.

leadership, coaching, communication and public speaking, negotiation, and teamwork and collaboration in 2017 (Firm A's annual reports for 2016–2017).

In 2016 and 2017, the international component of the internal training scheme was also more pronounced, whereby (international) managers, international business experts, and developers (i.e. technical experts) were identified as the focal target groups for employee development programmes (Firm A's annual reports for 2016–2017). A relatively late inclusion of employees in the introductory (business performance highlights) part of the annual reports, that focuses on the most relevant results and topics for the firm during the past year, implies the firm's initial focus on business performance without an explicit recognition of the employees' contribution to the latter. This changes in the later reports, in which employees are recognised first as implementers and later as co-creators of the firm's strategy. The overview of the highlights subsections also demonstrates the progressive development of a learning organisation culture, image, and employer brand by Firm A, as the employee development scheme is increasingly diversified, specialised, and internationalised over time (see Firm A's annual reports for 2012–2017).

Employee-related topics are for the most part absent from **the calendar of key events**, which follows the highlights subsection and summarises the main events (including managerial changes) and achievements of the past year, as well as portrays them in images or photos (with an exception of an image-free 2017 calendar of key events for the past year). When they do appear in the calendar, employees are mostly portrayed as producers and recipients of awards and depicted in the photos during fairs, product presentations, and award ceremonies, or at the opening of new facilities as their co-creators. The photos are inclusive rather than depicting only a specific group of employees, such as managerial staff (Firm A's annual reports for 2012–2017). Employee segmentation is more evident in the accompanying text. For instance, managerial changes and the developments related to the internal (managerial) training are described as key events – showing the firm's focus on a learning organisational culture and employee development (especially when aimed at management). In the 2012 calendar of key events, for instance, the long history of the internal training scheme is stressed and the focus on key talents or *"perspective employees"* throughout the MNE network (Firm A's annual report 2012, pp. 6) is explicitly stated.

The reasoning for developing the internal training scheme is also provided: i.e. the importance of internally developed managerial staff (including expert leaders) for the firm's enhanced internationalisation. As the report states: *"Aware that we can only compete with our international competitors by having employees with sufficient expert knowledge and leadership skills and by having employees who know how to detect changes quickly enough /(/and, of course, also adapt to them/)/, we have established an internal training programme for perspective employees /.../."* (Firm A's annual report 2012, pp. 6). Employee development throughout the MNE network is thereby directly linked to the firm's strategic internationalisation objectives. This is also why employee development is internationally oriented: both in terms of engaging participants from various entities within the MNE network and in terms of developing managers for managerial positions throughout the MNE network (Firm A's annual report 2012). Although employee development disappears from the timeline in the 2013 annual report, when the focus is on the moves of production facilities and new facility establishment, it reappears in the 2014 report's

calendar – with the first explicit reference to international staffing and the strategic relevance of international employee relations in this subsection. The calendar references the workers' council in the firm, which is comprised of employees from the larger subsidiaries and affiliates of Firm A in EU countries and Serbia.[96] Employee development is further referenced in the 2015 and 2016 annual reports, which both mention a new internal product design-oriented training programme for key talents throughout the MNE network. This confirms the constant evolution of the employee development programmes in the internal training scheme. Finally, the 2017 calendar stresses the internal training programme as (an internationally recognised) good practice aimed at company growth and development, which implies the firm's strategic focus on employee development as both the basis for its good business performance and part of its employer brand (Firm A's annual reports for 2012–2017).

I continue the analysis with studying **the CEO letters** in the annual reports. Since all of Firm A's CEO letters for the 2012–2017 period are written by the same CEO and their team, any shifts in (international) staffing discourse are of an organisational and contextual rather than personal nature. I discuss the changes in the following paragraphs.

Although the CEO letters for the analysed period are primarily addressed at Firm A's shareholders, they all reference employees as well – with variations in emphases and aspects of employee relations being highlighted over the analysed time period. The 2012 letter, for instance, mostly mentions employees in reference to the structural changes in the firm, the new responsibilities and demands they impose on employees, and the related job security. However, it also cites the employees' contribution to the realisation of the MNE's (internationalisation) strategy and business results, whereby an international staff structure and employee international mobility are implied: *"the results are a reflection of high degree of employee engagement in different departments and countries"* (Firm A's annual report 2012, pp. 9). In the 2013 CEO letter, on the other hand, employees only appear implicitly – as part of a group of stakeholders. International employee mobility is thus also absent from the 2013 CEO letter. A differentiation between top management and other employees is nevertheless indicated as the CEO singles out the top management team as the group responsible for strategy realisation (Firm A's annual report 2013).

However, the 2014 CEO letter once again credits a broader group of employees for company success. Both managerial and other employees are referenced as contributors to the business results of the MNE: *"This is an important achievement of the entire leadership team and all employees in /Firm A/, as well as the supervisory board members and all /Firm A's/ committees, that have (with their clear and critical views) been of great assistance in achieving the organisational goals."* (Firm A's annual report 2014, pp. 8). While the employee spectrum contributing to the firm's success is expanded, differentiation of leadership from other employees still implies that greater strategic value is attributed to the managerial staff by the firm. The CEO letter from 2014 also explicitly references international staffing (in relation to an acquisition of a foreign brand).

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[96] Inclusion of representatives from only certain entities within the MNE network implies either that the individual entities have different strategic value for the firm, or that employee relations are particularly poor in certain entities (e.g. the larger manufacturing facilities).

The CEO states that *"/t/he future development of this brand will be supported through an establishment of a new organisational structure, and /that/ the team of colleagues will be strengthened with experienced international experts."* (Firm A's annual report 2014, pp. 8). However, it is not clear whether the CEO is referring to experts from the foreign entity strengthening the team in the headquarters or *vice versa*. While international staffing is referenced, international employee mobility is not clearly indicated. The CEO may just as well be referencing the international employee composition of the firm's personnel.

The 2015 CEO letter focuses on (international) employee engagement in the preparation of the new strategic plan for the 2016–2020 period: i.e. it further recognises the employees' strategic value. The letter states that *"/i/n 2015, the Group dedicated a lot of time to preparation of the new strategic plan for 2016–2020 /.../. The preparation of the new strategy /.../ engaged all entities, fields, and business functions in the Group. Around 100 colleagues from the entire world were included in the process, whereby the strategic business council, that included members of management board and between 20 and 25 members of top management, played the key role."* (Firm A's annual report 2015, pp. 21). Top-down and bottom-up international engagement and collaboration in strategy development are emphasised, whereby the managers across the network in particular are explicitly cited as co-creators of the firm's strategies and practices. In the 2015 letter, employees' strategic value is acknowledged not only through the implementation but also through the development of the organisational strategy – across the MNE network and involving all business functions. In line with the explicit acknowledgement of employees' strategic value, the CEO also describes employee development throughout the MNE network (i.e. internationally) as a basis for strategy development and execution in Firm A. In other words, investing in employee development is a strategic decision of the firm, whereby the managerial staff are the focal target group of internal training: *"Superb leaders and engaged employees will be the key element to a successful transformation. We all /.../ have to be prepared /to and for/ change /throughout the MNE network/. With an aim to achieve the best possible qualifications for addressing the challenges presented by the new conditions, we invested almost 2 million EUR in employee education and training."* (Firm A's annual report 2015, pp. 22).

The firm's focus on employee development is reaffirmed in the 2016 letter, which additionally references the constant evolution of internal training programmes based on environmental factors. The CEO, for example, highlights the launch of a new programme focused on digital skills as one aimed at guaranteeing responsiveness to changes in the business environment (Firm A's annual report 2016). Finally, the 2017 CEO letter additionally praises the employees' experience and qualifications or competences, whereby they imply the success of internal employee development programmes. However, they mention employees' experience, competences, and qualifications as something self-evident, and at the very end of the letter as an (expected) after-thought: *"Today, the Group boasts with /a strong global presence/ and, of course, superbly qualified and experienced employees."* (Firm A's annual report 2017, pp. 11).

Overall, although the CEO letters for the 2012–2017 period do not particularly stress employees or employee relations, they reveal the firm's increasing focus on (international) employee development and engagement based on progressive acknowledgment of employees' strategic

contribution to the firm – as both the implementers and co-creators of the firm's global strategy. Thereby the former role prevails in the earlier reports and the latter in the later texts – with the managerial staff being explicitly referenced as the strategy co-creators (clearly indicating employee segmentation into managers and 'others' as well). The shift from referencing an international composition of staff in the MNE network to recognition of the developmental potential of intercultural teams is moreover evident.

The supervisory board reports for the 2015–2017 period that follow the CEO letters similarly do not include substantial sections of text on employees. However, the supervisory board reports for 2012–2014 put a greater emphasis on employees than the CEO letters do over the entire analysed period. This can be explained by the contextual factors, such as (1) sales of several entities in the MNE network due to which employee reassurance is more relevant (2) and the emphasis on cooperation with unions in a traditionally socialist firm due to which employee inclusion in major decisions is stressed.[97] The 2012 supervisory board report, for instance, emphasises the relevance of job preservation during restructuring and credits *"all employees"* for both the successful restructuring and good business results of the MNE network (Firm A's annual report 2012, pp. 10). The 2013 supervisory board report similarly acknowledges the importance of (collaborative) hard work by the management board and employees under unfavourable economic conditions for good business performance in the future.

In 2014, the supervisory board report additionally links employees with risk management by citing the strengthening of the risk management team. This report also stresses the relevance of the overall international engagement of employees in managerial and corporate governance processes in the MNE network rather than in external entities: *"In any case, we think that the broader management of the Group should be focused on its work in /Firm A/. /Because/ the company operates under highly competitive conditions and in a fairly saturated industry in almost all the world's markets, /…/ it is absolutely urgent that all employees engage as much as possible in their work in the Group."* (Firm A's annual report 2014, pp. 11). This is the only supervisory board report with a direct mention of international staffing during the analysed period – encouraging collaboration across the MNE network and with a particular focus on managers as the firm's focal employee segment (Firm A's annual reports for 2012–2017).

Among all subsections in Firm A's annual reports, the separate **CSR employee-focused subsections**, that are present in all annual reports for the analysed period, are marked by the greatest emphasis on employee relations and employee development. In the 2012, 2013, and 2014 annual reports, this is the first (i.e. the most prioritised) CSR subsection. However, between 2015 and 2017, the employee-centred CSR subsection is surpassed by environmental responsibility – indicating a shift from a focus on the firm's internal environment to the external one (Firm A's annual reports for 2012–2017).

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[97] Employees are also included in the firm's ownership scheme (Firm A's annual reports for 2012–2017; Gvin.com).

In the 2012 annual report, the CSR employee-focused subsection centres on (1) employee recruitment (through scholarships, mentoring of students' theses, and apprenticeships), (2) employee development, and (3) contextual factors determining the firm's staffing strategies (e.g. firm restructuring, lack of technical staff in the labour markets, ageing of the population, and various legislative frameworks across markets). Selective recruitment is stressed, whereby the firm concentrates on attracting technical rather than managerial staff (this focus shifts over the years, however) through apprenticeships. Familiarisation of potential Firm A employees with the work environment and organisational familiarisation with the individuals' *"attitude to work and learning"* (Firm A's annual report 2012, pp. 53) are presented as the key advantages of such recruitment. This shows that Firm A attaches great relevance to (1) the employees' familiarity with its internal processes and organisational culture even prior to their employment in the firm for their successful performance of tasks later on; as well as to (2) the firm's trust in employees' work ethics, learning motivation, and learning capabilities, based on the organisational familiarisation with its future employees prior to their employment in the firm. The need for employees (capable of) working in international environments is acknowledged as relevant in the recruitment processes as well: *"Besides technical staff, we also hired a few professionals for other areas, faced with work in the continuously more demanding international business environment."* (Firm A's annual report 2012, pp. 53).

In terms of employee development, its strategic value and alignment with the firm's overall business strategy, flexibility, and individualisation are emphasised in the 2012 annual report. Being integrated in the overall strategy implies the strong strategic importance of employee development for Firm A. The 2012 report states that *"/t/he strategy on educational activity of the Group stems from its business strategy /.../ /and that, because/ /i/ndividuals need to adapt to business very quickly, /.../ the process of knowledge acquisition needs to be like that to: fast, simple, responsive to the current needs as much as possible, and guaranteeing long-term development and survival of the firm at the same time. /Firm A/ will thus increasingly utilise an individualised approach to knowledge transfer in the future /.../."* (Firm A's annual report 2012, pp. 54–55). In addition, the internal training scheme is described as *"an important building block of the Group's educational activity"* focused on *"perspective employees"* (Firm A's annual report 2012, pp. 54) and aimed at developing successful employees for *"the leading and key expert workplaces"* (Firm A's annual report 2012, pp. 54) throughout the MNE network. This confirms the firm's focus on managerial staff and key (expert) employees in its employee development practices.

A specialised programme in support of the firm's internationalisation and employee performance introduced in response to the *"demanding international environment"* (Firm A's annual report 2012, pp. 54) in 2012 further substantiates the conclusions on the firm's constant (contextually grounded) evolution of its internal training scheme, as well as its increasingly international nature – in terms of both the content and the attendees of training. Since the international business-focused programme *"supports /.../ training of young perspective employees for undertaking of the more demanding posts within the Group"* (Firm A's annual report 2012, pp. 54), an international mobility aspect of managerial development is implied. In other words, the international mobility of key employees is both used for training and results from training in Firm A. A need for

managerial advocacy and oversight regarding (international) employee development is also indicated in this annual report: i.e. managers' support is needed for employee development implementation (see also Interview 1a.). This additionally shows the high strategic importance of employee development for the firm and a centralised stance to (international) staffing (Firm A's annual report 2012).

Annual reports for 2013–2017 have similar emphases on employee recruitment and development as the 2012 report. There are nevertheless several developments in the firm's (international) staffing discourse in these later reports. The first noticeable change in the 2013 employee-focused CSR subsection of Firm A's annual report is the discursive shift from CSR to sustainable development. This shift further implies a change from treating employee relations as the firm's (one-sided) obligation to treating them as a strategic investment with potential returns for the firm. In reference to (international) staffing (which remains selective), this subsection of the 2013 annual report also stresses an additional component of employee recruitment: i.e. it differentiates between internal and external recruitment (especially with regard to the technical staff it lacks), whereby the former is prioritised and the latter explicitly includes new employee integration in the firm's work environment (e.g. through apprenticeships). This provides additional support for the conclusion on the importance of both settled and new employees' familiarity with internal processes and networks – as well as employee commitment. The latter is explicitly emphasised as the basis for successful business performance. In reference to the latter, evaluation of individuals' performance (through centralised human resources management approaches for the entire MNE network) is identified as the key activity that enhances employees' commitment to organisational goal fulfilment and personal development (Firm A's annual report 2013).

Despite an organisational emphasis on control and pressure through assessments rather than support in the firm's HR practices, the 2013 report describes evaluation in the form of annual interviews as joint decision-making regarding employee development (Firm A's annual report 2013). A relational approach to employee development is thus implied. The employee-focused CSR subsection of the 2013 annual report also discusses the internal training scheme and the related specialised programmes in great detail. This holds for all annual reports studied, and confirms the firm's learning orientation as well as employee development focus in building the firm's employer brand. In the 2012 report, half of the employee-focused CSR section (one and a half pages out of three pages) deals with employee development. In the 2013 and 2014 reports, this share decreases slightly (with one and a half pages and one page out of four pages being dedicated to employee development, respectively). Between 2015 and 2017, one fifth of the subsection similarly dealt with employee development. However, since 2015 the subsection had lengthened substantially, up from three or four pages between 2012 and 2014 to 10 pages, including a systematic overview of key activities and results, whereby training took up approximately half of the entire summary content – again, confirming the firm's emphasis on employee development and a learning organisational culture (Firm A's annual reports for 2012–2017).

The 2013 report stresses the international (and integrative) component of the internal training even more than the 2012 report. It states that *"/t/he /internal training scheme/ is a new way of gaining*

and combining knowledge, linking different business cultures, and strengthening the common corporate identity. /.../ /A new international business (IB) programme/ is dedicated to the colleagues from affiliated entities or subsidiaries located abroad or in Slovenia and is aimed at international business." (Firm A's annual report 2013, pp. 48). Since the specialised IB programme is a 2013 novelty within a 20-year old scheme (Firm A's annual report 2013), the relatively late introduction of an internationalisation-focused programme indicates either (1) a lack of internationally mobile managerial employees due to demographic, institutional or other factors appearing at the later stages of the firms' development – leading the firm to invest in employee development throughout the MNE network; or (2) a late acknowledgement of the specific skills required for IB – although internationalisation in the firm was already intense in the 1990s (see e.g. Interview 1a).

Among its existing programmes, the firm's international business programme, which is aimed at developing high potential individuals operating in an international environment, and the managerial programme preparing employees for managerial positions and equipping them with relevant leadership skills (for employees taking on international managerial positions – the most common and widely recognised assignment purpose in Firm A (see Interview 1a; Firm A's annual reports for 2012–2017)) are the closest to an international assignee preparation programme in the firm. Since the company describes the first programme as aimed at *"high potential employees **from** the international environment"* (Firm A's annual report 2017 – emphasis added) and not 'for' the international environment, this implies that inpatriation rather than expatriation is prioritised when it comes to employee training, and thus the firm employs a centralised approach to knowledge sharing. The IB programme, for example, is based in the headquarters that act as the central knowledge base and a source for knowledge upgrades in foreign facilities across the MNE network: either through foreign facilities' staff engaging in headquarters-based training or through international assignees from the headquarters transferring parent firm knowledge to the foreign affiliates through their longer-term assignments in the latter. The managerial programme similarly operates following a centralised approach to knowledge transfers, in which managerial assignees as knowledge holders share the knowledge from headquarters throughout the MNE network.

The 2013 report furthermore reiterates the firm's strategic segmentation of employees into key employees, who are the recipients of strategic training (internationally), and other employees, who are managed as capital. The training programmes only focus on three employee levels: (1) top management, (2) talents, and (3) (IB) experts. Soft skills and international collaboration within the MNE network in particular are stressed as factors in the firm's growth. The internal IB programme is thus also aimed at strengthening employees' internal networks and easing international employee transfers through establishing the international mobility 'norm'. The developed competences include *"strategic thinking, realisation of corporate vision, innovativeness and entrepreneurialism"* for leadership (Firm A's annual report 2013, pp. 48). *"/S/trengthening of interpersonal collaboration and the social network among participants"* is furthermore recognised as an important added value of such training (Firm A's annual report 2013, pp. 49).

The 2014 CSR employee-focused subsection includes an even more detailed explanation of the firm's staffing approaches – explicitly acknowledging employee development as a preparatory

tool for the firm's flexibility in staffing its key positions across the MNE network according to the constantly changing and evolving organisational needs. The report states: *"In 2014, we have continued with selective employment, scholarships, and part-time studies for employees /that provide a constant supply/ of highly educated staff operating in new product development, introduction of new and more demanding technologies, sales, and other professional areas."* (Firm A's annual report 2014, pp. 53). A more systematic approach to building an employee database informing future employee development and facilitating responsiveness to organisational needs is furthermore evident from the firm's establishment of an internal online portal, where existing employees can update their profiles with their knowledge, skills, and professional ambitions. The portal is aimed at establishing individual-organisation reciprocity, and reflecting both the organisational needs and the individuals' desires for greater effectiveness and efficiency of internal recruitment, staffing, and employee mobility (within or across units – domestically and internationally). While employee evaluation still acts as a control tool in 2014, the firm also recognises the importance of the leaders' support to employees throughout the MNE network (i.e. a more collaborative and relationship-oriented approach is promoted through the (international) staffing discourse at the individual and team levels as well): *"The analysis of the colleagues' competence, an evaluation of how they are fulfilling the goals set for them, formulation of new goals, and continuous monitoring and support by the leader regarding the realisation of set activities are the cornerstones of the work effectiveness process in the Group."* (Firm A's annual report 2014, pp. 54).

In reference to international staffing, the 2014 CSR subsection of the annual report cites systematic interviews with top management and consultations with the HR council regarding the key employees, their results, and development potential for succession and career planning (aligned with the organisational goals and individuals' characteristics – whereby, as in 2013, the definition of development activities for an individual is a joint process conducted by the individual and the firm) within the Group. Consistent with the previous years, key employees and their development throughout the MNE network are stressed in the 2014 report. However, the 2014 report also explicitly references international assignees as recipients of training: *"We have reformed the programme aimed especially at internationally assigned employees."* (Firm A's annual report 2014, pp. 55).

Expansion of employee development activities to include a broader pool of individuals across the MNE network (e.g. through an online training system – available in English and Serbian; and new training programmes in the internal training scheme);[98] further implementation of the internal IB

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[98] The more generic training for professionals in different areas includes that on lean production; team collaboration, successful time management, and coping with stress, financial training, and HR policy (for leaders); language courses; IT programmes for product, process and service quality assurance; communication training; and efficiency training. A new product development programme to be launched in 2015 is also planned to incorporate a broader variety of employees from different departments in the MNE network: i.e. employees from marketing, sales, purchasing, R&D, production, design, quality, product and brand management departments (Firm A's annual report 2014).

training programme introduced in 2013 for *"colleagues in affiliates and subsidiaries abroad and in Slovenia /.../ focused on international business"* (Firm A's annual report 2014, pp. 54); and extension of annual interviews aimed at alignment of individual and organisational goals to foreign locations (e.g. Serbia), further imply the strengthening of an emphasis on international staffing for internationalisation purposes in Firm A over time. In addition, international staffing is increasingly recognised as strategic and approached accordingly. A more in-depth description of the IB training programme in 2014, for instance, reveals that the programme participants also have direct access to top management through presenting their strategically-oriented outputs from training, such as product, process or service development, to members of the management board (Firm A's annual report 2014).

In the 2015 annual report, employees are placed after environmental responsibility for the first time during the analysed period. However, to counterbalance this shift, the employee-focused CSR subsection is much longer than in the previous years (as mentioned above, it comprises 10 pages – including a systematic overview of key activities and results, with training taking up approximately half of the entire summary content). The 2015 employee-focused CSR subsection of the 2015 annual report also has a substantially changed structure, which is maintained in 2016 and 2017. In 2015, the entry statement of this subsection is focused on employee knowledge, innovativeness, and commitment as a basis for the firm's competitiveness. The first graphic in the subsection shows basic statistics on the number of employees, the sum of all training hours, and number of managers included in the training – signifying the learning and management development focus of the firm referenced in the previous reports as well (Firm A's annual report 2015).

Education and training are stressed in this subsection both content- and quantity-wise – more than in all other parts of the annual reports. Training activities with explanations of their respective strategic objectives, for instance, are elaborated over two pages – i.e. occupying one fifth of the subsection. They are described as enablers of *"further growth, competitiveness, and sustainable development"* (Firm A's annual report 2015, pp. 95) and are explicitly attributed strategic value. The annual report states that *"/t/he educational strategy of the Group stems from /the firm's/ business strategy. Based on the strategic orientation and goals of individual entities and the entire Group, /the firm/ execute/s/ various education and training programmes for employees and pursue/s/ the basic goal of constantly supporting professional development of colleagues."* (Firm A's annual report 2015, pp. 95). This furthermore implies that, despite a centralised approach to employee development, the latter is not limited to the headquarters, but rather has a strategic value for all entities in the MNE network – interdependently and individually (and is thus tailored to their needs as well as involves employees from across the MNE). With its increasing complexity, employee development is also becoming more systematic. For instance, an annual plan of education and training as well as an internal standard for measuring educational and training efficiency was introduced in 2015 to further support training activities being strategically managed (Firm A's annual report 2015).

The international aspect of the firm's internal training is further stressed in 2015 with the report referencing (1) the international online training system; (2) the IB programme focused on

developing and dispersing the corporate culture, enhancing employee loyalty, and strengthening the social capital of individuals and teams throughout the MNE network; and (3) the entire Group's collaboration with (international) academic institutions. Recruitment remains selective and focused on technical staff in 2015 too – with a novelty: additional efforts with regard to individuals who have the professional skills that the firm lacks and who pursue shortage occupations through a national scheme, which implies the firm further opening up to external recruitment due to environmental pressures. Internal recruits or scholarship recipients are primarily targeted for filling positions, which shows the continued importance of knowing the organisational culture and internal processes for successful performance of tasks throughout the MNE network (Firm A's annual report 2015).[99]

In 2016, the CSR employee-centred subsection of Firm A's annual report is similar to that in the 2015 report. It includes the same entry statement, focus on (strategically planned and contextually grounded) employee development with a particular emphasis on managerial development, employees' access to top management through internal IB training (by means of business plan presentations to top management), broadening of internal training programmes and their beneficiaries,[100] and a continuously enhanced international component of employee development.[101] Again, the strategy for *"thought-out"* (Firm A's annual report 2016, pp. 89) employee development is described as part of the overall 2016–2020 strategic plan. All in all, selective, knowledge-based recruitment as well as the constantly upgraded and internationally broadened employee development (e.g. through further dispersion of the online training programme through the MNE network) are stressed again (Firm A's annual report 2016). There are certain changes to the (international) staffing discourse in Firm A, evident from the 2016 CSR employee-centred subsection of its annual report, however. One of these changes is a clearer shift in the recruitment approach from internal to (deficit) external technical staffing (also through scholarships, career fairs, collaboration with faculties, and traineeships). An additional novelty in the 2016 report includes the explicit mention of the strengthening not only of multicultural but also interdisciplinary spillovers to be achieved through employee development programmes (especially those focused on IB and R&D) throughout the MNE network in 2017 (Firm A's annual report 2016).

In 2017, the employee-focused CSR subsection of the annual report only reiterates the strategic (*"thought-out"*) (Firm A's annual report 2017, pp. 87) approach to employee development for the entire Group and a focus on experienced and knowledgeable employees as the source of the firm's

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[99] In an interview published on the corporate website, the person responsible for internal training describes its main benefits as *"forming unique in-house experts"* and being *"one of the most important sources of the firm's competitive advantage"* (Firm A's corporate website 2008–2019).

[100] A multicultural pool of participants is involved in the managerial training programme (Firm A's annual report 2016).

[101] Non-IB programmes such as the firm's product development programme are also described as international: in terms of attendees from different competence centres and due to the educators coming from different international faculties (Firm A's annual report 2016).

competitive advantage from 2015 and 2016. Although (as in 2016) external recruitment of individuals from shortage occupations is stressed, this annual report additionally emphasises employee retention. The paragraph stating that *"employees with adequate knowledge and experience are motivated and recognise the possibility of personal and career development in the Group"* (Firm A's annual report 2017, pp. 87) implies that not only does the firm focus on attracting employees, but also retention through employee development, whereby existing employees are implicitly considered to be the most suitable (experienced and motivated) candidates for employee mobility within the MNE network (either domestically or internationally). Consistent with this stance, a succession policy is included in the 2017 annual report as an additional objective to be achieved in 2018 (Firm A's annual report 2017). Recognising the strategic value of employee development not only for employee attraction, but also for employee retention, results in the main shift in (international) staffing discourse in 2017: the emphasis on the development of soft skills (innovativeness, leadership and coaching, communication, public speaking, negotiation, and team collaboration) rather than professional abilities through the internal training programmes (Firm A's annual report 2017).

This is also consistent with a move towards more collaborative and reciprocal employee relations, which are no longer termed relations 'between' employees but rather as the organisation's relations 'with' employees. In other words, the firm uses terminology that links employees to the organisation rather than detaches them from it. The relevance of relationship building and employee embeddedness in the firm (and for the firm) is additionally evident from the firm's attention to an introductory programme for new employees (added to the scholarship and apprenticeship scheme) and coaching. Collaboration with local (also foreign) high schools and faculties through providing practical training for students (future external recruits) is an additional tactic for the firm to introduce its processes and organisational culture to its potential future employees. Such collaboration also serves to reduce the later investments in individuals' integration when they are actually hired by the firm and need to perform their tasks immediately (Firm A's annual report 2017).

Finally, this subsection moved from the subsection on the presentation of the Group, where it had been placed between 2012 and 2014, to the business report part of the document between 2015 and 2017. This further substantiates the conclusion on employees initially being perceived as capital to be managed, and only later being recognised as contributors to the firm's performance and value co-creators worth the organisational investment.

Overall, the analysis of the CSR employee-focused subsections of the annual reports for the 2012–2017 period shows an increasing focus of Firm A on reciprocal employee relations and strategic employee development, with an enhanced dispersal of staffing approaches from the headquarters to the entities throughout the MNE network (due to both internal and external factors such as the firm's growth, strategic evolution, and lack of key recruits in the labour market). Employee development – including of international staff – has been recognised as crucial for the firm's development and growth, and has in turn become more holistic and systematic as well as aimed at both attracting and retaining employees. Employees' integration in the firm for their successful performance is also indicated – and so is the segmentation of employees into managers and

'others'. Despite an inclusive internal training scheme, the managers are at the forefront of Firm A's (international) staffing strategies. This is further supported by an overview of Firm A's internal employee development programmes.[102] The content of these indicates a greater focus on the highly-skilled key employees (either young talents or the more experienced team members). The wider audience of the firm's (international) employees is only targeted with the more general contents, such as health and safety in the workplace,[103] product information (including repair services), and environmental protection measures (Firm A's annual report 2017; Firm A's corporate website; Interview 1a) – either through an online or lifelong learning programme primarily aimed at the greater flexibility and job security of the firm's (seasonal) manufacturing workers (Firm A's annual report 2017).

The final subsection in Firm A's annual reports mentioning employees and their role in the organisation is **the risk management subsection**. In the 2012 report, employees appear in the paragraphs on personnel risks. Both ambiguities about wages, job preservation, and employee health related to production relocations (addressed through communication and social dialogue) and issues related to the staffing of key positions (addressed through the scholarship policy, part-time studies, and motivation for new challenges and variable remuneration) are mentioned (Firm A's annual report 2013). In the 2013 report, employees have an even stronger presence in the risk management subsection. Addressing personnel risks is described as crucial for *"the Group's capability to remain competitive and efficiently perform its business strategy on expansion"* (Firm A's annual report 2013, pp. 68), whereby the firm focuses on (mainly the skilled and experienced) employee retention, motivation, and attraction in production, management, and top management through the continuation of a scholarship policy, part-time studies, motivation for new challenges, and variable remuneration from 2012 (Firm A's annual report 2013). Nevertheless, in both the 2012 and 2013 annual reports, employees are not referenced among competitiveness and development risks (Firm A's annual reports for 2012 and 2013). However, they are included among the *organisational risks* in 2013. Managers in particular are referenced as having the responsibility to *"facilitate appropriate execution of the procedures and guarantee the compliance of the powers and responsibilities of individual employees /throughout the Group/."* (Firm A's annual report 2013, pp. 70).

In 2014, the risk management subsections of the annual report including employees expand to include paragraphs on (1) production risks (centred on employee (un)availability), (2) development risks (focused on the development department's (un)availability and (in)sufficient staffing of key positions), and (3) personnel risks. As in 2012 and 2013, the attraction, retention, and motivation of skilled and experienced employees for all business processes in operational functioning, management, and leadership of the Group for successful execution of long- and short-term business strategy are stressed. There is additional focus on (1) succession planning for

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[102] Currently, the specialised programmes are focused on management and entrepreneurship, international business, executive management, product development, and digitalisation (Firm A's corporate website 2008–2019).

[103] This is probably a reflection of the manufacturing sector specificities and the legal framework that Firm A operates in, and not a reflection of the organisation's strategic stance.

assuring uninterrupted operation regardless of the potential loss of key personnel, (2) employee development at all levels and in all areas throughout the MNE network, and (3) external recruitment of employees through a scholarship scheme, whereby the availability and flexibility of sufficiently skilled employees are emphasised as crucial for appropriate and timely execution of strategic, developmental and other projects conducted together with regular business activities in the Group (Firm A's annual report 2014). This shows that, in 2014, employees become recognised more holistically as contributors to the firm's performance: i.e. their contributions in different areas and processes in the firm are acknowledged more.

The level of recognition of the diverse and dispersed employee contributions in the firm further increases in the 2015–2017 annual reports. In the 2015 annual report, the need to raise awareness of the importance of risk management among employees is additionally stressed – implying a shift to the firm's expectation of employees' active involvement in risk management. As in 2014, the risk management sections including employees are the sections on (1) production risks (addressed through employee relocations within the same facility and constant training for greater employee flexibility); (2) development risks (addressed through constant training and cooperation with established international institutions and development centres); and (3) personnel risks (addressed through continuation of succession planning, employee development, and external recruitment through a scholarship scheme; and by encouraging realisation of the updated corporate values common throughout the Group, such as responsibility, innovativeness, and entrepreneurialism). Quality personnel is particularly stressed as an asset: *"Quality personnel is of a special importance in the Group, as it represents an important asset that enables our operation."* (Firm A's annual report 2015, pp. 109).

In both the 2016 and 2017 annual reports, the risk management subsections also explicitly stress the engagement of all employees (i.e. of both managerial and non-managerial staff in both the headquarters and other entities in the MNE network) in risk management – through the awareness raising activities of risk management being part of all of the processes in the firm. In other words, Firm A acknowledges that employees (at all levels, in all areas, and in all markets) can contribute to risk management effectiveness through their execution of tasks in all areas and aspects of business operations. Risk management is thereby becoming more inclusive and considered to be part of the MNE's corporate culture (this also holds for the 2016 and 2017 annual reports). On the one hand, all risks (and not just personnel risks) are somehow related to employees. On the other hand, employee-related risks are also present in all processes (Firm A's annual reports for 2015–2017). As in 2014 and 2015, the 2016 and 2017 reports include employees in subsections on (1) production risks, (2) development risks,[104] and (3) personnel risks. Quality employees are still recognised as an asset enabling the firm's operation (Firm A's annual reports for 2016–2017).

Finally, none of the risk management subsections reference international mobility or the international composition of staff as either a risk or a risk management strategy (Firm A's annual reports for 2012–2017). The 2012 report, for instance, only implies the relevance of colocation for

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[104] In 2017, references to employees in the developmental risks paragraphs are only implicit, however (Firm A's annual report 2017).

development, but does not address international staffing in this context directly: *"The goal of competence centres is to join the knowledge with regard to one product group in one location."* (Firm A's annual report 2012, pp. 18). Based on the trend of an increasingly more holistic recognition of employees' contributions to the firm (at all levels, in all areas, and in all markets) and the increasing lack of skilled employees in internal and external markets, as well as their unwillingness to engage in international mobility, this may change in the firm's future annual reports (Firm A's annual reports for 2012–2017; Interview 1a).

There are also several **specifics** regarding Firm A's (international) staffing discourse, that appear in individual annual reports. These mostly appear in the more recent documents as additional emphases on employees. The 2015 report, for instance, additionally stresses **the international employees' and facilities' engagement in preparation of the strategic plan for 2016–2020** focused on the firm's global growth. Both top-down and bottom-up engagement in strategy development are acknowledged, whereby all entities, areas, and business functions of the Group are involved. The text reports that about 100 colleagues from the entire Group (i.e. globally) were engaged in preparing the strategy, but that 20 to 25 top management representatives were specifically assigned to a special strategic business council dealing with the strategic planning. It thereby explicitly acknowledges managers across the network (i.e. including the local and internationally assigned parent-country or third-country nationals) as co-creators of the firm's strategies and practices rather than merely their implementers.

In the Firm A's annual reports for the period between 2015 and 2017, employees' expertise is additionally acknowledged through references to their **membership of professional associations**. The 2016 and 2017 annual reports, for example, state: *"In the Group, we have an extremely wide range of knowledge from the fields of technical, natural, and social sciences/.//.../ /T/hrough their membership and participation in professional, educational, research and business organisations and associations, /our experts and managers/, co-create professional and business relationships with the key stakeholders and strengthen, develop, and exchange knowledge and experience. In several organisations at the international, national, and regional levels, our employees are also active members of the boards of directors, professional and strategic councils, and other key bodies"* (Firm A's annual report 2016, pp. 31, Firm A's annual report 2017, pp. 24).

Through promoting employees' activities in professional associations, the firm expresses support for and pride in such engagement, as this can be beneficial for both the individual and organisation. The employees are solidifying their expert roles within the firm as well as externally (in relation to other organisations), which in turn strengthens their job security and provides them with greater flexibility in terms of their mobility within the MNE network and across organisations. The firm, on the other hand, benefits from best practice sharing with other organisations in professional associations, and also builds its employee-development oriented brand and develops the image of a desirable and progressive employer with opportunities for professional growth externally. This potentially results in (1) attracting experts from other firms to its entities through Firm A's expert ambassadors and their achievements, as well as in (2) retaining and motivating the existing employees for their professional growth within the MNE network.

The 2016 and 2017 reports, moreover, include **an additional section on the firm's various forms of capital**, in which employee capital is defined as *"knowledge, competences, and experience of /the firm's/ employees"* (Firm A's annual report 2016, pp. 27; Firm A's annual report 2017, pp. 21). Employee capital is explicitly specified as an input for user-centred value creation, whereby the need for organisational investments in employees is acknowledged as part of the firm's strategy: *"we elevate our capital with the set business model"* (Firm A's annual report 2016, pp. 25; Firm A's annual report 2017, pp. 18). By treating its employees as the holders of strategic capital, Firm A implies they are a key resource for its (international) growth and development. Employees along with their knowledge and experience are explicitly recognised as the firm's strategic asset in the capital subsection as well: *"We are aware that our wealth lies in our employees with extensive knowledge and experience in the industry /.../ and strong competences in the research and development area."* (Firm A's annual report 2016, pp. 25; Firm A's annual report 2017, pp. 18). The firm's constant and continuously increasing emphasis on employee development and internal and external promotion of its learning organisational culture in the organisational (international) staffing discourse is consistent with this stance, as it assumes a return on investment in the form of employees' enhanced performance based on training or career development.

The 2016 and 2017 reports also contain **a separate subsection on key stakeholders**, in which employees are addressed in even more depth and detail – as the second most important target group (after the owners, shareholders, and investors). This subsection lists (1) the reasons and objectives for communication with the target group, (2) communication content, and (3) communication tools targeting employees, along with (4) employee-related subsections in each report (for easier navigation of the reader through the text as well as for an immediate overview of the context in which the employees appear). The objective of communication with employees is described as developing motivated individuals who are recognised as the key to Firm A's success. An emphasis is placed on joint development of a culture of mutual trust, respect, and constant learning, as well as the recruitment, promotion, and award policy. The related communication content is focused on (1) the company's mission, vision, values,[105] and the corporate strategy as well as the facilitation of their realisation, (2) products and services, and (3) employee development planning – focused on management development (as a reverse loop).

Finally, the subsections related to employees in the report (although employees are referenced in other sections as well) are **highlighted as if in a table of contents**: relations among (in 2017 changed to with)[106] employees; development of key areas; mission, vision and values; company capital; value creation and key performance indicators (KPIs), and risk management (Firm A's

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[105] For the entire analysed period, the presentation of the business model also includes employees in the mission of the firm, defined as *"sustainable value creation for clients, shareholders, and employees"* (Firm A's annual report 2012, pp. 37). This part of the strategy and business model remains the same between 2012 to 2014, but the order of stakeholder groups changes in 2015 to *"shareholders, employees, and clients /and other key stakeholders – an addition in 2016/"* (Firm A's annual report 2015, pp. 28; Firm A's annual report 2016, pp. 25).

[106] This change implies a (perceptual and discursive) shift to a reciprocal relationship.

annual reports for 2016–2017). This additional section thus not only exhibits the firm's increasing emphasis on employees, but rather also portrays its more structured, strategic, systematic, and holistic approach to the employees and their development, as well as to developing the employees' connectedness with the firm (e.g. through the organisational culture) due to the growing acknowledgement of the importance of their inputs for the MNE's successful business performance, (international) growth, and development.

Overall, the analysis of Firm A's annual reports displays the firm's increasing emphasis on employee relations and employee development throughout the analysed period. Employees are progressively recognised as important contributors to the firm's development and growth as well as its beneficiaries (e.g. through participating in organisational employee development programmes and corporate social responsibility activities). While the rhetoric regarding employee development and relations is progressively more inclusive, the analysis of annual reports also indicates a segmentation of employees into key talents and managers as the firm's strategic staff filling the key positions in the MNE network (i.e. both domestically and internationally) and 'others'. On the one hand, the latter group of employees is presented as capital to be (one-sidedly) managed by the firm (especially in the earlier reports). Managerial staff and key talents (including technical experts and managerial international assignees) forming the former group, on the other hand, are acknowledged as co-creators of the firm's strategies and practices and strategic capital (i.e. knowledge, competencies, and experience) holders that the firm needs to build a reciprocal relationship with. Due to the firm increasingly recognising the strategic value of employee development and employee inputs in all aspects of Firm A's business activities, employee development is being addressed progressively in a more holistic and systematic fashion. Additional programmes are added to the internal training scheme based on the organisation's changing needs and the evolving business environment over time. The training scheme is thereby becoming more inter- and multi-disciplinary and includes a broader pool of employees from various expert areas dispersed throughout the MNE network. Such employee development grants the firm more flexibility in its (international) staffing as well as (possibly) contributes to key employee recruitment and retention through promoting the firm's learning organisational image and good employer brand.

Finally, the analysis of **the subsections** in Firm A's annual reports **not referring to (international) staffing** is also revelatory. These parts of the text include (1) the product development, product presentation, brands, international market, and finances subsections; (2) the corporate governance statement; (3) the investor relations subsection; and (4) individual business function-related subsections (e.g. the subsections on production,[107] purchasing, aftersales, and supply chain governance). CSR subsections on environment or local communities in the studied annual reports[108] also do not particularly stress the role or importance of employees and employee

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[107] With an exception of labour costs and reorganisation of the firm's production locations (see e.g. Firm A's annual report 2014).

[108] There is some mention of employees in the non-employee centred subsections on CSR. In relation to the local communities, employees of Firm A are recognised as their important and substantial part, while in the environmental responsibility subsection health and safety at work as

relations. An exception to this rule is the 2015 annual report, in which the product development and design subsection states that the *"/i/nnovativeness is one of the core values that /the firm/ promote/s/ among /its/ employees."* (Firm A's annual report 2015, pp. 62). There is also some mention of employees in the non-employee centred subsections on CSR. In relation to the local communities, employees of Firm A are recognised as an important and substantial part of the latter, while in the environmental responsibility subsection health and safety at work as well as employees' CSR awareness are referenced (Firm A's annual report s for 2012–2017). Since these references have no implications for (international) staffing from the focal perspective of the study, they are excluded from further analyses. All these sections are results- rather than contributor-oriented.

The critical discourse analysis of annual reports presents the firm's overall stance regarding employees and (international) staffing, yet does not provide much insight into the international employee mobility (management) discourse – especially since international employee mobility is barely mentioned in the firm's annual reports (with an exception of the international employee mobility described as part and result of internal training or the international employee mobility implicitly being included in the reports on managerial shifts within the accounting report). I thus address the organisational discourse specifically focused on international employee mobility through analysing interview data from an interview with the firm's HRM department representative. I present the findings in the next section (i.e. section 4.1.3.2).

4.1.3.2 The organisation's voice as reflected by the HRM department representative in Firm A

The individual-level interview representing the organisational perspective in Firm A (i.e. Interview 1a) was conducted with a highly experienced human resources manager who, due to having approximately 30 years of experience in employee relations and development and their senior status in Firm A, had in-depth insights into both (1) the firm's current (international) staffing strategies, policies, and practices, and (2) how these evolved over time. Through being involved in co-creating the (international) staffing strategies, policies, and practices in Firm A as well as their implementation throughout the MNE network, the interviewee also understood the reasoning and resources involved in the (international) staffing developments at the level of the firm. Although the interviewee had zero experience with long-term managerial international assignments as an assignee, they had been on multiple shorter-term international mobilities aimed at establishing the HRM business function abroad prior to the interview, as well as had regular contacts with international assignees in the firm. This meant that they had an understanding of international employee mobility from both the managerial and experiential perspectives.

The interview took place in person in the interviewee's office – in a positive and relaxed atmosphere, which encouraged the individual to share their thoughts and experience more openly. The interviewee did not receive the interview questions in advance. They were informed of the

well as employees' CSR awareness are referenced (Firm A's annual report s for 2012–2017). Since these references have no implications for (international) staffing from the focal perspective of the study, they are excluded from further analyses.

overall research topic prior to the interview, however. The conversation was limited to one hour due to the interviewee's tight schedule, but the interviewee remained available for additional questions. A follow-up telephone interview was thus arranged a month after the initial interview. During the follow-up interview, the interviewee addressed any ambiguities regarding their responses during the initial conversation, questions from the interview guide that remained unaddressed, as well as supplementary questions that arose during transcription of the first interview. The second conversation lasted 25 minutes and its transcript was added to the initial interview.

During the two conversations, detailed notes of both the interviewee's responses and non-verbal cues were taken. The interview was also audio recorded, which did not seem to interrupt the interviewee's train of thought or trigger socially desirable responding. Separate preliminary analytical notes were taken immediately after the interview. A verbatim transcript was then prepared. Since the interviewee requested the opportunity to correct any factual errors in their responses, the transcript was then transformed into a grammatically polished and thematically rearranged summary sent to the interviewee for final approval (no major changes were requested). During analysis, both the verbatim transcript (for critical discourse analysis) and summary (for content analysis) were used. In both types of analyses any requested amendments were respected. Illustrative quotes presented in sections 4.1.3.2.1–4.1.3.2.4 originate from the approved summary. The key findings from the two conversations with Interviewee 1a are presented below.

4.1.3.2.1 The dominant international staffing approach and the prevalent types of international assignments in Firm A: HRM perspective

In describing the firm's experience with international employee mobility, Interviewee 1a focuses on **long-term managerial international assignments** as the (perceived or presented)[109] prevalent form of international assignments in Firm A. Rather than establishing a system of international mobility in all directions across the MNE network, the firm centres its international employee mobility on expatriation from the headquarters to (mainly the sales) subsidiaries or affiliates for the purposes of control, coordination, and organisational culture dispersal. The first reason for the firm's **ethnocentric staffing approach** lies in the centralised organisational structure of Firm A along with the related functional interdependence and intense operational interconnectedness of the headquarters and their affiliates or subsidiaries. According to an internal survey, approximately 80% of work in affiliates and subsidiaries takes place in relation to the headquarters. This requires managers in affiliates or subsidiaries to be familiar with the processes, products, services, culture,

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[109] Other interviewees reference additional assignment formats, such as team assignments by manual workers taking place as support from one production subsidiary to another without the headquarters' knowledge (see Interview 8a) or non-managerial inpatriation (see Interview 6a). This may suggest either the HRM department strategically framing international employee mobility by categories (e.g. to limit individuals' demands related to a specific mobility type) or their lack of awareness of all mobilities throughout the MNE network (unlikely due to the heavily centralised organisation structure).

and employees in the headquarters to successfully manage foreign units (Interview 1a). Possessing firm-specific knowledge and being embedded in the firm's internal networks in the headquarters are thus two of the main advantages of the firm's extant (and especially the senior) employees in the headquarters over local managers in terms of connecting the foreign entity with the parent firm.

Although Interviewee 1a and the firm acknowledge the potential of foreign (i.e. local or third-country) managers and other prospective key talents (they even invest in their development – e.g. through including them in the internal training programmes of Firm A), the lower connectedness of these non-headquarters-based high potential individuals with the headquarters inhibits their use for top managerial positions abroad – either in their home country or elsewhere in the MNE network (including the headquarters). By investing in these employees' (often managerial) development, but not assigning them the key positions, the firm does not maximise its 'return on employee development investment', which is also recognised by Interviewee 1a. These employees' newly acquired or upgraded knowledge and skills thus cannot be fully utilised. They are also less motivated and able (by not being given this power) to contribute to greater overall MNE network connectedness (in all directions in the MNE network) despite having built an international network and a significant skill base through the internal training scheme (see Interview 1a).

The second factor determining the firm's ethnocentric staffing approach is the lack of trust in local managers. Although Interviewee 1a mentions the firm's aim to use local managers in the production facilities, they also explain that at least provisional management from the headquarters is often needed to (re)establish the headquarters' standards in or improve the business performance of the foreign entities. Interviewee 1a states that *"/t/he management of foreign units involves relations with the parent firm that are too intense to be entrusted to someone who has never had any experience with working in the headquarters and who does not know the firm-specific processes or people (and whom our colleagues do not know either)."* This wording implies that short-term visits and training do not suffice for adequate mutual familiarisation. Through sporadic training (regardless of how intense and comprehensive) or headquarters visits, the individual does not acquire sufficient firm-specific knowledge and does not become adequately embedded in the headquarters, while the parent firm does not get adequately familiar with the employee's work style and attitude, accomplishments, and work ethic. This interview thus suggests that intense regular work in the headquarters is required for strengthening the individual-organisation relationship and effective collaboration in highly centralised firms.

The foreign employees' deficient connectedness to the headquarters is not the sole cause for the lack of trust in foreign employees in Firm A, however. In this respect, Interviewee 1a also references the organisation's own or observed poor experience with local managers in foreign markets (e.g. these managers employing unethical practices or performing ineffectively due to their lack of firm-specific knowledge and relations). Regarding Firm A's bad experience with local managers managing foreign entities in the MNE network, the interviewee acknowledges that this may have been a result of poor recruitment and new employee integration practices in the firm (Interview 1a). They thereby once again imply the importance of familiarity with colleagues and

firm embeddedness (especially in the headquarters) of the latter for staffing managerial posts across the MNE network (regardless of their origin).

Short-term international mobility is not considered as a form of international assignments by Interviewee 1a and the firm (as also indicated in the annual reports that do not reference short-term international mobility and exclude it from the analyses (see Firm A's annual reports for 2012–2017)). Since this interviewee is also the contact point for other interviewees in the firm, this means that the assignee interviewees suggested for further interviewing do not include non-managerial short-term assignees – although these exist in the firm according to several of the interviewed assignees (see e.g. Interviews 4a, 6a, and 8a). Because the study is aimed at identifying the organisational and individual international assignment discourses, this is not a limitation but rather a finding of the research project.

Short-term assignments are absent from international staffing discourse in Firm A. Rather than being defined as international assignments, short-term mobilities to, from, and between foreign entities are presented as occasional additional yet regular work tasks in Firm A (Interview 1a). To differentiate them from long-term managerial international assignments, the firm clearly defines the purpose of each type of international employee mobility it engages in (and by extension also identifies the needed skills and frames the individual-level expectations). The different purposes of international mobility require different lengths of an employee's physical presence abroad. Managing a foreign entity or a specific business function in it, dispersing the organisational culture through the MNE network, or standardising business processes according to the headquarters' standards usually necessitate long-term managerial international assignments. In contrast, short-term international employee mobility usually suffices for visits with an educational purpose (e.g. rotations, training, transfer of business, or establishing processes and business functions) or project work (e.g. work on joint developmental and innovative projects) (Interview 1a).[110]

The two types of mobility are also managed differently. According to Interviewee 1a, short-term international employee mobility is managed completely *ad hoc* and without being codified, whereas the firm has certain assignment management guidelines and established practices for long-term mobilities. This is consistent with the variety of purposes and situations the shorter-term international tasks address. A more flexible approach may be more effective and efficient for the less standardised short-term mobilities. Codification of the latter could introduce a special status to their implementers, and thereby increase these employees' demands for organisational support and expected benefits related to such mobilities (in turn also creating a rise in financial and non-financial costs of such mobilities for the firm), whereas standardisation could impede the firm's staffing flexibility and responsiveness to diverse business situations.

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[110] Short-term international assignments from and to the headquarters are predominantly aimed at technology transfer, transfer of process knowledge, establishing business functions (usually through team assignments), and the introduction of improvements through project work or developmental tasks (Interview 4a).

Short-term assignments are not the only type of assignments excluded from the organisation's international assignment discourse. **Non-managerial international assignments** are also largely absent from the Interviewee 1a's responses (as well as from Firm A's annual reports for 2012–2017). Absence from the discourse does not equal absence from practice, however. Both short-term mobilities and non-managerial mobilities in Firm A are reported by other interviewees as existing in the firm (for details see the following sections with results from Interviews 4a, 6a, and 8a: i.e. sections 4.1.3.3.3, 4.1.3.3.5, and 4.1.3.3.7 respectively). The subconscious or intentional exclusion of these assignments from the organisation's discourse thus rather implies either (1) the firm's limited use of such mobilities (unlikely based on Interviews 4a, 6a, and 8a), or (2) a different framing that motivates employees for mobilities (defined as a regular task, these mobilities are perceived as an obligation rather than a possibility) as well as reduces their expectations and demands regarding the related organisational support and incentives. The latter reasoning is more likely, as the different framing of short- and long-term mobilities may be related to the difficulties in assignee recruitment and fostering employee commitment to international assignments, which are reported as some of the main international staffing challenges by Interviewee 1a (these are presented in the next section – i.e. section 4.1.3.2.2). Finally, like the individual, the firm may also wish to avoid the bureaucratic procedures related to long-term assignment reporting required by the Slovenian and European international employee mobility legal frameworks when this is not absolutely necessary by redefining the assignment format. This is not stated by any of the Firm A interviewees explicitly, but appears as a possible explanation in the pilot interviews and in interviews in Firm B (see section 4.2).

4.1.3.2.2 International assignment implementation and management challenges in Firm A

Focusing on long-term international assignments, Interviewee 1a identifies several international assignment implementation- and management-related challenges encountered in Firm A. The first challenge is associated with **the lack of employee motivation for and commitment to (especially multiple) long-term international assignments**. Even if an employee explicitly states an interest in international mobility, according to Interviewee 1a, they may change their minds after the firm has already invested in their development for an international assignment. There is no guarantee of an individual employee's actual mobility after the completion of training, as there is a conflict of interests between the firm, oriented towards organisational objectives, and the individual, predominantly concerned with their own career development and quality of life: *"We can never force a person to take part in an international assignment. /.../ While everyone wishes to take part in training that lasts for a year or two and equips them with international experience, they also wish to return home immediately after the training programme finishes."* (Interviewee 1a). The firm representative seems to consider international employee mobility riskier (but not necessarily more challenging) for an organisation than an individual, as the former depends on the goodwill of the latter for its goal fulfilment and not *vice versa*. They also imply that the risk comes from the misfit of the organisation's focus on its long-term goals and the individual's focus on short-term personal career goals and immediate benefits.

The second challenge is related to **international assignee preparation** for international mobility. From the perspective of internal recruits, assignment preparation through long-term employee career development (most often in a large parent firm with well-developed business functions) is problematic, because it results in highly specialised individuals who do not have the more general experience of business processes they need in the (mostly small or medium-sized) foreign entities. Internal recruits from the headquarters are usually specialists rather than the generalists[111] they should be for successful implementation of the managerial international assignments (Interview 1a). Managing foreign affiliates and subsidiaries often requires a small and medium-sized enterprise (SME) approach, since managers have less support abroad and are often forced to execute various (also non-managerial) tasks: *"Managers of foreign entities need to know how to do everything, since they actually do everything: this is because they are managing small firms that often do not have specialist support available."* (Interviewee 1a). From the perspective of external recruits, preparation through rotation in the headquarters is problematic, as it is usually not long enough for the new employees to get familiar with and embedded in the firm (i.e. its culture, processes, products, services, and personnel). The importance of managerial assignees' embeddedness in and familiarity with the headquarters is thereby stressed yet again. According to Interviewee 1a, both internal and external recruits for managerial international assignments are often also poorly informed about the processes and good practices in different areas of business operations developed in the headquarters, and therefore try to develop them from scratch themselves, which is ineffective from an organisational perspective (Interview 1a).

Interviewee 1a also considers **the role of assignees' colleagues in assignee preparation**. They point out the lack of colleagues' commitment to assignee preparation in the headquarters in particular. Assignees' colleagues are aware that their training or mentoring of an individual will have limited returns on their investment in the individual (e.g. in the form of direct contributions of a newly trained individual to their department in the long-term) due to the expected relocation of an assignee. It will, however, require tremendous investments of their time and resources in pursuit of the broader organisational goals less tangible to the mentor or a coach. In other words, for assignees' potential mentors, assignee preparation means additional work that will not result in assignees reciprocating the investment through their utilisation of the newly acquired or upgraded knowledge and skills in the same unit, but will rather result in their inputs and outputs in a foreign entity (Interview 1a). Overall, Interviewee 1a (as the firm's representative) takes a similar stance on the support of (top) management for (international) employee development programmes and activities as that presented in the firm's annual reports. Compared to the annual reports, the interviewee highlights an additional role to that of supporting assignment preparation in principle and through discourse (because (top) managers have the power to form the latter and in turn influence individual-level discourses, perceptions, and actions): the interviewee stresses the need for the practical engagement of (top) management from the headquarters in assignee preparation (e.g. through mentorships and training).

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[111] Specialists have a relative advantage in one task, whereas generalists are equally capable at multiple tasks (Prasad, 2009).

The third challenge mentioned by Interviewee 1a pertains to **assignee repatriation**, which is impossible to plan due to managerial assignees' desire for and expectations of occupying key positions in the headquarters upon their return to the sending unit and the firm's need for these positions to be constantly occupied, which means that these positions are only free when new needs arise (e.g. when someone retires or when reorganisation of the firm occurs) (Interview 1a). Interviewee 1a explains that *"/o/ver the past years, the MNE has had many cases of repatriation, which were absolutely unplanned. I do not know how they could be planned. This is because repatriation is similar to entering the employment market anew. The firm cannot keep a specific position open for an assignee: if the position is important, it needs to be filled. Hence, repatriation is a special challenge. /.../ A problem arises when the individual's desire to return is not aligned with the organisational needs and when someone needs to be removed from their post because of someone else's return to the headquarters. /.../ People do not retire every day, so the change often has to be artificially produced. Managing repatriation is thus the easiest when new staffing needs are constantly emerging."* (Interviewee 1a). This results in difficulties related to the organisation meeting assignees' (and their colleagues') expectations regarding repatriation, fulfilling organisational staffing needs effectively and efficiently, establishing effective teamwork and effective use of the returnees' newly acquired knowledge in the headquarters. The statement also indicates that the firm needs to consider (international) staffing holistically – taking into account all employees and their combinations of needs and wants through time rather than focusing solely on one individual.

4.1.3.2.3 International assignment management practices in Firm A

To address the identified challenges above, Firm A has developed several international assignment management approaches and practices. In an effort **to build a pool of potential** (motivated and skilled) **international assignees**, Firm A has turned to both the internal and external recruitment of internationally mobile managers (Interview 1a). Internal recruitment is the preferred and prioritised option when looking for potential managerial assignees. This is because possessing knowledge of the processes in the firm and being familiar with both the organisational culture and employees is crucial for managerial assignment success (according to Interviewee 1a knowledge of the MNE network is more important than prior managerial or assignment experience). Since the firm does not need to invest in integrating experienced internal recruits into the organisation, the preparation can be more skills-focused, less lengthy, and less costly. Therefore international staffing can take place more quickly – in response to the (also more sudden – e.g. crisis management) organisational needs. This approach is also consistent with (and explains) the firm's learning organisational culture.

When possible, assignment recruits are experienced (senior and trusted – internally developed) employees with long-term careers with the firm. If internal recruits are unavailable, the firm broadens its search for assignees to external recruits, whereby employee integration into the firm and new employee familiarisation with the firm's internal processes, organisational culture, products, services, and staff have proven to be crucial as well (based on poor experience with experienced external recruits). *"The aim of the systematic rotation and the integration programme*

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in the headquarters is not to test an experienced employee's expertise, but rather for the employee to get familiarised with the system and acquire contacts they could not acquire anywhere else than in the parent firm. Familiarisation with the firm, its processes, culture, and products should be obligatory prior to each international assignment – regardless of the assignee's potential experience in managing other firms." (Interviewee 1a). While Interviewee 1a stresses the learning organisational culture of Firm A, with this quote they also imply that long-term career development within the firm rather than short-term employee development programmes, as well as employee embeddedness in the headquarters of a centralised firm rather than their professional embeddedness or integration in the foreign unit, are perceived to play a more relevant role in managerial assignees' success.

In order **to enhance commitment** to developing holistic individuals, well-prepared for international assignments (among both the assignees and their colleagues), Firm A has developed (1) a learning organisational culture which it constantly strengthens through its communication and employee development activities (see also Firm A's annual reports); (2) international assignment management guidelines for greater consistency in understanding the determinants of assignment success and awareness raising regarding assignment importance at all levels in the firm; and (3) an (individualised) internal training programme supported by the top management (i.e. the management board), which gives employee (and assignee) development strategic value and attributes a developmental role to international assignees in the MNE network. The programme is also implemented by the relevant business functions (e.g. sales, finance, and purchasing departments)[112] to achieve more dispersed ownership over the employee development process throughout the parent firm (Interview 1a). Interviewee 1a thereby acknowledges the management's role in creating a favourable international staffing discourse – supportive of international assignee development, as well as their role as implementers of training. The top management is also motivated to stay in constant contact with internationally assigned managers during an assignment due to its dependence on managerial assignees for good performance results (Interview 1a).

Field leaders who are experts in their profession rather than individuals with international experience, on the other hand, are the designated assignees' mentors content-wise. This indicates that knowledge transfer regarding internal (firm-specific) processes rather than knowledge transfer regarding international assignment-specific processes is more important for assignee preparation from the organisational perspective. *"Equipped with firm-specific knowledge and familiar with the firm's capacities and capabilities, assignees do not make impossible work demands during an assignment."* (Interviewee 1a). This in turn enables effective and efficient inter-unit collaboration and fulfilment of organisational objectives. Interviewee 1a nonetheless identifies one specific factor limiting inter-entity collaboration and knowledge transfers across the network – not just by

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[112] These departments are responsible for content-related preparation of assignees for their tasks abroad, whereas the HRM department is responsible for overall career planning and employee development, administrative support for the assignees, and support for foreign HRM departments. Assignees are not engaged in assignment planning or management, but their feedback is incorporated in the assignment management guidelines (Interviewee 1a).

assignees but in general by business processes as well: they suggest that the differences in levels of specialisation, knowledge, and expertise in foreign units compared to the parent firm considerably hinder knowledge sharing and preclude standardisation in this respect (Interviewee 1a).

Referring specifically to **assignee preparation**, Interviewee 1a particularly stresses the internal training programme for managers and international assignees, stating that it equips assignees with soft skills, deepens their knowledge of international trade, and further facilitates their integration in the MNE network (by familiarising participants with the internal processes in Firm A and the colleagues from various units in the MNE network). In line with the SME approach to managing foreign units, the programme focuses on a broad spectrum of skills. Such content-related (career development-based) preparation is consistent with assignee expectations as perceived by the firm. This is because it gives assignees a sense of preparedness (i.e. it positively affects their self-efficacy evaluations).[113] The internal training scheme is designed as a career development programme for key talents that also establishes a direct link between the individuals enrolled in the programme and the board of directors (who participate in assignee selection). Through presentations of business plans and other outcomes of training to the directors, the link between assignees and their later direct superiors is thus already established prior to an assignment. Participants in the training also network amongst themselves (even if they are not assigned managerial roles). The training thus acts as both *"the presentation of talents to the management board"* and to each other (Interview 1a).[114]

The establishment of relationships based on both results and practical problem solving is aimed at enhancing the later collaboration of employees enrolled in such training with both the headquarters and their colleagues across the MNE network. Unlike content-related assignee preparation, administrative and logistic support are not always arranged according to assignees' expectations, however. For instance, there is no standard support package for assignees. This implies the organisational expectation of managerial assignees' independence and their problem-solving (practical) orientation as well as the motivation to reduce organisational costs. Finally, in describing the various training programmes in the firm, Interviewee 1a provides further support for the conclusion regarding Firm A having a clearly established segmentation of staff into strategic managerial and non-managerial staff. They also indicate the strategic role of managerial international assignees in coordinating collaboration among affiliates, subsidiaries, and the headquarters.

The third challenge (i.e. **repatriation planning**) seems to be the most pressing and complex, as the firm is aware of its importance, yet lacks ideas and knowledge of how to address it in practice. Overall, the firm maintains a flexible and individualised approach to managing international assignments (also because of the circumstances preventing planning: e.g. death of assignees,

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[113] Self-efficacy is the individuals' judgment about their own ability to perform a particular behaviour or achieve a certain level of performance (Bandura, 1978, 1986).

[114] Initially, the internal training scheme was developed for bridging the silos in the firm. The international dimension was added later on (Interview 1a).

premature returns due to family emergencies, the prompt need for assignments due to organisational crises, the relevance of key positions targeted by the returnees – which results in these positions being constantly filled, etc.). Such an approach can be effective in firms with a limited number of international assignments (additionally restricted by what is considered to be an assignment by the firm) and assignment changes, such as Firm A, which only has between five and 10 international assignee changes across the MNE network annually (including rotations) as reported by Interviewee 1a. It may not work in firms with mass international movements of their employees. Interviewee 1a's stance on repatriation further substantiates the firm's dependence on (especially the key managerial) employees, as it is making an effort to adjust to their needs and wants as much as possible, rather than making a fixed (non-negotiable) offer based on its own organisational needs (both pre-, during, and post-assignment).

Overall, Interviewee 1a reiterates several emphases from the firm's annual reports as well as provides additional insights into the (international) staffing discourse of Firm A with assignment-focused responses. The interview highlights the absence of short-term international mobilities from the firm-level international staffing discourse and indicates the reasons for the latter being framed differently than the long-term assignments (e.g. cost optimisation and employee motivation). The interview also shows that international assignee recruitment and assignment management are dictated by the organisation's centralised structure. Internal recruitment is prioritised over external recruitment, whereby for the latter (regardless of the manager's seniority) integration into the firm is crucial prior to assignment implementation.

Several challenges regarding international assignments and their management are mentioned: (1) the lack of employee motivation and commitment for long-term international assignments among employees (also due to a goal mismatch between the long-term oriented firm and the short-term focused individual); (2) the need for transformation of internal headquarters-based recruits from specialists into generalists performing a more holistic role abroad compared to the expert tasks performed in the headquarters; (3) the need for sufficient time pre-assignment to equip external recruits with firm-specific know-how (including procedural knowledge and familiarity with other employees); (4) guaranteeing (top) management's and peers' support for assignee development (through discourse formulation and active involvement in mentoring or training future assignees); and (5) difficulties in repatriation planning due to the mismatch of organisational needs and individuals' wants that result in the firm needing to artificially produce change in order to create additional key positions for returnees.

These challenges are addressed by developing and promoting a learning organisational culture, designing an internal employee development scheme (focused on soft skills for the implementation of an SME approach, networking among participants, and linking participants with top management – and thereby easing the coordination of cross-entity collaboration later when the assignment is being executed), creating international assignment management guidelines (also based on assignee inputs), raising awareness regarding assignment importance at all levels in the firm, and promoting dispersed ownership over the employee development process (with involvement of different departments in assignee support). Regardless of its investments in

employee preparation for assignments, the organisation still expects assignees to be independent problem solvers, though.

4.1.3.2.4 The organisation's voice: contrasting the annual reports and the firm-level interview in Firm A

The analyses of Firm A's annual reports for the 2012–2017 and the firm-level interview (Interview 1a) together provide insights into the firm's overall (international) staffing discourse and the reasoning for it. Since international assignments are largely absent from the annual reports, the analyses of these mainly provide insights into the firm's general narratives about employees, employee relations, and employee development as a broader framework for international assignment narratives. Interview data thus additionally facilitates the more specific explanations of international assignment discourse, strategies, and practices in the firm.

The firm's annual reports for 2012–2017 are particularly revealing regarding the organisation's overall perception and treatment of employees. They portray the firm's ethnocentric staffing approach and indicate an increasing recognition of employees' inputs in not only the firm's strategy implementation, but rather also in its co-creation. A shift from employees as 'capital to be managed' to 'capital holders contributing to the firm's growth' is evident. However, only the key talents mainly fall under the second category, whereas 'other' employees remain treated as capital. The segmentation of staff into the strategically more relevant managerial or expert employees and 'other' employees is thereby emphasised as well as reflected in employee development activities. While the majority of staff are addressed with general content such as health and safety in the workplace, expert and soft skills training are reserved for the key talents. With an increase in the perceived employees' strategic value for the firm (in all areas of work) and a decrease in expert availability (an environmental factor), the development of key talents in particular becomes increasingly holistic, systematic, inter- and multi-disciplinary, and internationalised (i.e. it involves employees from the entire network as well as internationalisation-specific content).

Despite an increasing emphasis on reciprocal firm-employee relations (also referred to as employee relations), the annual reports also show a slow shift from predominantly internal to somewhat external recruitment, whereby both types of recruitment remain focused on (developing) the (prospective) employees' firm-specific knowledge and embeddedness in the firm's networks throughout the analysed period. In response to the progressive lack of employee availability and commitment, the annual reports also indicate the firm's use of employee development for employer branding (aimed at both new employee attraction and extant employee retention) as well as greater employee engagement. The importance of employee retention is additionally stressed in the later annual reports, where actions such as a succession policy and the promotion of training, career development, and international mobility opportunities are introduced by the firm to address employee retention issues.

Compared to the firm-level interview, the annual reports pay more attention to the environmental factors influencing the firm's (international) staffing. This is evident from the firm's emphasis on

the professional skills it is lacking, attracting individuals pursuing shortage occupations to the firm, and developing its own pool of experts in these areas. The firm's recognition of employee-related risks (including the danger of employee mobility to external firms) in various areas and development of counteracting measures further supports the firm's orientation to not only its internal but rather also its external environments, and their interconnectedness. The constant evolution of the internal training scheme (responsive to the firm's needs and the changing business environment) and the introduction of an online portal collecting employee skills and career goals, which promotes the strategic planning of (international) staffing across the MNE network, additionally support the inference on the firm paying attention to the external environment as well as designing and managing employee development and relations activities accordingly.

The interview data provides additional insights into international assignment-specific issues not mentioned in the firm's annual reports. It supports the conclusion on the firm's ethnocentric staffing approach. However, it also provides reasoning for it: i.e. the centralised organisational structure of Firm A and the functional dependence on as well as operational connectedness of the foreign entities to their headquarters along with the lack of trust in local managers due to their past poor performance or unethical practices, as well as the distance hindering their greater embeddedness in Firm A's headquarters and familiarity with its processes. The interview data also implies intent in the short-term assignments' absence from the organisational discourse. Differentiation of short-term mobilities from long-term international assignments (based on purpose, management of an assignment, and the target group) results in lower employee demands for pre-assignment support and greater cost optimisation for the firm. It also enhances employee willingness to expatriate as well as eases employee adjustment to mobility (thereby promoting motivation as well as commitment to longer-term international mobilities). In other words, short-term assignments in EMNEs serve an additional role: they prepare individuals for a different lifestyle and motivate them for longer-term mobilities.

Several challenges regarding international assignments and their management not indicated in the annual reports are also mentioned in the firm-level interview: (1) the lack of employee motivation and commitment for long-term international assignments among employees (also due to a goal mismatch between the long-term oriented firm and the short-term focused individual); (2) the need for transformation of internal headquarters-based recruits from specialists into generalists performing a more holistic role in the SME foreign entities compared to the expert tasks performed in the headquarters; (3) the need for sufficient time pre-assignment to equip external recruits with firm-specific know-how; and (4) difficulties in repatriation planning due to the mismatch of organisational needs and individuals' wants that result in the firm needing to artificially produce change in order to create additional key positions for returnees.

This is consistent with the lack of key (especially internationally mobile) talents, importance of employee development, firm-specific knowledge and embeddedness for managerial posts, and an emphasis on employee retention presented in the annual reports. These challenges are addressed by developing and promoting a learning organisational culture and designing the constantly evolving internal employee development scheme (responsive to environmental changes and organisational needs) that are also described in detail in the annual reports – but for the most part

without the direct references to international employee mobility that are made in the firm-level interview. While the annual reports indicate the importance of employee engagement in strategy implementation and to a certain extent also in its co-development, Interviewee 1a additionally stresses assignee engagement in developing international assignment management guidelines, with these being based on assignees' inputs.

In terms of international staffing, both the annual reports[115] and firm-level interview in Firm A suggest an emphasis on long-term managerial international assignments originating in the headquarters and targeting the foreign affiliates or subsidiaries in the MNE network due to the centralised organisational structure of Firm A. The strategic value of employees as well as international composition of the MNE network and its staff (due to its developmental potential) is recognised by both sources. The segmentation of staff into the strategically more relevant managerial or expert employees and 'other' employees is emphasised in both sources as well. They also stress the learning organisational culture and employee development.[116] Due to the focus on managerial rather than international mobility discourse, employee development and relations are also predominantly focused on managerial staff, who are recognised in both sources as co-creators of the firm's strategy and contributor to its business performance. Employee development is not necessarily conditioned upon international employee mobility. The firm rather fosters a database of (internally developed) key talents and prospective managers that allows greater flexibility in the firm's (international) staffing. This database is not international assignment-specific, but rather includes all promising individuals employed by the firm.

In both sources, the importance of firm-specific knowledge and embeddedness in the headquarters is emphasised – especially for (international) managerial positions due to the MNE's functional and operational interconnectedness. Internal recruitment is thus prioritised over external recruitment (in general as indicated in the annual reports and for managerial international assignees as indicated in the interview), whereby for external recruits (regardless of the manager's seniority or tenure) integration into the firm is crucial prior to assignment implementation for its effectiveness and greater employee commitment. While the annual reports stress selective knowledge-based recruitment of (IB) experts, key talents, and managers, the interview indicates that developing unique in-house experts with firm-specific knowledge and embedded in the firm is more important than the prior managerial or international assignment experience of an individual sent on a managerial assignment.

The firm also expects managerial assignees to be independent problem solvers, as indicated by the firm-level interviewee and with the dominant managerial discourse that implies the greater importance of the assignee's role as a problem solver rather than a foreigner. Finally, both firm-level sources highlight the importance of managerial engagement in raising awareness regarding

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[115] Although international staffing is barely mentioned in the annual reports, the accounting reports clearly demonstrate a focus on long-term managerial international assignments.

[116] The similarities between the two sources may occur due to the interviewee's involvement in creating (international) staffing strategies, practices, and actions in Firm A – as well as them probably co-writing parts of the annual reports.

the strategic value of (managerial) staff or international assignees (e.g. through creating and promoting a favourable organisational discourse regarding international staffing and assignments) at all levels in the firm, whereby they both also stress the need for (top) managers' active engagement in employee (or assignee) development. The interview data additionally implies a need for dispersed ownership over the employee development process (with the involvement of different departments in assignee support and preparation).

Overall, at the firm level employee development and a learning organisational culture are particularly stressed. Furthermore, both the annual reports and the interview with the HRM department representative from Firm A reveal the dominance of a managerial discourse and identity over international staffing or international mobility (i.e. expatriate) discourses and identities across the MNE network.

4.1.3.3 The individual's voice in Firm A: the importance of firm embeddedness and firm-specific knowledge in centralised firms

4.1.3.3.1 Interviewee 2a: long-term career development of internal recruits, SME approach to managing foreign entities, and prevalence of the managerial over assignee identity

Interviewee 2a was an experienced finance and marketing expert working in Firm A's headquarters in various sales-related managerial positions for approximately nine years prior to their two managerial international assignments to two developed market economies. The assignments took place consecutively: i.e. there was no interim period in the headquarters or a domestic affiliate between the two mobilities (Interview 2a). During their time in the headquarters, Interviewee 2a's career progressed from project management to heading a department and becoming a deputy executive director. At the time of the interview, Interviewee 2a was a managerial international assignee with 10 years of international assignment experience in two SME sales facilities located in two different small yet developed economies. This meant that the interviewee could provide long-term insights into their own managerial international assignment experience, explain how their needs and wants regarding the preparation and support for each international assignment had changed over time, and illuminate the developments in managerial international assignment management at firm level.

Because Interviewee 2a was on an assignment at the time of data collection and had no planned interim visits to Slovenia, this interview was supposed to be conducted via Skype. However, due to the technical issues that arose immediately upon the call, the interviewer and the interviewee opted for a telephone conversation. The communication tool used did not seem to impact the interviewee's focus on the interview questions. However, it did raise some issues in observing the non-verbal cues and building rapport. Despite having the firm's approval for participation in the study, this was the only interview where the interviewee expressed worries about breaching the confidentiality clauses in their employment contract by responding to the interview questions. Hence, additional investments in establishing trust were needed. These included reassuring the interviewee that the individuals and the firms in the study would remain anonymous, explaining

what data would be archived and how, clarifying what data would be shown in publications and how, offering the interviewee an opportunity to revise the summary of the interview, and explaining that no one except for the researcher would have access to raw data. Only upon assurance of anonymity and the possibility of the final approval of the interview transcript was the interviewee comfortable to respond to the interview questions. Nevertheless, this was the shortest interview among all of those conducted (not just in Firm A, but in the entire sample included in the qualitative part of the study), lasting 45 minutes. As with all interviews, it was audio recorded, and notes on the interviewee's responses and non-verbal cues were taken during the interview and separate notes with preliminary ideas and inferences for further analyses were added after the interview. A verbatim transcript along with a grammatically polished and thematically rearranged summary was then prepared. The interviewee chose to review the summary of the interview. This did not result in self-censorship, however, but rather involved the managerial assignee amending their initial responses with additional information. While the summary was used as the primary data source for content and critical discourse analyses, the latter also drew conclusions from the verbatim transcript (the interviewee's corrections were accounted for). Any illustrative quotes originate from the approved summary. The main issues raised by the interviewee and their implications are presented below.

Interviewee 2a was **an internal recruit**, contacted by the firm for both of their managerial international assignments for *ad hoc* position filling. They were sent to two different developed foreign markets and to two facilities performing a business function they had already been familiar with based on their work in the headquarters: i.e. sales. Prior to the interviewee's first international assignment, they had gained almost a decade of work experience in the headquarters. From the individual's perspective, past experience with the firm has been particularly relevant for assignment execution. Their familiarity with the internal processes in both the headquarters and subsidiary as well as the pre-established relations with the local team and several business partners abroad accelerated their work adjustment and effective task fulfilment. The embeddedness in the headquarters has been especially important due to the constant (i.e. daily), formalised, and systematic operational cooperation between the sales facilities abroad and (mainly the sales department in) the headquarters, which has also developed the strategic guidelines for all entities in the MNE network (Interview 2a).

This shows that the centralisation and operational interconnectedness of the MNE network results in a greater importance of coordination mechanisms – including international assignments. It also demonstrates the operational relevance of firm-specific knowledge for the collaborative and individual efforts of the entities in the MNE network. In addition, past experience with the firm not only enables the individual to better understand the internal processes in the MNE, test and upgrade their professional (expert) knowledge, acquire firm-specific knowledge, and get embedded in the firm's internal and external networks. It also equips them with experience of work-related travel, which is relevant for the assignee's work adjustment during the assignments (Interview 2a). Interviewee 2a thus describes prior business trips and knowledge gained in the headquarters as *"the greatest asset"* they possessed during their first international assignment.

For the effective execution of the second assignment to another (this time medium-sized, which implies gradual advancement in assignee's responsibilities) sales facility in a different developed market, the experience gained during the first international assignment has been the most valuable, however. This suggests progressive adjustment and experiential learning by an individual. Professional expertise (e.g. in sales and marketing) thereby represent the basis for the assignee's execution of the strategic tasks. Broad operational knowledge (especially in the smaller entities and regardless of the individual's managerial position) facilitates execution of operational jobs. The individual's embeddedness in the headquarters, familiarity with the local team, and the possession of firm-specific knowledge further assist the assignee in executing their coordination role of (operationally and strategically) linking the headquarters and the foreign entity in a centralised MNE network. Assignment procedural knowledge additionally mitigates work adjustment upon a change in location, but is not a necessary condition for successful assignment execution. However, in the case of Interviewee 2a, the reduced need for assignment-specific experience may hold true due to their experience with both host markets prior to the assignments (also in the form of business trips), as well as with work tasks related to the foreign facilities. Experience with international mobility (although short-term and in a different format) in combination with familiarity with the market and the individual's professional know-how may have built the individual's confidence and a sufficient skill set for accepting and executing the longer-term assignments in these markets.

The interview nonetheless suggests that, while the expert, general procedural, and firm-specific knowledge (especially in centralised MNEs) determine the effectiveness of an assignee in foreign units, market-specific soft skills and assignment-specific procedural knowledge increase an assignee's efficiency due to their impact on the individual's responsiveness to local specifics. This knowledge needs to be experiential, however, and as such cannot be acquired from other assignees in the Group. The lack of inter-assignee knowledge transfer at the managerial level is limited overall, as managers are each focused on their own markets and units and lack time for knowledge sharing (Interview 2a). The workload of each managerial assignee thus prevents knowledge sharing between assignees. There is moreover an individual-level need for gradually building experiential knowledge and skills (i.e. through career development) for a managerial (international) assignment. This may stem from the all-encompassing (also non-elite and less prestigious) managerial assignee's tasks that require a broad knowledge base and a wide skill set that allow resourcefulness in various situations – especially when no additional support is available: *"Foreign entities are /namely/ small and medium-sized enterprises, which means that a manager has to have a solution for everything: /…/ /including/ the janitorial work."* (Interviewee 2a).

This quote also indicates how – regardless of sometimes performing the less managerial tasks during international assignments – the managerial international assignees seem to **prioritise the managerial over the international assignee identity** when on long-term international mobilities (Interview 2a). In describing their assignment, Interviewee 2a explicitly says that *"/t/he manager solves problems – wherever they appear."* Gradual expansion of a knowledge base and skill set through career development thus also contributes to the assignee fulfilling their role as a problem solver, whereby (in line with their self-perception as a problem solver) constant knowledge

acquisition is considered by the individual to be their personal responsibility rather than their expectation from the firm (Interview 2a). The problem-solving identity and the assignee's (self-)expectations regarding the assignment and the related organisational support may be built by the firm to a certain extent – through its staffing discourse stressing the strategic relevance of managers and their inputs as well as employee development investments and firm-specific experience of success (see Firm A's annual reports for 2012–2017). Since the self-perception of assignees as problem solvers results in the lower costs of an assignment for the firm (due to an individual's reduced expectations and needs regarding organisational support), the problem-solving role of (international) managers may be strategically promoted by the organisation.

Past experience in the firm also impacts the individual's identity and self-efficacy assessment. When positive, past experience results in the internal recruit's greater motivation for a managerial assignment, self-confidence and independence during the assignment, as well as their greater problem-solving orientation and successful task fulfilment without additional training or other organisation-sponsored preparations for the assignment. However, poor experience (either before or during an assignment) or premature expatriation of young prospective talents can foster the opposite effects and lead to talent deterioration, low self-efficacy and confidence, and turnover (Interview 2a). Past experience gained with other employers may have similar effects, but I argue that firm-specific experience can have a more significant impact on self-efficacy, as it provides similar situations in a similar (organisational) context that an assignee (based on past success) then considers they are capable of tackling elsewhere in the MNE network – regardless of the location of an assignment.

Throughout the international assignment process, managerial assignees also make **comparisons to one another** (which suggests at least a certain level of identification with the group of managerial assignees and both a managerial and an expatriate identity of these individuals). They thereby focus on comparing the preparatory support provided to each of them by the firm (Interview 2a). This can enhance their perceived self-efficacy (e.g. by implying the firm's confidence in the individual's competence and independent problem-solving capabilities). But it might, on the other hand, also increase a sense of sacrifice for the firm, which can in turn result in greater demands by an individual wishing compensation for and return on their investment from the firm (either during expatriation or upon repatriation). Inter-managerial comparisons (especially when enhanced by information sharing) can thus strengthen the assignee's negotiating power relative to the firm. The latter is already high due to the limited pool of assignment-willing and ready individuals in the firm as well as the internal recruits possessing the information about the firm's capacities. The information sharing between managerial assignees can thus further enhance this power, but it may also enhance frustration and dissatisfaction if the differences between assignee support and benefits are perceived as unfair.

The interview nonetheless indicates that **the selection of experienced internal recruits** presents several advantages from an organisational perspective as well. First, due to the firm's long-term investments in these employees' development, lower immediate investments in assignee preparation are needed, which provides the organisation with greater staffing flexibility. Since internal recruits already possess the knowledge of internal processes and are familiar with the

different departments and employees in the Group, preparation can be focused on (a quick) transfer of business. Second, (especially long-term) embeddedness in the firm results in (long-term) employees being socialised into the organisational culture, which they can disperse onto their colleagues abroad. The interviewee expressed the greatest enthusiasm during the interview when discussing their role in organisational culture dispersal (see Interview 2a). This indicates a high level of internalisation of this task by the interviewee (something that can only be developed through building a strong firm-employee relationship). Third, decision-making and assignment implementation can be prompt due to the already established trust and company experience with the internal recruit's performance. Pre-established trust and a good work dynamic are particularly important for *ad hoc* international assignments aimed at filling (key) managerial positions: i.e. high time-pressure situations for a strategically relevant purpose (filling key positions) including coordination tasks. Finally, internal recruits from the headquarters are also (perceived to be) more loyal to the firm (Interview 2a). Interviewee 2a attributes these advantages only to internal recruits from the headquarters, however. They state that *"/s/omeone who is only present on the foreign market as a local has neither the knowledge about nor the sense of belonging to the organisation they work for. It is therefore important to have a trustworthy person abroad, who represents the umbilical cord between the parent firm and its foreign entity and who carries and lives the vision of the organisation as well as encourages it with colleagues and is at the same time the 'number one' trainer for others in the local market."* (Interviewee 2a).

Next to focusing on long-term assignee preparation through career development, Interviewee 2a also stresses **the potential benefits of repatriates' inclusion in top management** structures in the headquarters after an assignment (again indicating the strong managerial identity of an assignee). They claim that the transfer of consumer and subsidiary perspectives from foreign sales units could help the headquarters to understand these stakeholder groups better and in turn contribute to the more efficient business performance and management of the Group. The call for more cases of returnee inclusion in top management structures may be a subliminal indication of the individual's desire to return. The latter is assumed but not planned, as the assignee is expected to remain flexible regardless of the mandates set (and their individual desire for return), and prolong an assignment based on the company's needs. This expectation has been internalised by Interviewee 2a, who contemplates return based on when *"the appropriate time and opportunity arise."* The latter statement implies the strong managerial identity of the individual (putting the organisational needs before their own). It also suggests that the role-shifting capabilities of international assignees are greater than organisational (staffing) flexibility.

4.1.3.3.2 Interviewee 3a: overcoming the lack of leadership experience through firm embeddedness

Interviewee 3a had approximately six years of experience in Firm A prior to their long-term managerial international assignment to a small sales facility in a developed market. Their experience in Firm A was not limited to the headquarters, however, where they had spent less than a year as a key account manager, but rather included a middle-management international assignment (i.e. filling the position of a global sales manager) in a medium-sized sales facility in

another developed market as well. Because only the second international assignment by Interviewee 3a was an assignment to the position of a managing director, data collection and analysis were focused on this mobility. This assignee's experience with a managerial international assignment was particularly fresh, as they were sent to their second foreign market as a managing director of the sales facility only a year prior to the interview. Since at the time of data collection they had no planned interim visits to Slovenia, Interview 3a was conducted via Skype. Despite using mediated communication, the atmosphere of the interview was pleasant and the interviewee was forthcoming in their responses. Both the interviewer and the interviewee were located in their offices so that the interview could take place without interruptions. There was nevertheless one minor disturbance by the interviewee's colleague, who entered their office with a request for the manager's approval of a task they were to perform. Since the task seemed to be a regular one rather than a crisis situation, the disruption did not hinder the interviewee's focus on the interview questions.

Following the interviewing protocol, the interviewee did not receive the questions in advance. At the beginning of the interview they were informed of the relevant research procedures and the topics to be covered. The conversation lasted approximately one hour and was audio recorded. Notes of the responses and non-verbal cues were taken during the interview and ideas for interpretations of data were written down separately immediately after the interview. The assignee expressed availability for follow-up questions, which were included in the summary of the interview sent to the interviewee for authorisation shortly after the conversation. The interviewee responded to the additional questions and clarified any ambiguities in writing. A verbatim transcript was the basis for the summary and was also included in the analyses. Any illustrative quotes are taken from the authorised text, however. The main issues raised by Interviewee 3a are described in the following paragraphs.

Interviewee 3a is **an internal recruit** with less than a decade of experience in the MNE network prior to the interview. They have spent the majority of their time in Firm A abroad: initially in a medium-sized sales facility where they occupied a middle management position, and more recently in a small sales facility where they have filled a top management position. In other words, the managerial status of the interviewee in the firm has gradually improved, but the size of the facilities they have been active in has decreased. Such balancing of the firm size and the individual's responsibilities has eased their work adjustment. Similar to other internal recruits, Interviewee 3a highlights several advantages of internal recruitment for both the individual and firm. They suggest that internal recruits possess knowledge related to internal processes in the MNE, are familiar with the organisational structure, understand the organisational culture, and are cognisant of the individual departments' and employee roles. These are all aspects that are relevant for daily operational collaboration with colleagues from the headquarters.

Interviewee 3a also describes internal recruits' expertise (in the case of Interviewee 3a marketing and sales) gained through formal education being tested and polished in the firm as well as adjusted to it as an advantage of such recruitment, as it establishes trust with the headquarters. Interviewee 3a furthermore explains that internal recruits with long-term experience in the headquarters develop a loyalty to the firm – motivating them to contribute to its performance. According to

Interviewee 3a, the loyalty of internally developed managers is their greatest advantage compared to local staff. They state that *"while the local employees consider Firm A as 'just some foreign firm', where they work for their monthly wages and during the designated working hours, for /them/ /(i.e. an assignee from the headquarters)/ this firm is something completely different /.../ It is something more. Assignees from the headquarters /.../ are loyal /.../ and pour /their/ hearts into their work /for the firm/."* (Interviewee 3a). The assignee's own loyalty to the firm is best illustrated by the interviewee remaining an advocate for international assignments to their colleagues, regardless of the poor organisational support they have received before and during the assignment, the great pressures for results, and the lack of career and repatriation planning by the firm they report during the interview (Interview 3a). The loyalty developed prior to an assignment (and probably enhanced by an assignment among young talents who are given an opportunity to prove themselves to the firm – if the assignment is not premature) seems to be difficult to break.

A factor contributing to this may be **the 'us-them' divide** between the local (non-managerial) staff and the managerial assignee, which strengthens the individual's identification with the headquarters – making the assignee act in the interest of the firm regardless of the lack of support from the latter or less favourable HRM policies. The 'clash of identities' experienced by the assignee seems to be more profound in the managerial-non-managerial dyad than the local-foreigner dyad, however. This implies an assignee's colleagues perceiving the assignee's managerial identity as stronger than their international assignee identity. The interviewee, on the other hand, reports difficulty in shifting from being a colleague to becoming a manager (although the two roles are performed in two different entities).

The interviewee explains that their prior experience in the firm equipped them with operational sales and marketing knowledge as well as prepared them for adjusting to new environments and cultures (e.g. through getting them used to travelling and expatriation at a lower level of the organisational hierarchy, as well as equipping them with other relevant international mobility-specific skills). However, it has not prepared them for a different (top managerial) work role (especially psychologically, although the interviewee references a lack of managerial training as an issue as well). Becoming a manager rather than a colleague in a (new) multicultural environment has had a negative impact on the assignee's work adjustment, effectiveness of task assumption, team management, and integration into the new entity (Interview 3a). **The role shift** (although one of promotion) has necessitated the individual's **identity work** (for an explanation of the latter see section 4.3.4, which summarises the theoretical implications of the qualitative part of the study). The assignee has had to distance themselves from (and has been distanced from), the local team in order to assume the managerial role and identity. This has also resulted in the individual's shift to greater identification with the headquarters as the base for management in the MNE (Interview 3a).

One specific feature of this interviewee is their lack of leadership experience pre-assignment. While the need for additional preparation of such recruits for managerial expatriation is recognised by both the individual and organisation (the two parties agreed on leadership training upon negotiating the managerial assignment), the interviewee reports that no managerial training has been executed due to the lack of time. This has in turn resulted in the employee's uncertainty in

their capabilities, low self-efficacy, greater desire and need for professional advice on good practices from the headquarters[117] or peers in other affiliates and subsidiaries, dissatisfaction, and lower efficiency during the assignment, as the assignee is pressed to learn through practice (Interview 3a). As Interviewee 3a states: *"The preparation /for my second assignment/ was truly poor. /.../ /Since I had never occupied a managerial position in the firm before,/ I would have appreciated a longer preparation period for an assignment: i.e. having had three to six months (or perhaps even a year) to prepare for the assignment in the headquarters. /.../ Being new to the position, more professional advice and support from the headquarters would have been welcome also during the assignment. There have been situations in which I could have reacted differently with some advice."*

Interviewee 3a reports that in their case, though, a preparation period was replaced by **a trial period** by Firm A. Rather than experiencing the latter as a support measure aimed at their gradual adjustment to the new role, they relate this approach with increased uncertainty and reduced job security for themselves. They furthermore describe detailed reporting to the headquarters as similarly stressful. While they acknowledge that this is the firm's approach to reducing the organisational risk of internationally assigning a less experienced manager, they also explain that this measure distracts them from the assignment-related focus (such as strategic planning and sales in the foreign entity), and in turn from achieving the desired organisational goals and results (Interviewee 3a).[118] The two organisational measures focused on risk reduction thus act as hindrances to the assignee's task fulfilment. In this respect, the individual is also critical of the unidirectional communication and the lack of communication with them by the headquarters. They suggest that being left to solve problems on their own as a junior recruit prevents their accelerated learning from the more experienced colleagues in the MNE network, as well as requires greater investments by the individual (although a simpler solution may already exist in the MNE). They do not problematise the lack of communication regarding their position as much (although they report not receiving feedback about the prolongation of their contract up to one month before their current contract expires). This suggests their focus on work results rather than their own status and job security.

The assignee is entrusted with **the full responsibility for assignment success**. This is counterintuitive, since Interviewee 3a's assignment is developmental and the recruit is a junior one, with no prior managerial experience. However, the firm frames the assignment itself as an investment in the assignee's development: i.e. it implements a 'learning by doing' approach to management through international employee mobility. This presents an additional challenge and source of frustration for an individual expecting greater organisational investments in them, and help with regard to building their competencies not only through but also for the assignment. This expectation is related to the firm's expectations from the individual, which are focused on the

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[117] This may also be an outcome of longer-term absence from the headquarters during the previous assignment.

[118] This measure is not limited to the less experienced managers, however. Interviewee 8a (a senior manager) also complains about excessive reporting requirements from the headquarters that reduce their operational capacities.

individual's contribution to the MNE performance through an assignment (and not their managerial development *per se*, as suggested by the firm's approach to managing and framing the assignment). The firm thus sends mixed signals to the individual. Based on their junior status it moreover frames the assignment as an opportunity (one they have been actively searching for within the firm), thereby adding pressure on the individual to justify the firm's trust in their capacity to manage an entity independently early in their career. This may explain the individual persisting in and even advocating international assignments to colleagues. Despite such framing, the interviewee also realises that the firm has a limited pool of assignment-ready individuals willing to take such positions. Giving opportunities to junior employees (i.e. applying the riskier international staffing approach) is thus also acknowledged as a necessity for the firm. According to Interviewee 3a, there are probably no other candidates for their current post. The interviewee thereby recognises their value for the firm and an interdependence between the parties to the relationship, and this may additionally explain their absence of fear regarding the possible non-prolongation of the assignment.

4.1.3.3.3 Interviewee 4a: seniority as an amplifier of internal recruitment advantages – with some caveats

Interviewee 4a was a senior manager who had spent their entire career in Firm A. They had over four decades of experience in the firm's headquarters prior to being sent on their only managerial international assignment. The firm's decision for the assignment was *ad hoc.* It was made four months before the interview. This meant that the interviewee's experience as an assignee was limited, yet recent. Due to their long-lasting involvement in the firm, this interviewee also had insights into international employee mobility from the assignment management and internationalisation perspectives, however. This made the interview particularly insightful. At the time of the interview, Interviewee 4a occupied the post of a deputy director assigned from the headquarters to manage a large production facility with more than 1,000 employees located in an emerging foreign market (i.e. a facility similar to the parent firm). They were also still engaged in activities in the headquarters for the transfer of business purposes. This meant that Interviewee 4a's schedule was particularly tight during the data collection phase.

The interview was thus conducted via telephone and lasted 65 minutes. The interviewee was first familiarised with the focus of the study since they had no prior insight into the questions, as well as the main data collection, archiving, and processing steps (e.g. anonymisation). Despite being mediated, the conversation unfolded in a relaxed atmosphere. The feedback provided by the assignee was also less biased by self-interest, since the individual was retiring after their expatriation and thus had no future plans in the firm. The interviewee was willing to share their international assignment experience openly, were focused on the interview questions, and comfortable with the interview being audio recorded. During the conversation, detailed notes of both the interviewee's responses and non-verbal cues (e.g. expressions of enthusiasm or frustration through intonation) were taken. Separate analytical notes were prepared immediately after the interview. I then wrote up a verbatim transcript. Since the interviewee did not require authorisation of the interview, the summary of the interview served as a data condensation and organisation step

in the analyses. As with other interviews, the content and critical discourse analyses were conducted based on both texts (i.e. the verbatim transcript and the summary). The main issues raised or implied by Interviewee 4a are summarised hereinafter (Interview 4a).

Interviewee 4a is **an internal recruit** with long-term experience in Firm A. Having spent their entire career in Firm A has equipped the interviewee with broad **knowledge of the system and processes in the headquarters**. This has in turn allowed them to replicate these processes in the facility abroad (Interview 4a). The breadth of the individual's knowledge was described as their greatest asset: *"I had worked in many different areas, which was the greatest advantage and asset during my international assignment."* (Interviewee 4a). The individual's breath of firm-specific procedural knowledge is advantageous for both the assignee and firm. A holistic overview of business processes in the parent firm with many similarities to the foreign entity eases the individual's work adjustment and increases the efficiency of (especially the firm-specific procedural) knowledge transfers from the headquarters to the foreign facility. Since the host facility in this case is a replica of the assignee's home facility *"/a/ll of the tools, the entire way of work... everything is the same as in the headquarters. It is not as if the factory /abroad/ is completely different from the one in Slovenia."* (Interviewee 4a). In other words, career development is considered to be sufficient preparation for an assignment to a facility similar to the headquarters.

As a senior internal recruit, Interviewee 4a was also **highly embedded in the organisational networks** prior to the assignment, which results in a more effective and efficient collaboration as well as information, knowledge, and good practice transfers between the headquarters and the foreign entity (e.g. when requesting for the headquarters' support) as well as in the managerial team abroad. The assignee already established good collaboration with the technical director in the foreign entity, who is also an assignee from the headquarters, when both managers worked in the headquarters. Interviewee 4a identifies the proven compatibility of the two managerial assignees as one of the main selection criteria for their assignment to the foreign facility, and an additional factor contributing to their more effective and efficient integration in the foreign team, which in turn facilitates the assignee's faster work adjustment and assumption of tasks abroad (Interview 4a). Interviewee 4a summarises the value of the relationship building aspect of their long career in the firm with the following statement: *"I am among the oldest employees in the firm /.../ – a grey eminence; so I do not have any problems /with collaboration/. I had good relations in the firm in the past /when I was still in the headquarters/ and I have good relations in the firm now."*

Their broad knowledge of internal processes in the headquarters and embeddedness in the firm also gives Interviewee 4a a comparative advantage over local candidates for the managerial position. According to the interviewee, recruiting assignees with broad experience from the headquarters rather than local staff is less costly for the firm, since the firm does not have to engage in lengthy training for the 'new' manager or their integration in the headquarters as the strategic centre of the MNE network. *"A person who is assigned to manage a foreign entity from the headquarters knows the organisational structures, people, way of work, matrices, organisation, culture... They know everything. If they were /a local/, they would need many years just to get familiar with all the people."* (Interviewee 4a). This statement, together with the fact that

Interviewee 4a was sent to the foreign entity *ad hoc* in response to the reorganisation of the MNE network and poor performance of the previous manager in the foreign facility, implies that internally recruited senior international assignees from the headquarters both (1) reduce the costs of managerial position filling and (2) facilitate greater responsiveness to high pressure situations such as *ad hoc* key position filling due to premature repatriation of affiliate or subsidiary predecessor managers. The interviewee moreover indicates that, in centralised firms, senior assignees from the headquarters with their well-developed internal networks in there are better equipped for managing **cross-border inter-unit collaboration** than the local managers (Interview 4a).

This may be enhanced in the case of Interviewee 4a through their active involvement in the headquarters as well as the dependence of their colleagues in the headquarters on the assignee's inputs even during their assignment – especially since the assignee's support for the headquarters is predominantly unrelated to their assignment and linked to their transfer of business onto the colleagues in the parent firm. However, a longer absence from the headquarters and a diminished need for the support of an assignee in the sending unit combined with the physical distance between the units may have a negative impact on their collaboration. The assignee's colleagues from the headquarters may prioritise requests for support by the physically proximate superiors (who they can also better benefit from in terms of their own career advancement) rather than the assignee (whose inputs they have already used for career advancement and may not wish to reciprocate). This was suggested in one of the pilot interviews. Well-developed and clear communication paths across the MNE network are thus crucial for maintenance of collaboration – even if the latter does not bring immediate benefits to all individuals involved (see also the pilot interviews).

Although assignees from the headquarters have an advantage of the already established **relations** with their colleagues in the headquarters, they encounter difficulties in establishing relations with the local team and business partners. Local managers, on the other hand, encounter difficulties in establishing relations and collaboration with the headquarters, but have no such difficulties with the local stakeholders. Regardless of their embeddedness in the headquarters, Interviewee 4a thus describes building relationships with local stakeholders as the most stressful part of an assignment. Nevertheless, as a senior manager the assignee seems to identify themselves as an autonomous problem solver with high self-efficacy, and the firm perceived them similarly during the selection process (Interview 4a). As such, the individual's **managerial identity** is both internalised and externally confirmed and strengthened by the firm.

This interview also suggests that **recruiting senior assignees** may be advantageous for the firm in terms of both their eased (or redundant) preparation and simplified repatriation planning. The former is substituted by career development, whereas the latter becomes limited to the physical relocation of the assignee, their family, and possessions, as a pre-retirement assignee often has limited (or zero) ambitions in the firm after the assignment. Therefore, the assignment management no longer requires strategic placement of the returnee in a desired (usually filled) key position in the firm that is also beneficial for the firm (see also Interview 1a). In addition, any feedback provided by an assignee retiring after an assignment is also less biased and can contribute

to upgrading the processes in the firm more objectively, since the assignee has no future interest in the firm upon their retirement.

As a senior internal recruit from the headquarters, Interviewee 4a describes **loyalty to the firm** and a wish to finish their employment relationship with the firm on a positive note rather than achieving career or other self-fulfilment goals as their main motivation for accepting an international assignment and executing it well. They explain their motivation with the following words: *"/The firm/ called me for the third time, so I said: 'Okay, since these are my final years before retirement, it doesn't matter where I spend them'. /My motivation was/ achieving some sort of confirmation for my past successful work, but given that they had asked me /to take on other international assignments/ several times before I said yes, maybe my loyalty and a sense of belonging to the company /played a more significant role in my saying/: 'Okay, I will do this before I retire'."* (Interviewee 4). This statement also indicates the assignee's goal-oriented, problem-solving nature, characteristic of managers, and identification with the latter rather than with the context of international mobility. A managerial (problem-solving) identity facilitating the decision to expatriate may imply a need for organisational discourse focusing on the managerial rather than international assignee role in promoting international mobility among extant employees. In the case of Interviewee 4a, the organisation's persistence as well as additional social pressure through the involvement of the president of the management board and the executive director from the headquarters in the recruitment process giving the assignment (perceived) relevance were also contributing factors in the individual's decision to expatriate (Interview 4).

Overall, the advantages of internal recruitment, such as possession of firm-specific knowledge, embeddedness in the firm's internal networks, and loyalty to the firm, seem to be amplified in the case of Interviewee 4a due to the individual's seniority. The long-term experience in the firm resulting in firm-specific expert and procedural knowledge, as well as familiarity with departments and individual employees and their roles, rather than, for example, international assignment experience (which the assignee did not possess) were relevant for the organisation selecting the assignee, the assignee accepting the assignment, and then effectively adjusting to their new role and assuming the tasks abroad. This suggests the great relevance of career development for assignees' positive self-efficacy assessment, willingness and preparedness for international mobility within a firm.

However, seniority also has several disadvantages. Transfer of business from a senior assignee with many fundamental and challenging responsibilities in the headquarters to their colleagues in the headquarters can be complex and lengthy. Interviewee 4a reports being **burdened with a dual role**: (1) that of a transferor of business in the headquarters (their sending entity) and (2) that of managing an entity abroad. This can be especially problematic from the perspective of an assignment, since the assignee's availability for advice and guidance to successors in the headquarters before and during expatriation distracts the assignee from focusing on the assignment-related preparation and tasks, and may also delay an assignee's departure to the foreign unit. In the case of assigning Interviewee 4a to the foreign facility, the latter, for instance, had no

permanent managerial presence for one and a half months[119] due to the lengthy transfer of business from the assignee to the colleagues in the headquarters – despite the decision by the assignee to accept the international mobility being almost immediate (in about a week). The interviewee has moreover remained available to provide further support to colleagues in the headquarters even during the international assignment, which may have resulted in work overload (Interview 4a). Although the interviewee commends the headquarters for their support (another sign of loyalty) and describes it as *"exemplary – excellent (in both directions)"* (Interviewee 4a), they also indicate their investment has been bigger than that made by their colleagues from the headquarters, saying that *"the support more often takes place in the reverse direction: colleagues from the headquarters still need /the assignee's/ advice and support on various questions and complex issues."* (Interviewee 4a).

Furthermore, seniority results in **shorter mandates** (or the impossibility of prolonging an assignment based on the organisational needs) and **limited spillover effects** after the assignment. In the case of Interviewee 4a, a two-year rather than the four-year mandate common for the firm has been agreed upon, and no additional assignments or prolonging of the initial assignment are planned. Individuals pre-retirement may not be planning repatriation at all. In this case, there is zero spillover effects from the assignees' newly acquired or upgraded knowledge, skills, and perspective to the sending unit and other entities comprising the MNE network. Similarly, returning to the sending entity for a very short period of time pre-retirement may be demotivating for an individual not wishing to engage in additional projects in the firm or accept new tasks, but rather wishing to focus on gradually transferring business onto their successors (see also Interview 5a). Despite planning retirement after the assignment, Interviewee 4a, however, conditions their repatriation on the organisation's needs rather than their wants. They ground their willingness to prolong the assignment in loyalty to the firm and their ownership over the process or project. The assignee feels responsible for finishing the projects they have started: *"Usually, when one starts a project, one also finishes it."* (Interviewee 4a). The interviewee reports a similar responsibility of 'finishing a job' towards their employer during the transfer of business in the headquarters prior to the assignment.

While the interviewee does not reference assignment costs, another disadvantage of sending senior assignees to foreign entities for the parent firm may be them being more **expensive** compared to the less experienced individuals. Although less preparation is usually needed for these assignees, they are at an advantage in negotiating the assignment contract relative to the firm based on their established status, confirmed value for the firm, and awareness of the organisational capacities. This is reflected in the support and compensation package offered to Interviewee 4a. Although the firm does not have standardised packages for assignees (see e.g. Interview 1a), this assignee is offered a car, insurance, a good wage, a respectable title, and an accommodation bonus from the

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[119] This absence of a manager was less problematic in this particular facility due to Firm A's HRM policy. The larger facilities in the MNE network are managed by two assignees, whereby only one management position at a time is changed for continuity and stability in firm performance, and to ensure that the foreign facility will not experience a crisis (see Interview 4a).

outset, whereas some of the other less senior interviewees (see e.g. Interview 6a) need to negotiate their assignment packages.

4.1.3.3.4 Interviewee 5a: seniority and role shifting – understanding different perspectives through long-term career development and work adjustment

Interviewee 5a was a repatriate to the headquarters after managing a small sales facility in a large emerging market for six years. Their international assignment to the post of a managing director of a foreign entity within the MNE network was an *ad hoc* assignment aimed at crisis management (more specifically business rehabilitation) in the host entity.[120] Prior to their assignment, the interviewee had acquired 12 years of experience in the firm's headquarters: in managing domestic sales as well as the purchasing process of selected products in the firm's portfolio. Upon their return to the headquarters four years before the interview, the interviewee was promoted to a regional executive management post. They were expected to retire shortly after the interview, however. Having returned from the international assignment meant that this interviewee had a holistic overview of the expatriation process (including repatriation), whereas their planned retirement reduced the bias introduced by their future interests in the firm or worries about the potential organisational ramifications related to the study. This was also evident from the interviewee rejecting the offer for them to authorise the final transcript and summary of their responses.

The interview was conducted in person at Firm A's premises and lasted 80 minutes. The conversation took place in a pleasant and relaxed environment that the interviewee was familiar with – i.e. a meeting room in the firm that guaranteed a disruption-free discussion. The interviewee was comfortable to share their international assignment experience and agreed to the interview being audio recorded. Before answering the questions, the interviewee was familiarised with the relevant research procedures (such as anonymisation) and introduced to the focus of the study, as they did not receive the questions in advance. During the interview, detailed notes of the interviewee's answers and non-verbal cues were taken. Preliminary analytical notes were made immediately after the interview, when the verbatim transcript and a summary of the interview for further analyses were also prepared. The interviewee did not request to review the summary of the interview. This was thus prepared as part of data condensation for further analyses. The verbatim transcript was also analysed as per the study design. The main themes and issues that arose during the interview are presented below.

As an internal recruit, Interviewee 5a reiterates several advantages related to **internal recruitment** of (senior) international assignees for managerial positions mentioned by other interviewees, such as (1) the internal recruits' familiarity with the firm, its employees, business partners, and practices of inter-unit collaboration in the MNE network; (2) possession of firm-specific knowledge, (sales)

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[120] Due to the strategic relevance of the assignment, the recruitment decision was made by the president of the management board (Interview 5a). This probably resulted in greater pressure on the recruit to accept the assignment, as well as established a sense of greater relevance of the assignment for the firm.

expertise, and soft skills; as well as (3) established trust between the firm and individuals. They particularly highlight the firm's trust in the individuals' ability to fulfil the tasks abroad based on the organisation's prior experience with the employees throughout their career development in the headquarters. The internal recruits' familiarity with the firm and *vice versa* is particularly important in **crisis situations** of strategic importance that call for timely (staffing) reactions by the firm. In such situations, internal recruitment of senior employees (i.e. independent problem solvers with perceived high self-efficacy) enables greater organisational responsiveness to the (staffing) needs that arise across the MNE network due to either internal or external factors. Assigning internal recruits can be almost immediate, whereby the assignees' speed of (work) adjustment and transition into the operational mode in a new environment depends on the assignee's level of experience and the organisation's fulfilment of the assignee's basic existential needs so that they can focus on work rather than, for example, their living arrangements (Interview 5a). As Interviewee 5a explains: *"I think that /.../ solving the existential needs and problems, so that one can start functioning and working normally, /is extremely important/."* With this statement, they portray their high self-efficacy as well as a problem-solving orientation typical for a managerial identity. They expect no organisational support before or during the assignment – except for organisational fulfilment of their most basic needs. This 'independent' stance (as well as capability) is crucial, especially when there is limited support available in the host entity – e.g. when the predecessor is not present for transfer of business, when no or limited support business functions are developed, or when no facility exists yet.

Interviewee 5a even argues against skills-related **training** shortly before the assignment, stating it presents a disturbance for an assignee going on a crisis management assignment. Instead, they deem the career development in the firm and the polished professional skills thus acquired as sufficient preparation for effectively solving a crisis related to the foreign entity's operations. Interviewee 5a thereby points at transferability of not only firm-specific procedural knowledge but also expert knowledge across borders: *"Sales is sales. There is no great philosophy in it."* Expert and firm-specific knowledge rather than assignment- or location-specific knowledge are also described as detrimental for an assignee's work adjustment when relocating within the MNE network – especially if no transfer of business in the host unit is possible. In the case of Interviewee 5a, the assignee's predecessor was removed from the managerial position due to their poor performance and their role in generating the crisis in the foreign entity. The assignee could thus only rely on their own knowledge of the firm, its processes, structures, and employees.

In relation to the latter, Interviewee 5a explains that their work adjustment and successful assumption of tasks abroad has been accelerated by **the local team's support**. It has been the local team that executed the transfer of business and provided the assignee with the key information on the current state of business in the foreign facility. It has also helped the assignee build relationships with local business partners (Interview 5a). Although transfer of business through local intermediaries may seem inconsistent with the organisation's ethnocentric international staffing strategy and discourse, it goes along with the logic of locals not being considered trustworthy enough to manage the firm on their own, but rather being entrusted the support role in facilitating an assigned manager's integration in the firm and business environment, as well as the overall execution of the assignment. Such an approach enables capitalisation of both the location-

specific knowledge and networks with relevant local stakeholders held by local staff, and the firm-specific knowledge and headquarters-embeddedness of assignees.

Despite acknowledging the advantages of internal recruitment, Interviewee 5a advocates for a combination of both internal and external recruitment – recognising **the organisational need for a database of potential assignees**. They thereby suggest that the internal recruits should be engaged for managerial positions due to their pre-established trust as well as proven competence and loyalty through their past results and performance in the firm. The interviewee cites two additional advantages to internal recruits taking on managerial tasks across the MNE: i.e. (firm-specific) knowledge of internal processes and familiarity with other employees. The external recruits, on the other hand, should be recruited for expert positions according to Interviewee 5a. Such differentiation further supports the (perceived) relevance of employee-organisation relations (advocated at both the firm and individual levels) in international staffing. Trust, firm-specific knowledge, and embeddedness in the firm's social networks thus seem to be crucial for (international) career advancement in Firm A. This is substantiated with the assignee's comments on the limited organisational trust in and lack of (especially external) recruits' commitment to an international mobility that is often delayed (i.e. does not occur immediately upon or shortly after recruitment). In response to the lack of employee commitment to (the potentially postponed) international mobility, Interviewee 5a suggests introducing a contractual obligation for international mobility aimed at new recruits (see also Interview 1a).

With a focus on **the external-internal recruitment divide** rather than recruitment based on the managers' origin, Interviewee 5a does not assume the organisation's ethnocentric international staffing discourse,[121] but rather states that hiring local management in foreign units could be a legitimate and effective strategy that would work just as well as engaging managerial assignees from the headquarters in managerial mobilities. They condition this on the selected local managers having prior experience in the headquarters, being familiar with the organisation, and having pre-established trust with the firm. In short, the same selection criteria are applied to both assigned and local managers by this interviewee.

This interview (i.e. Interview 5a) is particularly indicative of **the individual's changing roles** throughout the expatriation process. The interviewee either implies or explicitly mentions several of these role shifts: (1) a shift from a middle management position in the headquarters to a top management position in the foreign entity upon expatriation; (2) a shift from a local to a regional manager upon return; (3) the shift from an insider to an outsider in the headquarters (with expatriation) as well as abroad (with repatriation); and finally (4) the shift to an insider with an outsider view (upon return to the headquarters). All these role shifts have implications for team dynamics and cross-border inter-unit collaboration at each stage of the international assignment.

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[121] The interviewee justifies the organisation's ethnocentric international staffing strategy with its past experience of corrupt practices in certain markets that has created a historic organisational memory of local employees managing entities abroad poorly – further enhancing mistrust of local managers. According to Interviewee 5a, this has discouraged the firm from staffing key positions in these markets with locals.

In this respect, the interviewee particularly highlights (1) the improved understanding of the different perspectives of doing business acquired through their career development (including both their experience in the headquarters and of the international assignment) enhancing the collaboration across different levels and entities in the MNE network, as well as (2) the manager initially distancing themselves from their host entity upon return to the headquarters in order to avoid perceptions of preferential treatment or favouritism, and prevent disengagement by other facilities in the region they have become responsible for.

The interviewee considers their **understanding of the different perspectives** (both internally and externally) and developing a more holistic comprehension of the business processes and functions in the MNE network that has resulted from their role shifts throughout their career as particularly beneficial. During the assignment, the interviewee's understanding of both the sales and purchasing processes, as well as of the expectations in the headquarters developed over more than a decade in the parent firm, has been helpful in executing their tasks abroad. More specifically, the understanding of the two perspectives of doing business has enhanced the assignee's resourcefulness and capability of building good business partner relations. *"In the purchasing role, where one is treated as a king during negotiations, I learnt a lot from those in the sales role – observing how they were struggling, what they were offering, how they were acting, etc. When the roles were reversed and I was the 'no one' in sales talking to the buyers who were kings, these experiences were important."* (Interviewee 5a). Their international experience, on the other hand, has been beneficial upon the assignee's return to the headquarters, helping them in optimising the cross-border inter-unit collaboration within the region they now manage based on the improved understanding of the different individual and departmental roles across the MNE network (Interview 5a).[122] As Interviewee 5a states: *"Once you have a particular experience /in a specific unit, department or market/, you know what to expect /from your colleagues in a specific area or unit/. You also know, when to say: 'No, this makes no sense – stop /with your demands/!'"* (Interviewee 5a).

Interviewee 5a is nevertheless **sceptical about direct transfers of good practices** from foreign units to the headquarters (e.g. upon return). They explain that *"/o/ne gets ideas and brings them back, but as the saying goes: 'what you see depends on where you stand'. This is true also in business. /The demands and expectations change according to the headquarters, subsidiary or affiliate perspectives/."* (Interviewee 5a). They suggest that any spillover effects of an assignment across entities are limited due to their different roles in the MNE network. Despite their strong managerial identity, they are also sceptical regarding the potential cross-border knowledge or good practice transfers and spillover effects based on relationships with other assignees or managers of foreign units in the MNE network. Interviewee 5a stresses that although international managerial collaboration can be beneficial for the exchange of good practices and solutions to similar problems, local specifics present a barrier to collaboration and good practice transfers as well as their implementation at the managerial level: *"Problems cannot be solved at this level. The*

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[122] See also Interview 2a on the importance of assignments for the management in the headquarters gaining strategic and market insights from returnees, and Interview 3a on the importance of knowing both the collegial and managerial roles for more effective management.

manager in country A could not care less about the problems of someone in country C: these problems are not related and the way in which they can be solved is not the same." (Interviewee 5a). This implies that managers of the entities comprising the MNE network (excluding the headquarters) have a micro focus rather than a macro overview of the processes in the MNE network.

Throughout the interview, the interviewee portrays **a strong managerial identity**. In addition to their presentation of themselves as a problem solver not requiring extensive organisational support for the assignment, Interviewee 5a also references managers of foreign entities across the MNE network as a single group. By not differentiating assigned managers from local managers, the interviewee indicates their identification with the professional (i.e. managerial) group is stronger than their identification with a group defined by entity-of-origin or international mobility (i.e. international assignees).[123] Finally, the interviewee seems to be extremely results-oriented, stating that (sales) results cause them the greatest stress both in the headquarters and abroad (i.e. regardless of their location): "*Sales results are always the most stressful moments – always! /.../ But this type of stress is present in any workplace (one doesn't need to go abroad to experience it).*" (Interviewee 5a). The stress not being location- or assignment-specific, but rather management-related, further supports the conclusion of this assignee primarily identifying themselves with their managerial rather than the expatriate role.

In discussing **return**, Interviewee 5a does not consider the latter to be challenging from the perspective of work and reintegration into the team in the headquarters. They attribute this to their familiarity with the process of the move as well as the processes, people, and changes planned in the headquarters:[124] "*Climbing up the mountain is much more interesting than returning to the valley on the same path. /.../ Besides, as an old member of the firm, I knew everyone and everything in the headquarters, so it felt like moving from the bedroom to a living room within the same house.*" (Interviewee 5a). The most challenging part of repatriation from the perspective of work thus seems to be its realisation. The assignee's return was postponed twice based on the organisational needs. According to the interview, the return is more challenging and stressful from a personal perspective. The assignee reports needing to resocialise into their family upon return as a particular challenge. They do not desire an interim period spent at home (i.e. not working) though – so as not to lose the competitive advantages at work (Interview 5a). Absence during work hours may thereby also be beneficial for the returnee in terms of gradually re-establishing and rebuilding the relationship with their partner at home through maintaining some of the distance established by the individual's absence during international mobility in the form of absence from home during working hours.

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[123] A similar management- rather than assignee-oriented stance is evident across Firm A as well as in Firm B – at the organisational and individual levels.

[124] The assignee was, for instance, well informed about the reorganisation of the firm prior to their return to the headquarters – also based on their embeddedness in the social networks in the headquarters.

Interviewee 6a was an inpatriate recruited for the managerial international assignment in the headquarters as a former employee in one of the firm's foreign affiliates. Because this interviewee's mobility took place in the opposite direction to that of all other assignees included in the study (also those interviewed at its pilot stage), this interview is considered as **a supplementary interview**. It provides an additional perspective on and thus complementary insights into the international staffing strategies and practices in Firm A as well as individual-level experience of the latter. In other words, it indicates whether, to what extent, and how the findings from interviews with managerial expatriates pertain to other assignees and managers in general. Since the interviewee was contacted for the study on recommendation of the HRM department representative, it also confirms that Firm A does not differentiate between assignees based on the direction or format of the (long-term) assignment but rather segments them based on their managerial status.

Although Interviewee 6a had no prior international assignment experience, their substantial experience with Firm A (they had worked in its affiliate for over a decade), their critical stance towards the firm developed throughout the years (the individual took a 10-month break from the MNE due to their dissatisfaction with its organisation of work), as well as their different cultural background from that of the headquarters as a factor in change management, prompted the firm to initiate the interviewee's return to the MNE during reorganisation. The firm assumed that these characteristics of the individual would contribute to the success of an assignment aimed at **introducing a desired change** to the team dynamics and cross-border collaboration. For this purpose, the interviewee's assignment took the form of **a commuter assignment**, whereby the individual rotated between the company's headquarters and the foreign entity in a developed market (i.e. their sending market) on a weekly basis. The assignment format was negotiated by the inpatriate and was not determined by the firm (Interview 6a).

The interviewee had just completed their first year of the long-term assignment at the time of the interview. This was conducted in person, at the interviewee's office, and lasted 95 minutes. At the beginning, the interviewee was informed of the key research steps and the research topic. The interviewee was focused on the interview questions, open in their responses, and comfortable with me audio recording the conversation. During the interview, detailed notes of both the interviewee's responses and non-verbal cues were taken. Additional analytical notes were made immediately after the interview. A verbatim transcript was then prepared and summarised for the interviewee's final correction of any factual errors or elaboration on any ambiguities and additional questions that arose during transcription. Upon authorisation, the interviewee expressed concern regarding the publication of the interview. They were thus reassured that their responses would remain anonymous and would only be used for the dissertation research-related purposes. They were guaranteed that the full transcript would remain confidential and that only the selected (anonymised) quotes from the interview would be included in any publications or presentations of the research findings at events – in combination with the data from other interviews. These standards were applied to all interviews. During analyses, both the verbatim transcript (for critical

discourse analysis with consideration of corrections) and the summary of the interview (for content analysis) were used. Illustrative quotes are taken from the grammatically corrected and approved summary. The main issues stressed by the interviewee are presented below.

Since Interviewee 6a is a former Firm A employee returning to the organisation for the purpose of an international assignment, they present a special case of **an external recruit with prior experience in the assigning firm**. Being a recent former employee means that the interviewee is familiar with the firm, its processes, employees, and culture (in both the foreign affiliate they were employed in and the headquarters where they attended training in the past). This facilitates their understanding of the extant organisation and (also inter-entity) relations, which in turn eases their integration into the firm and work adjustment upon return to Firm A as well as supports their (informed) introduction of change. Based on their prior work for the firm, the assignee has developed a critical view of the organisation of work in Firm A, built awareness of the problems in the MNE, and (also through the interim period in another firm) acquired the skills needed to solve them. In addition, since their absence from Firm A has been shorter than a year and since the assignment for the firm is aimed at reorganisation, the incomplete information on any changes in the firm during their time of absence is not detrimental to the returnee's assignment.

The short absence from the firm also does not impede the firm's (perceived) familiarity with and trust in the employee, who was already identified as a prospective talent by the firm during their initial employment in the EMNE's subsidiary. This can be inferred from the firm including Interviewee 6a in its internal training scheme for prospective talents aimed at developing organisation-tailored employees during their initial employment in the foreign affiliate (Interview 6a).[125] The assignee has been less trusting of the organisation, however, being reluctant to return to an organisation they had left for a reason (i.e. their dissatisfaction with the old-fashioned organisation of the firm and the related silos, fear of job insecurity, poor relations, and failure to comply with internal agreements) (Interview 6a). Additional convincing has thus been needed. This has taken the form of (1) the assignee's former manager contacting them directly to return to the firm (executing social pressure on the individual); (2) the organisation assuring the individual that they would have the power to co-create organisational change and address the issues they left the firm for (having an opportunity to address the issues from the past, make an impact, and add value to the firm has remained the individual's main concern – next to their family's well-being); and (3) negotiating a flexible format for the individual's international mobility enabling both the individual's greater work effectiveness and improving their family's well-being.

The individual's focus during the negotiations regarding the assignment has been to confirm a match between the organisation's and their own objectives (having an added value for the firm has been crucial for the individual) and to dispel any of their concerns about the (re)organisation in the firm. The assignee particularly stresses that all assignments should be strategic (from both an

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[125] Career development of the individual prior to their leaving the firm has included participation in (international) internal training on product development in the headquarters, leadership training, and business trips to business partners (for learning how to build relationships with the latter) (Interview 6a).

organisational and an individual perspective), saying: *"If the link between organisational goals and an individual's skills is not clear, then there is no need to invite anyone to the firm."* (Interviewee 6a). The interview thereby also indicates that the organisation's and individual's goals evolve over time and can shift from a mismatch to a match. They also state that the mismatch can lead to a termination of the employment contract, while (a re-established) match can motivate an employee to return to a former employer. In the case of Interviewee 6a's assignment, both the organisational and the individual's objective have become introducing change to solve extant problems with the reorganisation of the MNE – i.e. the employment relationship was re-established based on a newly established firm-employee goal congruence. The interviewee illustrates this with the following statement: *"With the reorganisation, I saw opportunities: I could now change all the things that bothered me in the past – using insights and inputs from the time when I had first worked for the firm. That was also one of the main reasons why I returned: I did not wish to only complain but rather wanted to act."* (Interviewee 6a).

Next to the individual's problem-solving orientation and capabilities, the firm has stressed several of the assignee's characteristics as criteria for evaluating their appropriateness for a managerial assignment aimed at introducing change, which also signal the organisational goals related to the assignment to the individual. First, possessing knowledge and understanding of the internal processes in both the headquarters and the affiliate as well as their past involvement in internal training have enabled the interviewee to introduce change in each unit based on the advantages in the other unit and the already acquired skills. The firm and the assignee have experienced no (perceived) need for additional pre-assignment training. According to the interviewee, these would have only acted as a disturbance and redirected focus from the tasks at hand. As Interviewee 6a explains: *"/.../ /At/t the moment, I am constantly focused on four or five goals, so I am already busy with that. First, I have to accomplish these goals (I can do that without additional management courses) instead of developing myself."*

Second, being familiar with the employees in both units they have been linking during the assignment has facilitated faster integration of the assignee in both teams, and enhanced the mutual understanding between the teams in the two facilities. Third, possessing soft skills (e.g. skills of empowering colleagues typical for their home country culture and leadership skills) and coming from a different (organisational and national) culture has helped the assignee in changing the individuals' work habits and team dynamics. Finally, having an 'outsider' status in the headquarters has further supported the individual in their endeavours to introduce change in the hierarchically more powerful unit (i.e. parent firm) compared to their sending unit (i.e. foreign facility). This is because by being an 'outsider', less burdened with local hierarchies and ties, the assignee has also been capable to break the internal networks preventing change from being introduced in the past.[126] Interviewee 6a describes the situation in the headquarters with the following words: *"I think there were some people who tried /.../ to introduce change /.../. But in the Firm A family, everything is quite connected: some people working together know each other privately or are related, so things are sometimes decided on a social instead of a business level."*

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[126] See also Interview 8a for the 'network disentangling' role of managerial international assignees.

Out of all four characteristics, only the last listed advantage (i.e. being an outsider sparking change in both the firm's internal processes and the networks through a cultural clash) is international assignment-specific. It is conditioned on the individual being **an 'internal outsider'** – someone with an understanding of the internal processes in the MNE network (by having experience from within the firm's system), but not highly embedded in the local networks or determined by the local practices of the host entity. The first three characteristics, on the other hand, are not assignment-specific, but are rather related to the assignee's prior experience in the firm. They are key to the assignee's faster work adjustment (i.e. they reduce work-related stress) and task assumption (i.e. they enhance the operational readiness of the assignee) in their new (managerial) role. Interviewee 6a explains that firm-specific knowledge and embeddedness have been all the more relevant due to the specificity of their **role shift**: *"Although this was a new position, it was quite easy to start – because I knew the company and the people /.../."* In other words, the assignee has assumed the identity and characteristics of an internal recruit as well as an international assignee. The latter has been crucial for the individual's performance of network- and habit-breaking tasks in the introduction of change, as well as enhancing collaboration between teams and connectedness between units in the MNE. In contrast, the identity as an internal recruit has been particularly important for the individual's favourable self-efficacy assessment before and during the assignment, as well as their (re)integration in the headquarters. It has also increased their negotiating power regarding the assignment during recruitment negotiations.

Having left the firm has given Interviewee 6a additional **power in negotiating** their return to the headquarters as an assignee (i.e. as an inpatriate on a commuter assignment) during recruitment. As Interviewee 6a states: *"The company wanted me, so the only question was if the arrangement suited me as well /.../."* The individual's supremacy in the negotiations is reflected in the assignment format. Specifically, Interviewee 6a negotiated a commuter assignment – a format more consistent with their personal wishes than the organisational needs. It involves the individual spending three days per week in the headquarters and one day per week in the affiliate, while working from home the final day in the week on a fixed schedule. Although, from a work perspective, this format supports the individual's tasks in the two units, the assignee's primary concern has been their family's well-being when negotiating this type of mobility. *"If the family is functioning well and if the kids are doing fine, I can do my work here (i.e. in Slovenia) well; if not, this can also reflect in poor performance at work. /.../ For me personally the most important thing was the fixed schedule – also due to my family situation."* (Interviewee 6a).[127]

To achieve agreement with the firm, the interviewee rationalises the format through arguing its benefits for the firm and frames it as beneficial for the MNE as well. They claim that such an arrangement allows the employee to focus on operational tasks in the host unit, concentrate on strategic thinking in the sending unit, and focus their mind when at home: *"One of the benefits is that I can really do strategic thinking when I am in /my home country/ for a day. I have my time alone there and no one is disturbing me (there are some distractions by phone, of course, but I am in charge of whether I pick it up or not). When I am in Slovenia, on the other hand, I am in the*

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[127] See also Interviewee 5a, who similarly stresses the importance of fulfilling an individual's existential needs for their work effectiveness and efficiency.

operational mode most of the time." (Interviewee 6a). They furthermore argue for a decreasing presence in the host country – justifying this approach with the nature of their tasks, but also acknowledging a desire for a more favourable work-life balance.

Unlike other interviewees with experience of commuter or flexpatriate mobility (see e.g. Interviews 1b and 3b in sections 4.2.3.2 and 4.2.3.3.2), who suggest that managing a unit from a distance is impossible in the long term and inefficient in the short term, Interviewee 6a claims it is possible to manage a team from a distance after some time spent working with them on-site. They at the same time stress the benefits of face-to-face communication for work and team management, however, which is another indication of their negotiation regarding the assignment format being motivated by self-interest (i.e. motivated by a desire to be able to spend more time with their family). Finally, the assignee acknowledges commuter assignments and other flexible types of international employee mobility as an opportunity for the organisation to motivate employees to engage in international mobility (Interview 6a). This is a further sign of this format being more adjusted to the individual than the firm.

Next to the internal recruit and international assignee identities, the interviewee also mentions having **a managerial identity**. As a junior recruit with past collegial ties with some of their current subordinates, they are less comfortable with the latter identity, though. According to Interviewee 6a, the shift in the role from one of a colleague to one of a manager (i.e. non-assignment-specific role shift) has been particularly stressful, as it has inhibited the assignee's (re)integration into their sending unit and changed their relations in the latter. *"In the beginning, a few people were sceptical – not only in the headquarters, but also within my home unit, where in the past they were my direct colleagues, but I now became their manager, so they were unsure of what would happen."* (Interviewee 6a).

The role shift in the assignee's sending unit had a triple effect: (1) the psychological effect on the assignee who is no longer confided in by their former peers; (2) the local staff in the assignee's sending unit losing trust in the assignee, who is now (perceived to be) representing the headquarters; and (3) the relational shift in the roles that require adjustments in (self-)perceptions and identities by both the assignee and their now subordinates in the sending unit in reference to their relationship. The assignee reports difficulties in coping with their role shift in the sending unit and indicates a desire for collegial relations to remain the same in spite of the individual's promotion and international mobility in the MNE network: *"I hope that /my colleagues in the home unit/ still see me in the same way as in the past – although I am now in another position. However, the change is especially reflected in communication. In the past, the latter was more open, to be honest, but some people have now become more careful when talking to me (i.e. they don't tell me everything anymore). I think this is mostly related to my position."* (Interviewee 6a).

This response does not only imply the psychological distress caused by the assignee's role shift, but rather also hints at the operational consequences of an assignee's role change in the form of inhibited bottom-up communication. The interviewee also explicitly references the need for an intermediary communicating in-depth information from the sending unit to the assignee (Interview 6a). This raises doubt in the connecting (the so-called boundary spanning) role of a person assigned

to the headquarters who has previously represented a member of the in-group in the foreign unit. The implications may be different for assignees from the headquarters to foreign units, who have already been out-group representatives in the latter units prior to an assignment, or who have a higher hierarchical status in the MNE network by headquarters-extension (see e.g. Interviews 3a and 8a).

The negative response to the individual's role shift has not been limited to the sending entity, but has also been received with **disengagement** by the assignee's subordinates in the headquarters. The response of the latter group has not been related to the assignee's 'relationship-based' role shift, however. It has rather been conditioned on the employees' ownership over the processes in the headquarters as well as their seniority: employees in the host unit have authored some of the processes that the assignee has been tasked to change, have gotten used to executing them (i.e. the processes have become habitual behaviours that are particularly difficult to change), and have also all been seniors based on experience compared to the junior manager. Additional factors contributing to their reluctance to change have been the multiple unsuccessful managerial shifts over a relatively short time span, and the parent firm's failure to establish a clear hierarchical order. The assignee, for example, references subordinates bypassing them and referring a problem to a parent firm manager (see Interview 6a).

Regardless of the difficulties related to the assignee's role shifts for the individual and from the perspective of team dynamics, Interviewee 6a considers them beneficial from the organisational perspective. They, for instance, describe how the direct communication between units, which is facilitated through an international assignee, prompts better mutual understanding of the headquarters and affiliate: *"Being in the headquarters allowed me to have a little more understanding about why the headquarters were acting in a certain way in the past, when I thought to myself: 'What are they doing?' Many people in my home unit are still thinking in this way. Some of them dislike the headquarters because of their way of working; but by working here, a person gets to understand why they are working like that. I can bring this message back to my colleagues abroad (i.e. explain why something is done in a certain way or how to solve it) and thereby contribute to at least some common understanding."* (Interviewee 6a). Having an international assignee linking the two units also strengthens **inter-unit collaboration** and the transfer of best practices through contributing a dual (headquarter-subsidiary) perspective to the discussion: *"It helps to be 'in-between' to achieve this, because otherwise you can only discuss things about your own world – not knowing the other."* (Interviewee 6a).

The assignee having insights into both units' (thought) processes and cultures facilitates recognition of and awareness raising regarding deficiencies and opportunities for improvements – in each unit and in both directions. A dual perspective sensitises Interviewee 6a to the differences in practices and their potentially different outcomes in the two units. Interviewee 6a thus suggests that international mobility should be enhanced throughout the MNE network – to strengthen mutual understanding among its entities and develop an international mind-set for successful internationalisation (also stressed by Interviewee 2a). Interviewee 6a moreover states that the international composition of an MNE's staff is crucial for its international development and

growth: *"/.../ if you want to act internationally you /.../ need international employees (perhaps you also need international thinking at the board level)."*

4.1.3.3.6 Interviewee 7a: a gradual increase in responsibilities, investments in (transferable) expertise and soft skills, and assumption of an assignee lifestyle

Interviewee 7a was a repatriate to Firm A's headquarters after two consecutive managerial international assignments (each consisting of multiple mandates) in small sales affiliates located in three different emerging market economies. Two of the affiliates were managed simultaneously during one of the assignments. The interviewee had acquired over a decade of experience in Firm A's headquarters prior to their first international assignment and then spent more than two decades (a major part of their career) abroad: initially as a commercial director in a single entity and later as a managing director of two entities. This meant that their responsibilities increased with time – in both scale and scope. Even after their return to the headquarters, they upheld an international presence: international mobility became this interviewee's mode of operation at work as well as their lifestyle and part of their identity.

Their long-lasting and extensive involvement in international mobility made this interviewee particularly informative – both regarding the individual-level experience of managerial international assignments, and concerning the evolution of international assignment management strategies and practices in Firm A over time. This is because Interviewee 7a experienced the firm's change in international staffing strategy directly in their mobilities: they observed the era of (senior) assignees with permanent residence abroad, were engaged in the longer-term but temporary managerial assignments,[128] and finally also experienced the firm's shift to regional integration of entities and flexpatriation for cost optimisation. The latter change was a reflection of (1) the changed organisational needs and the related adjustment of international staffing strategies, (2) contextual factors (such as labour market deficiencies), and (3) the individual's assumption of an expatriate identity along with them becoming accustomed to international mobility as a lifestyle over their long-lasting career abroad.

Interview 7a was conducted as a telephone interview due to the interviewee's busy schedule. It was split into two parts: after the initial 50-minute telephone conversation, the interviewee requested a break to complete an urgent work task. They thus responded to the final questions in a second (15-minute long) telephone conversation on the same day – a couple of hours later. In spite of a pause in the conversation, the interviewee remained focused on the questions. Throughout the interview, they showed an interest in the study and were straightforward in their responses. They did not receive the interview questions in advance, but were rather familiarised with the course and the focus of the study at the beginning of the interview. The interviewee was

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[128] Interviewee 7a's two assignments lasted over two decades, which was a remnant of the firm's past strategy. Later assignees took on five- to 10-year assignments in a single entity (see also Interview 1a).

comfortable with the interview being audio recorded, but requested the opportunity to correct any factual errors in their responses afterwards.

A verbatim transcript prepared after the interview was thus summarised into a grammatically corrected and thematically reorganised text. The summary was sent to the interviewee for final approval – together with additional explanatory questions aimed at addressing any ambiguities that remained unresolved during the telephone conversation. The interviewee responded to the additional questions in writing and approved the text (without censorship). As in other interviews, detailed notes of both the interviewee's responses and non-verbal cues were taken during the interview, whereas separate notes on preliminary inferences were prepared after the interview. Both the verbatim transcript (with consideration of the amendments made by the interviewee during authorisation) and the summary were included in content and critical discourse analyses. The illustrative quotes presented among the findings are based on the approved summary of the interview. The key issues stressed by Interviewee 7a are discussed hereinafter.

As **an internal recruit** with more than a decade of experience in Firm A's headquarters, Interviewee 7a echoes several of the advantages of assigning extant employees (i.e. members of the firm's in-group and thus 'insiders') to managerial posts abroad for both the individual and organisation mentioned by other interviewees in Firm A. From the individual perspective, these advantages include (1) greater motivation for and self-confidence in successfully executing an assignment, (2) faster and easier (work) adjustment during the assignment, and (3) faster, more effective, and more efficient assumption of tasks abroad. According to Interviewee 7a, internal recruits' greater motivation for and self-confidence in successfully executing an assignment stems from these individuals' (1) familiarity with the (sending and receiving) firm, host markets, employees in the headquarters and foreign entities, as well as with local business partners; (2) possession of firm-adjusted (or relevant-to-the-situation) expertise; (3) clear expectations regarding their tasks in the foreign unit (based on experience with working in the headquarters and visiting the foreign units on business trips prior to the international assignments); and (4) opportunity to realise their expertise and add value to the firm. The first three factors are related to the internal recruit encountering fewer unknowns in the expatriation and management process compared to external recruits, whereas the final factor is related to the individual's managerial (problem-solving) identity and the match between the firm's and the individual's objectives.

A faster and easier (work) adjustment to the new environment is closely related to the internal recruits' past experience in the firm as well. Interviewee 7a explains that an internal recruit, familiar with the MNE, does not need to make as many types of adjustments at the same time as they would have, had they not possessed the holistic knowledge of the firm, its internal and external networks, processes, structures, and organisational culture or the expert knowledge adjusted to the firm's needs. The assignee elaborates on the importance of an assignee's broad (yet basic) knowledge of all processes in the firm for managing a small entity with limited support options, stating that *"/t/he internationally assigned person needs to know all business functions in advance to at least an extent, so that they do not need to learn everything anew. This would be extremely challenging, as it would lead to several types of adjustments having to happen at the same time. It is already not easy to adjust to a different environment, but needing to get*

familiarised with other /(e.g. business-related)/ things as well makes things even more difficult." (Interviewee 7a).

As an internal recruit, Interviewee 7a has been particularly fast in assuming their tasks abroad. The employee's internal **career development** has been important in this respect. Having performed similar professional tasks that needed to be introduced to the foreign affiliate in the headquarters, and having serviced their later host foreign market(s) from the headquarters (also through business trips) prior to an assignment, has deepened the individual's expertise, adjusted their skills to the MNE, and enhanced their firm-specific knowledge. It has also enabled the individual to build relations with colleagues and business partners. These two aspects of the assignee's career development have thus been the primary selection criteria during the interviewee's first international assignment. Transferability of the individual's expert knowledge (which was also somewhat firm-specific due to its adjustment through career development) to the foreign facility together with pre-established relations with local stakeholders and support staff in the headquarters have both eased the assignee's work adjustment and accelerated their assumption of tasks. Familiarity with business processes in similar affiliates is also described as relevant for the later international assignments. This implies a gradual process of employee adjustment and achieving effective work even for internal recruits – although, in their case, the transitions from the less demanding to the more challenging environments and positions are accelerated and require less immediate investments by the firm (as long-term career development is preferred).[129]

Internal recruitment also has advantages for the organisation. In the case of Interviewee 7a, selecting an experienced internal recruit has had several benefits for the firm: (1) the flexibility of the individual to be sent on an assignment *ad hoc* (e.g. to solve a crisis situation) due to them being professionally prepared to take on the complex and holistic tasks in a foreign unit over their career development; (2) a reduced need for additional (time-consuming and focus-distracting) training and preparation immediately before an assignment; and (3) an assignee's loyalty to the firm (reflected and resulting in an assignee's entire career being spent in one firm) motivating the individual to have greater work engagement. Interviewee 7a describes loyalty to the firm as the greatest advantage of internal recruits – especially for assignees that come from the headquarters, stating that *"if one is a Firm A supporter by heart, they fight for the company like a lion /.../ unlike the local employees, who fight for their salaries and go to the highest bidder."* With this statement, the interviewee echoes their colleagues on the value of internal recruits' loyalty to the firm (see e.g. Interview 3a). They also explain the reasoning for the firm's ethnocentric international staffing approach, adding that it stems from the firm's own and its counterparts' poor experience of hiring local managers, who have been poached by competitors, shared trade secrets, and engaged in unethical practices for financial gain (e.g. embezzlement) (Interview 7a) – i.e. they have demonstrated disloyalty that was detrimental to the affiliates' performance.

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[129] Interviewee 7a has progressed from being a programme manager in the headquarters to becoming a commercial director in a single SME foreign entity and finally a managing director in two SME foreign entities in different markets simultaneously.

Despite the advantages of internal recruitment for managerial international assignments, with Interviewee 7a predominantly referring to recruits from the headquarters, such recruitment has challenges as well. The expatriation of internal recruits, embedded in the work of their sending unit, cannot be immediate, as internal recruits also need to conduct **the transfer of business** in their sending unit prior to heading on an assignment – something the external recruits are not tasked with. Interviewee 7a, for instance, mentions the transfer of business and finalisation of their projects in the headquarters as a distraction and an additional task prior to their first assignment. In addition, **adjustment to performing several expert roles** rather than one seems to be particularly pronounced for assignees from the headquarters to foreign SME affiliates or subsidiaries (also see Interviews 1a and 2a).

The differences in organisational structures and levels of expertise (due to the (non)existence of support departments) between entities comprising the MNE network trigger a need for broadening rather than deepening the scope of the individual's knowledge for a role shift and adjustment to the additional tasks that a managerial international assignment entails. This may be less demanding for assignees commuting between similar foreign affiliates, and may imply the reverse demands on inpatriates (i.e. they may potentially need to specialise further to be successful in the headquarters). Interviewee 7a, for instance, finds adjustment to the SME approach rather challenging as an expatriate from the headquarters: especially at the outset of their first assignment. They consider the shift from one assignment to the next less demanding: *"Once one goes abroad (especially if they take over managing a firm), they perform all the functions in the firm – and have to know all the functions. In a small firm abroad /the assignee/ is left to themselves for everything."* (Interviewee 7a).

The need for a manager to possess broad knowledge and skills is reflected in the required employee development investments for a managerial assignment by the firm. Since a manager in an SME affiliate needs to have a holistic grasp of all business functions to perform their tasks effectively, long-term preparation for a managerial assignment in the form of career development is more suitable than the specialised pre-assignment training. Like several other interviewees, Interviewee 7a suggests that an assignee should not be faced with (too extensive) additional training during the transition period to a new position abroad, since this would distract the assignee from operational work: *"/.../ additional training would at the time probably be a disturbance rather than something necessary."* Career development, on the other hand, is described as gradual and thus less intrusive. With the emphasis on expertise and soft skills, it is not necessarily assignment-focused, yet it prepares the individual to assume the managerial post with its broad operational responsibilities.

This confirms the relevance of (1) expert knowledge as a basis for the motivation and self-confidence of an individual to perform expert tasks abroad; (2) knowledge of internal processes and embeddedness in the firm as a basis for successful execution of the inter-unit and cross-national coordination tasks (both aspects being relevant for work effectiveness); and (3) assignment-specific procedural knowledge for easing adjustment and thereby increasing work efficiency. While the first two aspects of knowledge are necessary preconditions for assignment success, the latter is not. All these types of knowledge seem to be internationally transferable within the same MNE network.

Interviewee 7a also assesses **the return** and **reintegration processes** in the firm. In relation to return, the interviewee describes its timing as being primarily based on organisational needs, stating: *"It does not work in a way, that, when one accepts a four-year mandate, they actually return /to the headquarters/ after four years."* (Interviewee 7a). This may be a result of extreme loyalty of internal recruits, the individual getting used to an expatriate lifestyle (i.e. developing an assignee identity), or the individual's strong managerial identity focusing their attention on work-related problem solving rather than other aspects of their international mobility (e.g. their personal needs and wants). The latter is most likely in the case of Interviewee 7a, since they condition their return on fulfilment of their tasks abroad and achievement of organisational objectives rather than a pre-specified timeline (regardless of them feeling a gradual loss of identity).

Interviewee 7a does not consider their reintegration into the firm and the related work adjustment upon return challenging,[130] due to the continuous communication with and interim visits to the headquarters during the assignment. This has provided the physically distant manager with information on any organisational changes, novel strategies, tactics, and activities as well as enabled the maintenance of relationships with colleagues in the headquarters. They clarify that *"/t/he majority of international assignees remain constantly connected to the employees in the parent firm during an assignment – at least with the team crucial for the operations abroad. /…/ /Due to low employee turnover rates in the MNE, these contacts can be used even upon the assignees' return to the headquarters, as they keep working with the same people – just no longer from a distance/."* (Interviewee 7a). This statement further supports the finding on the impact of the MNE's (centralised) structure on its selected international staffing approach. It also suggests that the operative connectedness of the MNE inherent to centralisation positively influences the assignee's efforts to maintain their relationships with colleagues in the headquarters, that can be useful not only during an assignment but also upon repatriation. The interviewee also stresses the transferability of their expert knowledge across borders and entities as beneficial for their successful reintegration and work adjustment upon repatriation. They state that *"sales are sales /– regardless of the industry or market of one's operation/."* (Interviewee 7a).

Although they do not consider repatriation particularly difficult, Interviewee 7a feels it has been more challenging than expatriation. They explain that the fear of the unknown causes this effect – which echoes what some of the interviewees said about expatriation being more challenging. This discrepancy can be attributed to Interviewee 7a's long-term absence from the headquarters, which has lasted for most of their career. While the individual has been familiar with the foreign markets and their tasks abroad even prior to their own international mobility, they have been less familiar with the changed organisational and social environments at home (despite their connectedness with the headquarters). They, for instance, refer to the changes in employee relations from collegial to competitive upon their repatriation as one of the greatest negative shocks they experienced when

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[130] Interviewee 7a nevertheless indicates frustration with the firm's poor use of the knowledge and experience acquired abroad. However, the latter can be partially explained by the returnee's change in the field of work upon repatriation, which limits the transferability of both their knowledge and the networks and contacts they have established abroad.

returning to the firm. However, they attribute the latter to social change (i.e. an external factor) and not to their change in status or their colleagues perceiving them as a threat (Interview 7a).

4.1.3.3.7 Interviewee 8a: former employee establishing a new facility – developing a feeling of ownership over the foreign entity and a sense of foreignness in the headquarters

Interviewee 8a was a **former employee** of Firm A with long-term experience in the firm's headquarters. After they had worked for the firm for more than 15 years, they left the MNE for the position of a production manager in a different industry. They returned to Firm A upon the firm's initiative after several years of their absence from the headquarters. Their return to the firm was thereby triggered by the opportunity for the managerial international assignment. This assignment was aimed at establishing and managing a new production facility in an emerging market and as such presented a challenge. Upon accepting the assignment, the individual returned directly to the host facility – without having spent a transition period in the headquarters. The assignment took the form of a commuter assignment as the assignee commuted between their sending and receiving countries weekly. However, since these commutes were not aimed at the assignee performing tasks in the headquarters, but rather involved spending weekends with their family (i.e. although financed by the firm, these visits were completely private), this assignment was treated by the firm as a traditional long-term managerial international assignment. The manager's absence during the weekends went unnoticed in the host entity. At the time of the interview, Interviewee 8a was on their second mandate of managing the (by then already medium-sized) foreign facility.

The interview was conducted in person during the assignee's interim visit to the headquarters. The conversation lasted 75 minutes and took place over coffee in a local café suggested by the interviewee, as they did not have a local office and it was easier for them not to have to commute to the researcher's workplace during the visit. The atmosphere was pleasant. However, the environment was rather loud, which interrupted some of the interviewee's thoughts. The interviewee was nonetheless focused on the questions and informative in their responses. They were very open and straightforward, which was evident from their criticism of some of the firm's practices related to (international) staffing and coordination of the MNE network, as well as their own staffing decisions (e.g. employing family members without knowing of their family ties). The interview was audio recorded and notes of the responses as well as non-verbal cues were taken during the conversation. The interviewee did not receive the questions in advance, but rather was informed of the research focus and procedures immediately before the interview. After the interview, preliminary analytical notes, a verbatim transcript, and a summary of the interview were prepared for further analyses. The interviewee did not request to see the transcript or summary of their responses for final approval. No additional explanations were needed, either. The key international assignment-related issues highlighted during the interview are summarised hereinafter. Any illustrative quotes are taken from the transcript and grammatically polished for consistency of reporting across cases.

As a former Firm A employee, Interviewee 8a is **an external recruit**, invited to return to the firm for the purpose of the international assignment. Due to the individual's and firm's **(perceived) mutual familiarity**, the recruitment process for the assignment as well as the later execution of

international employee mobility is specific. Firstly, the contact with the interviewee is more targeted and established by a member of the management board, which gives the invitation greater weight and signals the strategic relevance of the assignment for the firm to the employee, as well as exerts additional social pressure on the individual to accept the assignment. Secondly, having returned to the firm after a longer-term absence (i.e. more than five years) from the headquarters and complete professional detachment from the MNE means that the interviewee returns to a changed organisational environment in terms of the internal processes, organisation of work, and team composition. As such, their substantial firm-specific knowledge is somewhat outdated. Unaware of this, neither the firm nor the individual strive for the assignee's (re)integration into the firm and their familiarisation with the procedural novelties in the MNE that were introduced by the headquarters during their absence from the firm prior to the assignment.

The interviewee thus went on their assignment directly upon return to the MNE – without having spent a transition period in the headquarters prior to the international assignment, which later turned out to be problematic. The interviewee reports how their not being briefed on the procedural novelties from the time of their absence from the firm due to the perceived mutual familiarity between the MNE and the recruit has inhibited the assignee's (and affiliate's) collaboration with the parent firm.[131] They explain that having been absent from the firm for over a decade (including their international mobility), the individual has *"/.../ fallen back into the firm, where things had changed significantly."* (Interviewee 8a). Not being informed of the new procedures (e.g. on reporting), rules and regulations, the changed relations and priorities, has forced the individual to act according to their own logic rather than consistently with the established organisational practices.[132] While the assignee does not deem this as detrimental to their tasks related to the establishment and management of the foreign affiliate, they recognise its negative impact on their relations and collaboration with the headquarters: *"I sometimes objectively did not know that I should have completed a certain task, when the colleagues from the headquarters started shouting at me. In these situations, I could only react by saying: 'You need to tell me these things. How am I supposed to know something no one tells me?' But everyone else knew this five years already."* (Interviewee 8a).

This clearly indicates that the perceived mutual familiarity between the organisation and individual can result in **myopia** regarding the need for an individual's reintegration into the firm and re-familiarisation with its internal processes, networks, and strategies. The firm has assumed that the individual's prior experience with the headquarters, its processes, standards, and employees have remained intact over time. It has based its selection of the individual on (partially misinformed) trust in the individual having the expertise and skills needed for successful assignment execution based on their prior work in the firm – years ago. The assignee, on the other hand, has felt confident in their ability to execute the assignment based on similar partial information (not of their own

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[131] The assignee's absence from the headquarters during the assignment has had a similar effect on their communication with the headquarters, which have developed their own language – not understandable to a remote manager (see Interview 8a).

[132] See also Interview 1a for a similar criticism of the organisational practices at the level of the firm.

capabilities, but rather the organisational capabilities). Their own evaluation of their self-efficacy and the organisation's trust in individual's (outdated) firm-specific knowledge has thus had a negative effect on the assignment implementation and organisation-individual relationship: the firm experiencing dissatisfaction with the individual's performance, and the individual feeling they were being subjected to unfair treatment.

However, the effect of myopia has been limited to the headquarters-affiliate collaboration and not damaged the establishment of the foreign entity and its management (i.e. the main purpose of the international assignment). The individual's past (although distant) experience in the firm's headquarters (in combination with their technical expertise – also tested in Firm A) has nevertheless been essential for the individual to learn the production processes in the firm's headquarters, which they could later transfer to the new entity. As Interviewee 8a states: *"This was my advantage: I was a child of Firm A – I was trained on what a factory should look like here /in the headquarters/."* The interviewee is nevertheless critical of Firm A's recruitment strategy aimed at an 'outsider'. They argue that by contacting a former employee for a strategic international assignment, Firm A has clearly demonstrated the absence of a well-developed international staffing strategy, which Interviewee 8a considers particularly problematic.

Had the firm approached international staffing more strategically, it namely would have had an internal pool of potential assignees for future international assignments in the MNE network. Approaching a candidate no longer employed in the firm also puts it at a disadvantage in negotiations with the individual during recruitment: it is a clear signal that the firm has no (or limited) other options, and that it needs the individual more than they need the firm. Despite having this negotiating power over the firm, the individual has not used it, making no special demands or conditions to accept the international assignment. The assignee attributes this to (1) the assignment presenting a challenge to an individual motivated by problem solving;[133] (2) the (lucky) match between the location of the facility and the individual's desire for a dynamic working environment, where they could utilise their resourcefulness; and (3) a crisis situation with the assignee's employer at the time (an external factor) (Interview 8a). In other words, the recruitment process depended on external factors and a coincidence unrelated to Firm A, and has as such been less strategically manageable.

The interviewee also addresses the execution of their international assignment. They discuss the importance of career development and their independence, problem-solving orientation, resourcefulness, and managerial intuition as **substitutes for assignment training** and the more focused pre-assignment preparation. They consider a combination of their (practical) technical skills and resourcefulness as the most beneficial for their assignment, as the latter entails not solely the 'elite' managerial tasks but also requires the assignee to be very operative (Interview 8a). This means that the assignee cannot be status motivated and focused on their 'elite' role as a manager, but rather has to be task-oriented and willing to execute the operative and often less prestigious

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[133] Interviewee 8a identifies themselves as a problem solver: *"For me, the greatest pleasure is knowing that there is a problem I have to solve. This is present in my host country non-stop, so the work is really interesting."* (Interviewee 8a).

(non-managerial) tasks, such as purchasing bathroom supplies for the firm. Interviewee 8a describes their initial shock with the following statement: *"When I arrived to the factory, there was not even any toilet paper and I was the one who had to buy it. I knew no one – no one! I went to /the foreign country/ with my suitcases and there it was: a semi-demolished factory. I will never forget /arriving at the sight/ and stumbling upon a scene resembling one of the Hitchcock's movies: in the middle of the road, there was not really a semi-demolished but rather an abandoned factory /.../.'"* (Interviewee 8a).

This quote indicates that **career development and a holistic grasp of the processes in the firm** are crucial for the individual's operational capabilities and self-confidence in complex situations with many unknowns, such as assignments aimed at establishing new facilities. As **an operative manager** of a (not yet existent) SME, one has to *"/t/rust oneself and their horse. /.../"* (Interviewee 8a). The interviewee thereby highlights the importance of positive experiences for building self-confidence, saying their self-confidence has increased significantly with the successful execution of a challenging assignment. They describe this confidence as the main benefit of the assignment for them personally: *"If you can build a factory /.../, you get a feeling that you can accomplish anything."* (Interviewee 8a).

Moreover, the interviewee explains that their **embeddedness in the firm's networks** and in-depth knowledge of colleagues in the headquarters act as additional resources in assignment implementation – supporting the individual's knowledge, skills, and resourcefulness gained through experience. These relations have been particularly important as the (initially small and later medium-sized) newly established firm has less support functions and local experts that can help the assignee to execute their tasks. In reference to the assignee's embeddedness in the firm's internal networks and their knowledge of the responsibilities, powers, and tasks of the colleagues in the headquarters, Interviewee 8a suggests that their awareness of each individual's work ethic is especially valuable. Relying on the quality and strength of relations rather than their quantity or hierarchical level has resulted in more targeted requests for support that have also been operatively realised and not solely addressed with strategic advice. In other words, the requests have sparked the desired action rather than a suggestion for action. Like other interviewees, Interviewee 8a stresses that relations in the headquarters are all the more relevant due to the affiliate's functional dependence on and operational connectedness to the firm's headquarters (which also explain the firm's ethnocentric staffing strategy): *"So many different processes take place in relation to the headquarters, which is why one has to know the people there. It is very difficult to work abroad unless you know who to call in the headquarters."* (Interviewee 8a). Unlike their firm-specific procedural knowledge, the advantage of collegial relations in the headquarters seems to be undiminished by Interviewee 8a's long-term absence from the firm.

Interviewee 8a nevertheless reports experiencing **a feeling of estrangement and foreignness relative to the headquarters**. They describe some of the interim visits to the parent firm as making them feel *"as if /they/ had arrived from Mars"* (Interviewee 8a). This feeling is related to both the procedural changes and the changes in the language spoken in the headquarters during their absence from the firm (both prior to and during the assignment). Interviewee 8a, for instance, no longer understands the abbreviations and communication styles used in the headquarters. The

feeling of estrangement from the headquarters is further enhanced by the parent firm's lack of support for non-core business areas covered by the subsidiary that the assignee has been managing. This is particularly frustrating for the individual, as they know that capacities for such support across the MNE network do exist. The interviewee describes the lack of interest in and support for their area of work as maddening, and an indication of 'their' firm being 'marginalised' by the headquarters.

This clearly indicates a certain level of discrimination with regard to managers throughout the MNE network according to the strategic relevance of the firm they are managing – regardless of their origin and all being officially the same rank as one another. The interviewee nevertheless finds an advantage in the marginalisation of 'their' entity: a lower required presence in the headquarters (described by the Interviewee 8a as *"brainwashing"*) and a lower level of control from the headquarters (including strategies for non-core business activities being less centralised and thus allowing more autonomy). *"The number of visits to the headquarters depends on the relevance of the factory. /.../ I am not that relevant, so I do not need to go and get brainwashed that often."* (Interviewee 8a). Interviewee 8a experiences excessive reporting to the headquarters as a (senseless) disturbance rather than as a collaborative effort towards a common goal, and so welcomes being left alone to focus on work (Interview 8a).

While experiencing an 'outsider' status in relation to the core business entities and an estranged relationship with the headquarters, Interviewee 8a's relationship with and status in the foreign entity they manage is one of **ownership over the project** and a feeling of being at home. They relate this feeling with being the first manager in the foreign entity, which indicates the importance of an individual's participation in a project for greater commitment and loyalty to the firm: *"I built this factory and no one else. Others helped, but the factory is mine. /.../ I often joke that the headquarters provided the hardware, but that the software is definitely mine."* (Interviewee 8a). Being the person who established the firm has equipped the assignee not only with greater self-efficacy and commitment to the affiliate. It has also given them an informational advantage over their successors: *"The assignment was easier for me, because I was in the firm from the first stone being laid. It is difficult to deceive me, because I know more than anyone else – because I have been there the longest."* (Interviewee 8a). This may be one of the reasons the firm has prolonged their mandate in the foreign entity – to capitalise on this knowledge for more time.

Despite possessing the knowledge of the foreign entity and local employees due to their long-term presence abroad, Interviewee 8a explicitly refers to themselves as **an outsider in times of crises**. They suggest that the crises act as connectors of the local staff, and state that local employees become allies in crises. In such situations, the assignee as a foreigner and outsider has greater power to solve a problem, break any ineffective networks established by the locals based on family ties and friendships,[134] and introduce change: *"When issues arise, the local-foreigner divide becomes more apparent /.../. The local employees always form a group in crises."* (Interviewee 8a). The interviewee thereby indicates that a further added value of an assignee from the

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[134] See also Interview 6a, indicating this role can also be performed by inpatriates as members of an out-group, as seen by their colleagues in the headquarters.

headquarters for the firm can be their greater reliability in times of crises and their superior managerial capabilities, as well as authority and (network-breaking) power abroad due to their 'outsider' status. They suggest that the assignee's decisions are rational rather than emotional; and business- rather than friendship- or family-relations based (see also Interview 6a) – regardless of their potentially greater identification with the foreign entity than with the headquarters (Interview 8a).

Finally, in reference to their **multiple roles**, the assignee also describes the relationships built with other international assignees. They imply a sense of comradeship with the latter group (forming another in-group of theirs). Their identification with other managers across the MNE network is thereby based on both managerial and expatriate ('away from the headquarters') identities. However, managerial international assignees seem to develop friendships and inter-entity collaboration even without the headquarters' knowledge or support: as problem solvers, they help one another with advice and through employee exchanges (Interviewee 8a). By avoiding involvement from the headquarters, assignees also show **subliminal defiance to control** from the parent firm.

Although Interviewee 8a has not experienced **repatriation** yet, they nevertheless share some of their concerns regarding their return to the headquarters. Their main fears include (1) their lack of ability to adjust to a less dynamic lifestyle upon return; (2) the worsening of their living standards and a lower wage forcing the returnee to rationalise their expenses (including those of family members);[135] (3) their approaching retirement limiting their motivation for big career changes; (4) their readjustment to a changed parent firm environment; and (5) the availability of an appropriate position for them upon repatriation. They explain that successful assignees (described as 'heroes') expect a form of repatriation that could be considered as a return on their investment and sacrifices for the firm (see also Interviews 1a, 2a, 4a, 5a, 6a, and 7a). In other words, they wish to be rewarded for their work abroad – usually in the form of good positions in the headquarters upon repatriation. The positions that returnees desire are often unavailable, however (Interview 8a). Interviewee 8a illustrates the lack of organisational strategic repatriation planning with the following words: *"One can only hope they will be taking the position of someone who either dies or goes into retirement."* (Interviewee 8a).[136]

4.1.4 Multilevel cross-case comparisons of cases within Firm A: organisational structure and international staffing discourse impacting international staffing practice

The content and critical discourse analyses of both the firm- and the individual-level sources in Firm A (see Appendix G for a summary table of the findings) show that **the organisational structure** impacts the firm- and individual-level international staffing discourses, strategies, and practices. The functional interdependence and operational interconnectedness of the entities in a

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[135] Interviewee 8a explains that their family-related expenses prevent their return: *"/I have a child studying abroad/. I cannot even afford to return to the headquarters wage."*

[136] See also Interview 1a where the interviewee indicates the organisational awareness of the issue, but lack of mechanisms and tools to address it.

centralised headquarters-controlled MNE network require managers across the MNE to possess firm-specific knowledge as well as to be embedded in the firm's social networks (especially in the headquarters) and organisational culture to effectively and efficiently manage the individual entities dependent on and connected to the parent firm, as well as contribute to the overall realisation of the MNE's goals (see also Collings et al., 2009). This results in the firm resorting to an ethnocentric international staffing approach, which prioritises internal recruitment of employees with extensive experience in the headquarters for managerial positions across the MNE. Even when internal recruitment for these positions is impossible in the headquarters, the firm-specific knowledge and embeddedness of recruits in the headquarters are highlighted as employee-selection criteria. The firm thus tends to opt for either former parent-country national employees or local (i.e. host-country national) managers and third-country nationals with in-depth experience in the headquarters as two alternatives to the international assignees from the headquarters. External recruitment is only used as a last resort when filling managerial positions. In these cases, external recruits have to go through intensive integration into the firm's headquarters[137] – regardless of these managers potentially possessing broader (international) managerial experience and skills compared to the internal recruits. The lack of such integration has resulted in poor international assignee performance in the past (see Interview 1a).

The importance of integrating new recruits in the firm is reflected in the overall organisational stance on firm-employee relations and employee development. The firm highlights the integration of any new employees into the MNE (regardless of their assignment potential). It also attempts to integrate prospective candidates into the firm even before employing them. For example, there is mention of pre-employment familiarisation of potential future employees of the firm with its culture, processes, and stakeholders (e.g. through provision of scholarships, mentoring of students' theses, and apprenticeships) (Firm A's annual reports for 2012–2017). This shows that firm-specific knowledge and embeddedness as well as adoption of the organisational culture (and the related identification with the firm) are more important than perfected managerial skills for effectively managing entities in a centralised MNE, where intensive collaboration with the headquarters and holistic understanding of firm-specific processes is required. It also demonstrates that the importance of firm-specific knowledge and embeddedness is not limited to assignees and international employee mobility, but also pertains to individuals performing their tasks domestically (and potentially in collaboration with assignees – as their support).

The advantages of **internal** (but not necessarily international) **staffing** of the managerial posts across the MNE (referenced by both the firm and the individual assignees) can be divided into the advantages for the firm and the advantages for the employees. The former include (1) pre-established trust in the individual's capabilities (through testing them in the firm) and (perceived) reduced staffing risk; (2) the individual's (perceived) loyalty to the firm – making internal recruits (seem) more reliable in times of crises as well as more engaged and responsible in executing their tasks; (3) the individual's greater motivation for and commitment to the realisation of the

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[137] Knowledge dispersal throughout the MNE network is also centralised: it takes place either through international assignments from the headquarters to foreign entities or through training in the headquarters targeted at the MNE's international talents.

organisational objectives due to a sense of ownership over the projects they are involved in and the pre-established firm-employee relationship; (4) the individual's *ad hoc* preparedness for an international assignment allowing for more responsive international staffing of the key positions (fewer immediate investments in assignee preparation are needed: a simple transfer of business in the host unit usually suffices for experienced employees with long-term experience in the MNE to assume their managerial assignment-related tasks); (5) the individual's familiarity with and understanding of internal processes, systems, organisational structure and culture, various stakeholders, colleagues' roles and work ethics, as well as any issues that could hinder an assignee's fast work adjustment and assumption of tasks, collaboration with the headquarters, knowledge and organisational culture transfers, informed change introduction (based on inter-entity similarities or differences), and (re)establishment of standards from the headquarters; and (6) the tested compatibility of international assignees with other managerial team members when multiple managerial assignments are employed in the same entity, which results in favourable team dynamics in the foreign entity. The latter advantage holds true for instances of managerial pairings rather than large managerial teams of assignees, however, in which context it can deepen the 'us-them' divide in relation to the local staff and hinder collaboration (see also Interview 5a; O'Leary & Mortensen, 2010).

Individual-level advantages of internal recruitment include (1) (perceived) risk reduction through establishing clear expectations based on internal information; (2) eased work adjustment due to the gradualness of the process and a limited number of simultaneous adjustments needed as a result of long-term holistic career development and experiential acquisition of firm- and location-specific knowledge; (3) greater self-efficacy regarding the execution of an international assignment and enhanced international assignment preparedness based on the individual's familiarity with the firm-specific processes (i.e. possession of firm-specific and adjusted knowledge), networks (i.e. firm embeddedness), and organisational culture gained through past experience in the firm; (4) trust in the firm and its promises;[138] (5) (a sense of) being trusted by the firm as confirmation of the individual's managerial identity; (6) eased identification of common objectives and realisation of the individual's motivation for creating added value for the firm; and (7) more effective and efficient use of the support from the headquarters due to the individual's possession of in-depth knowledge of the organisational structure as well as the employee's responsibilities and work ethic for better results.

Individual-level interviews additionally show **the variations in individual-level experience of internal recruitment** based on whether the recruit is a senior or junior employee and on whether the recruit is a current or a (recent or distant) former employee.[139] Each of these recruitment

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[138] Former employees, who have left the firm due to their dissatisfaction with the employer or have been fired, can experience the opposite: i.e. mistrust in the firm and its promises.

[139] While former employees of the assigning firm are classified as external recruits from the perspective of the moment in which the recruitment takes place; longitudinally, they can be considered as semi-internal recruits due to their past engagement and familiarity with the firm – especially if their experience with the firm is recent and no major changes have been introduced to the organisation (or the individual from the perspective of the firm).

strategies has additional advantages and disadvantages from the perspective of managerial international assignment implementation and management. While seniority (or tenure) acts as an amplifier of the general advantages of internal recruitment for both the organisation and the individual, it may also result in (1) delayed expatriation due to transfer of business in the sending unit, (2) distraction from the international assignment-related tasks due to an assignee's dual obligations in sending and receiving units and the related work overload, (3) shorter mandates with less flexibility for prolonging an international assignment based on organisational needs (for the assignees pre-retirement), and (4) limited or zero (motivation for) spillover effects upon repatriation (e.g. in cases of retirement immediately or shortly after an international assignment the individuals may not be motivated to take on new projects or engage in their own career development, as they have no further interest in the firm).[140]

From the perspective of international assignment management, **senior recruits** expect limited support from the headquarters (focusing only on their existential needs), experience pre-assignment training as an unnecessary distraction (they feel capable of executing the assignment based on their career development – without additional investments in special assignment preparations: transfer of business suffices), and are frustrated when not given autonomy or when not empowered to make strategic and operational decisions without extensive reporting to the headquarters (the latter frustration is also present with junior assignees, however). They are also more aware of their personal sacrifices for the firm as they do not 'need' the assignment (e.g. for further career development) but rather take it on as a 'favour' to the firm or as confirmation of their past performance and loyalty. Their decision to expatriate is often based on pre-established relations in and with the firm (although they too remain 'managerially' problem- and results-oriented), which gives them additional negotiating power in expatriation planning. If they are not at a pre-retirement stage yet, they also expect their personal sacrifice to be rewarded with a key position in the headquarters upon repatriation (despite recognising that this expectation may be difficult for the firm to fulfil). If they are planning to retire immediately after an assignment, they may be willing to take on 'honourable' positions as a sign of the organisation's gratitude for their service. Interviews imply that these managers are usually not status motivated, but rather treasure good firm-employee relations.

Junior recruits for managerial international assignments, on the other hand, approach and value international assignments as self-developmental opportunities. Although they recognise the personal sacrifices they make for the firm (this especially holds for recruits with families), they also acknowledge the organisational risks related to investing in their development through international mobility, and thus experience the assignment as less of a sacrifice and more as a mutually beneficial arrangement. They also acknowledge the firm's need for their mobility based on the lack of other willing candidates. These assignees are also more likely to initiate the assignment. Being given an opportunity by the firm, junior recruits are also strongly committed to

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[140] Senior employees may, however, engage in their colleagues' development based on social norms and expectations linked to retirement and the related transfer of business. Further research on intergenerational collaboration of senior repatriates with prospective assignees and other employees in the MNE for mediated knowledge spillover effects is encouraged in this respect.

the organisational objectives and success – but for a different reason than the senior recruits. While the senior recruits are motivated to achieve the organisational goals by the firm-employee relations, junior recruits seem to be more motivated by career development prospects.

Unlike the senior employees, the junior recruits thereby (1) experience lower self-efficacy and greater results-related stress, (2) need and desire additional preparation and advice during an assignment due to their often limited leadership experience, (3) need time to establish trust in their managerial capabilities themselves, in the headquarters and among their colleagues, as well as (4) face difficulties in role transition (role shifts from a collegial expert to a managerial role in particular require considerable identity work and redefining of extant relationships in the firm). A transition period with a more experienced manager can thus be very beneficial for easing junior recruits into their new roles. The more experienced manager as a mentor or a transitioning co-manager can provide advice, alleviate some of the results-related stress due to sharing responsibility for the latter, enhance the new manager's confidence by providing encouragement, and strengthen the individual's managerial identity – both for the junior recruit and their colleagues or business partners through various forms of identity confirmation (see also Yip, Trainor, Black, Soto-Torres, & Reichard, 2019).

Like current (senior or junior) employees in a firm, **former employees** are also equipped with firm-specific knowledge (with an additional advantage of an external view that can be beneficial when introducing changes), and can even remain embedded in the firm's networks after leaving the organisation. This implies a reduced need for assignment preparation compared to other external recruits – especially from the perspective of their integration into the firm. The individuals formerly employed in the firm report a sense of mutual familiarity at both the firm and individual levels, which is the basis for these assignees experiencing greater self-efficacy as well as for the firm to trust that its former employees will successfully carry out their assignments. However, this confidence at both levels may be misplaced, as the former employees' firm-specific knowledge (including knowledge of the social networks in the MNE) can be outdated. This can in turn result in individual and organisational myopia regarding the support needed by an assignee, poor assignment management, individual and organisational dissatisfaction, hindered firm-employee relations and collaboration, and an employee developing a sense of foreignness or even resentment towards the firm (e.g. when blamed for failure resulting from a lack of communication regarding any new developments in the MNE). One of the interviewees (i.e. Interviewee 8a) thus warns against limiting organisational communication regarding change only to current novelties, and instead suggests that the firm should also inform former employees about all (operationally) relevant changes introduced during their absence from the organisation to avoid mutual disappointment and the assignee's performance not meeting the organisation's expectations.

Challenges related to managing the international assignments of former employees occur even earlier than during expatriation, though: the interviewees, for instance, point out the rather challenging recruitment of such employees. First, being directly targeted by the firm signals the organisation's greater need for the employee's inputs than *vice versa*, and gives the individual more negotiating power than the organisation (this power is further enhanced by the individual's familiarity with the firm's capacities). Second, former employees may be reluctant to return to an

environment they had consciously or forcibly left.[141] Their past poor experience, dissatisfaction or disappointment with the firm make these individuals mistrust the organisation and its promises. Convincing them to return thus requires not only clear identification of mutual benefits, but also some proof of organisational change and future employee empowerment. Firms recruiting former employees for international assignments are thus advised to clearly specify the organisational changes that address the individuals' concerns regarding the firm (i.e. the reasons why they left the firm in the past) and, once they manage to negotiate the return, also update the individuals on the relevant procedural changes in the MNE for the entire period of an individual's absence from the firm (i.e. the changes still relevant), rather than solely communicate the changes introduced from the time of their return on.

Internal recruitment challenges (although they pertain to international staffing as well) are not international assignment-specific, however – regardless of the targeted category of employees. In my analyses, I thus also focus on **the international assignment-specific challenges** identified at the firm and the individual levels. In the following paragraphs, I first summarise the challenges (along with the potential solutions) mentioned at both levels, proceed to discussing the specifics of each level, and finally review the implications of the most pronounced challenge – role shifting and identity work. Both the firm- and the individual-level sources mention three international assignment challenges, which reflect the expatriation process: i.e. assignee recruitment, assignee preparation, and repatriation. A lack of firm and employee focus on support and challenges during assignment implementation thereby reflects the pronounced managerial identity of assignees and promotion of their independent problem solving. I discuss the implications of the pronounced managerial identity of international assignees later in this section.

The first international assignment-related challenge referenced by both the employees and the firm is related to recruitment. The firm and employees both report a lack of employee motivation for and commitment to long-term international assignments in particular. This is reflected in the firm experiencing greater risks regarding expatriation to key positions across the MNE. More specifically, there is no mechanism (e.g. a contract) that would guarantee that an employee realises their planned international mobility – regardless of the firm's investments in this employee's development. Because the internal pool of prospective (managerial) international assignees is shallow, the firm also has limited options when it comes to international staffing, which in turn lends greater negotiating power to the individual and results in less flexible and responsive staffing. The analyses of materials from Firm A helped me to identify several solutions to this challenge – as used, implied, or explicitly proposed by the firm and its employees. First, long-term career development and relationship building between the firm and individual can give employees a sense of self-efficacy and preparedness for an assignment through allowing their gradual adjustment to the more demanding roles and environments. The organisational investment in employee development may also put social pressure on the individuals to 'repay' the firm's investments in their career development through expatriation.

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[141] Although in the latter situation it is highly unlikely that the firm would invite an employee to return – unless their dismissal was unfair and the cause for it has since been eliminated.

Second, introducing a contractual obligation for individuals recruited and developed for international assignments to realise an international assignment (determined based on organisational need and not their personal preferences) may frame the individuals' careers as international from the outset, and direct them towards this goal in a more targeted and committed fashion. Third, combining internal and external recruitment for managerial and expert international assignments could increase the firm's pool of potential assignment candidates, whereby expert assignments could serve as preparation for long-term managerial international assignments. Finally, firms can gradually introduce individuals to international employee mobility in order to increase their willingness to expatriate: e.g. by sending individuals (or teams) on shorter international assignments first, the firm can get assignees accustomed to the 'assignee lifestyle' and the related (often higher) living standards – thereby prompting them to prolong their expatriation further (see e.g. Interview 8a).

The second challenge mentioned at both the firm and individual levels related to managerial international assignments is assignee preparation for such mobilities. Not only do managerial international assignees need to be motivated for and willing to engage in international employee mobility – they need to be capable of executing their tasks effectively and efficiently. Since these tasks are often complex and broad (i.e. employees need to manage diverse business processes in mostly SME foreign facilities with limited support departments, as well as with limited support from the headquarters), employee development through the less intrusive long-term career development (as argued at both levels of qualitative analyses) is the most appropriate approach to employee preparation for managerial international assignments. It equips individuals with a holistic understanding of a full array of business processes in the firm, as well as gradually embeds them in the firm's internal social networks, which they can then effectively and efficiently use for informal support during an assignment. The experiential knowledge that is gradually acquired in this way also gives individuals a sense of self-efficacy and eases their adjustment to the challenges of role shifting throughout their careers, and especially the international assignment process. This implies a longer process, however, and the thus lower responsiveness of international staffing from the organisational perspective. It also suggests a focus on managerial rather than international assignment-focused development and discourse, which can in turn reduce the employees' willingness to expatriate further. Firms thus may need to consider framing managerial careers as international ones, to foster greater managerial willingness for expatriation.[142]

Finally, the third challenge mentioned at both analytical levels of the qualitative part of the study refers to repatriation. Both the firm and the individuals express concerns regarding the firm's (lack of) capability to fulfil the expectations of assignees regarding repatriation, and the negative consequences of unmet expectations – for both the firm and employees. The sources from Firm A explain that the managerial international assignees usually desire (and are often qualified) to fill the key positions in the headquarters upon their repatriation, and experience disappointment and a sense of demotion when these expectations are not met. Yet, from the perspective of the firm, the

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[142] See also Boies and Rothstein (2002) for findings on the mediating effects of the managers' general beliefs about the added value of international employee mobility to their career progression relative to domestic assignments on managers' willingness to expatriate.

key positions in the MNE need to be constantly filled due to their strategic value to the business – even if a staffing change could result in cross-border and inter-entity knowledge spillovers. It is thus extremely difficult for the firm to capitalise on knowledge spillovers from repatriates (see also Jassawalla & Sashittal, 2011; Lazarova & Tarique 2005; Welch et al., 2009).

One of the solutions to this issue presented by the firm's representative is the firm artificially producing organisational change and reorganising the headquarters and the MNE network so that the assignee can utilise their newly acquired insights upon repatriation, and has a sense of promotion at the same time.[143] The second solution vaguely implied by the individual-level interviews is recruiting senior managers pre-retirement, who are no longer motivated by career development and are expected to retire upon or soon after repatriation, for managerial international assignments. However, there are other limitations, as described above, that come with this approach. Firms are thus advised to use these assignees only for assignments where the spillover effects to the domestic unit upon assignees' repatriation would be negligible.

In relation to international assignments, the individual-level sources additionally highlight the difficulties introduced by long-term absence and distance in keeping the individual informed about extant and newly introduced (best or general) practices across the MNE. They moreover reference several psychological and social challenges of international mobility, generally acknowledged but not specified by the firm: (1) adjustment to new roles, changed relations, and unknown environments, (2) intercultural collaboration and changed team dynamics, (3) the stress of relationship building with local stakeholders during expatriation, (4) experiencing frustration due to excessive control from the headquarters – without communication of its purpose, (5) identity loss (especially after extremely long-term expatriation), (6) resocialisation into the changed family and/or work relationships upon repatriation, and (7) adjusting to a different lifestyle and living standards upon repatriation. Out of all these challenges, role shifting rather than location changing is described as the most difficult (for both the organisation and individual) and stressful.

Among the different **role shifts** that an international assignee from the headquarters experiences, the firm mainly reports on the shift from a headquarters' supported specialist to a generalist, whereby it also references the difficulties it encounters in preparing assignees for this role shift through career development in a much more developed environment in terms of support compared to the foreign entity they are assigned to. Interviewee 1a describes the differences in the levels of specialisation and expertise from the perspective of the organisation, and references them as a hindrance to cross-border collaboration between departments performing the same business functions as well as the entities that constitute the MNE network. At the level of the individual,

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[143] In one of the pilot interviews, the 'reorganisation' approach is also suggested as a solution to repatriation of teams after the more complex and longer short-term mobilities that necessitate the assigned teams to be substituted in the domestic facility for an interim period. Since the assigned team members acquire skills that make them overqualified for their past positions, new positions need to be created to capitalise on the returnees' newly acquired knowledge – as well as to fulfil the organisational promise of job security after an assignment that acts as additional motivation for expatriation.

these differences, on the other hand, trigger a need for broadening rather than deepening the scope of knowledge for a role shift and adjustment to the tasks a managerial international assignment entails. This may hold true for assignees from the headquarters, but differ for inpatriates and assignees making shifts from one subsidiary or affiliate to another. More research is thus needed on the role shifts for assignees moving in these directions.

The managerial international assignees consider the role shift from a specialist to a generalist as the most challenging and stressful. This role shift requires the otherwise expert-oriented or strategic-thinking-focused individuals to transform into operative managers, willing to perform even the less prestigious tasks in SMEs with less support functions. The individual respondents nonetheless also mention several additional role shifts that affect their international assignment execution. The first is the role shift from being a colleague to becoming a manager (and as such a superior to former peers). This role shift is especially typical for the more junior assignees (see also Yip et al., 2019). It requires greater investments in establishing or maintaining effective teamwork and limiting the negative psychological effects of being a member of the out-group on the assignee. The influence of this role shift is different for assignees collaborating with the same (see e.g. Interview 6a) or different (see e.g. Interview 3a) entities and colleagues before and after the role shift. While Interviewee 6a remained working with the same two locations and units upon their assignment as prior to the assignment, Interviewee 3a changed locations with the role change. This meant that the assignee's role shift in the latter case only required the individual and not also a relational change, as new relationships were being formed with the assignment. In the case of Interviewee 6a, where the assignee remained collaborating with their colleagues in the sending unit, on the other hand, the already established relationships also had to be altered. The psychological effects of the latter case were thus not limited to the individual, but were rather relational and as such also affected the assignee's colleagues.

The second shift described by the individual-level interviewees is the shift from performing a single role to performing a dual role. This shift is typical for the more senior recruits, who remain engaged in their sending entity while on an international assignment.[144] There are also several 'insider-outsider' or 'in-group-out-group' shifts (see e.g. Hogg & Terry, 2000; O'Leary & Mortensen, 2010; Smale & Suutari, 2011; Tajfel, 1982; Tajfel & Turner, 1979) that individuals experience throughout the expatriation process: (1) the shift from being an insider in the headquarters to becoming an outsider in the headquarters – and a semi-insider in the foreign unit upon expatriation – especially if the individual is part of establishing the entity, which strengthens their sense of belonging to the foreign unit; (2) the shift from being an insider in the foreign entity to becoming an outsider in the foreign entity upon repatriation or in times of crises; and finally (3) the shift of becoming an insider with an outsider view in the headquarters upon repatriation.

Several reasons for assignees' estrangement and foreignness ('outsider' status) in relation to the headquarters are identified: (1) the procedural changes in the headquarters during the individual's absence, which make it difficult for the assignee to adjust in terms of work; (2) the changes in the

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[144] The pilot interviews imply that this shift is also common for short-term project-based assignments, where individuals remain involved in the tasks in the domestic unit, if necessary.

organisational language and relations in the headquarters during the individual's absence, which make it difficult for the assignee to communicate with and reintegrate into the team; and (3) marginalisation of non-core business, which results in resentment, disengagement and rebellion with regard to the headquarters, as well as an independent search for any already existing solutions to a specific problem.

Individuals also report the positive and negative effects of assignees' role shifts – especially in reference to the organisation and its performance. They suggest that their role shifts produce the following advantages for the firm. First, an improved comprehension of the different perspectives of doing business throughout the MNE network enhances the mutual understanding, collaboration, and good practice transfers across the MNE. Second, the assignees' 'insider-outsider' status shifts result in the individual gaining (1) a network breaking power and change introduction capacity when they assume the role of an outsider, (2) a team dynamics enhancing power when they assume the role of the insider, and (3) the power of rational rather than emotional (relationship-based) decision-making, due to an emotional detachment from the colleagues in the out-group (or defining the assignee as a member of the out-group).

When discussing the negative effects of role shifts, on the other hand, assignees mainly reference the difficulties for the assignee and their colleagues, and pay less attention to the difficulties for the organisation. Their responses suggest that the assignees' role shifts result in (1) stress and a continuous sense of outsidership in at least one of the entities they work with as the two negative psychological effects on the assignee; (2) the sending unit staff losing trust in the assignee due to them starting to represent the host unit with expatriation (or *vice versa* with repatriation, which impairs (bottom-up) communication with the assignee); (3) the (senior) local colleagues' reluctance to change their habits (also due to their ownership over the local processes) or collaborate with the assignee who has previously been their 'equal'; and (4) (in cases of former in-group members becoming out-group representatives) the inhibition of assignees' cross-unit connecting role. The individual-level interviews also indicate that the assignees' role shifts often result in their colleagues having to shift in their roles (this is especially true for colleagues with pre-established relations with an assignee), change their habits, and relational status as well. This may have implications for the firm, too, as it can make things difficult for establishing constructive and productive team dynamics. The comparison of the two levels of analysis (i.e. the individual and the organisational levels) additionally implies that the individual's role-shifting capacity is greater than the firm's staffing flexibility. In short, the firm lacks mechanisms to manage the effects of assignee role shifts.

The way that the firm at least somewhat limits the negative impact of the assignees' role shifts on its staff's performance is by setting the international assignments and international staffing in **a managerial rather than expatriate discourse**. As a result, regardless of the role that the managerial international assignees assume during the international assignment process, their managerial identity is continuously emphasised. At the firm level, such an approach can be

explained by the organisation's motives with regard to reducing costs[145] and increasing efficiency, whereas from the individuals' perspective it can be described as a coping mechanism. Being presented and in turn identifying themselves as managers and independent problem solvers, international assignees have low expectations regarding the organisational support for their expatriation, assume full responsibility for their assignment preparation and execution, experience greater self-efficacy, are more results- and work-oriented rather than focused on their personal needs or status, and are motivated rather than discouraged by a challenge. They moreover crave empowerment and opportunities to add value to the firm by realising their expertise, utilising their resourcefulness, as well as making use of their (soft) skills and networks. Had they primarily been identified and identifying as expatriates, they would immediately be put at a disadvantage, as an enhanced sense of foreignness would decrease their self-efficacy as well as diminish their power relative to the local staff. They would probably also have greater demands for organisational (adjustment-related) support.

There are several firm- and individual-level factors inhibiting the individuals' **international assignee (or expatriate) identity development** – and it is assumed that these factors arise due to attempts to cut costs and increase the efficiency of the assignment. One of these factors is the already mentioned organisational discourse prioritising the managerial identity of the key employees (including managerial international assignees)[146] and not referencing their international assignee identity. This shows that individuals are also organisationally socialised into their self-perceptions and identifications. Identified as problem solvers and value contributors to the firm, managerial assignees (focused on their managerial traits and tasks) have enhanced potential for realising organisational goals. This is because their goals match (or are presented as if they match) the organisation's objectives, and as such their colleagues' in both sending and receiving units. Had they been identified as an expatriate (or had this identity been promoted), the match would not be as apparent and the individuals would be more focused on their personal rather than the organisational needs. Their colleagues would probably also experience more trouble identifying with them. The second factor inhibiting international assignee identity among assignees from the headquarters in particular is the individuals' operational connectedness to the headquarters during the assignment, which further strengthens their pre-existing identification with the parent firm.

Third, pressure from both the organisation and self with regard to achieving results (as well as through individuals developing a sense of ownership over and responsibility for projects abroad) similarly results in management- rather than expatriation-related identity, along with greater stress. Fourth, the assignees' workload abroad (and sometimes in the headquarters as well) also distracts the assignee from their non-work related problems, as well as prevents them from developing

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[145] Excluding short-term international mobilities from the international assignment discourse at the firm level is another cost reduction strategy in reference to Firm A's international staffing.

[146] These are increasingly recognised as strategy co-creators rather than solely strategy implementers, whereby (most recently also the internationally mobile) managers' contribution to strategy co-creation is particularly stressed and promoted (e.g. through emphasising these employees' value to the firm by giving them the recognition of top management, and through systematic managerial employee development).

meaningful relationships with the international assignee community, ones that could lead to them identifying as part of the international assignee in-group. The fifth factor pertains to the ratio between the time spent in the sending unit and the time spent in the host unit(s). For the most part, Firm A's assignees are internal recruits from the headquarters, with a much smaller amount of their worktime spent abroad relative to the time spent working in the headquarters, and thus with a stronger managerial identity compared to an expatriate identity. Expatriate identity namely needs time to evolve – especially in the absence of organisational framing.

The interview data suggest that the international assignee identity only becomes stronger (but not necessarily stronger than the managerial identity) when an assignee loses their original identity and needs to replace it (see also Conroy & O'Leary-Kelly, 2014; Yip et al., 2019). For example, due to their extremely long-term absence from the entity and country of origin, an assignee may develop a stronger identification with the foreign entity, the assignment 'project', or the expatriate community as a coping mechanism when experiencing a sense of foreignness in both their sending and receiving units. In such cases expatriate identity can be preserved even upon repatriation, which may result in inhibited reintegration in the sending entity as well as the individual searching for alternative ways to fulfil their identity (e.g. by the engaging in flexpatriation). International assignee (or expatriate) identity also strengthens with a need for practical support by other assignees and/or unwanted control from the headquarters, when international assignees build an in-group separate from and in defiance of the headquarters.

Despite Firm A's promotion of the managerial identity among international assignees, the assignees' independence, and a selective recruitment strategy (whereby the firm aims to recruit candidates with a certain level of experience and expertise at entry into the firm– especially for the key positions across the MNE), the firm greatly emphasises its learning organisational culture and employee development orientation. Since its (key) employees have extensive knowledge upon entry to the firm, the firm's internal employee development scheme focuses on upgrading, adjusting, and updating employees' extant knowledge according to developments in the different business environments throughout the individuals' careers and the growth of the organisation. The content of employee development is thereby focused on professional expertise and firm-specific knowledge crucial for an effective assignment, whereas market- and assignment-specific knowledge only contribute to the assignee's efficiency and are less emphasised at both the firm and individual levels.

Next to the recruits' extant knowledge base, their learning orientation is also a crucial selection criterion for key positions in the MNE network (including managerial international assignments), and this supports the realisation of the firm's learning culture. The implementation of this criterion in Firm A's practice, as well as the effect of firm-level discourse on long-term employee development, are both clearly reflected in individual-level interviews with assignees, who all portray a desire to learn and professionally evolve (through international employee mobility, among other means). In extreme cases, individuals even assume full responsibility for their continuous self-development. Nevertheless, employee development in the firm is becoming progressively more strategic, structured, systematic, diversified, specialised, individualised,

internationalised (and linked with internationalisation goals), inclusive (yet focused on key talents – managers and experts), interdisciplinary, and holistic.

The analyses show that the firm's investments in employee development are related to the firm's increasing recognition of employees as a strategic asset, with both strategic and practical contributions to the firm as well as an organisational awareness of the scarcity of quality employees, which makes investments in employee development crucial not only for employee attraction, but also retention. Employee development is thus an important part of the firm's (international) staffing discourse and **employer branding**: it is promoted as an opportunity for (extant and prospective) Firm A's employees (see also Backhaus & Tikoo, 2004; Point & Dickmann, 2012; Schuler & Tarique, 2007; Sparrow, 2007). Employee development is thereby presented as part of both the firm's strategic endeavours and corporate social responsibility (i.e. the firm implicitly communicates that it does not expect employee inputs without reciprocity in the firm-employee relationship) by its top management, which gives the communicated content greater legitimacy and weight. Employer branding through international assignments is practically non-existent in Firm A, however.

Finally, due to an emphasis on mutual familiarity for establishing trust, loyalty, commitment, and engagement, as well as strategic and operational collaboration between the firm and individual during managerial international assignments, Firm A also highlights the importance of **firm-employee relations** in reference to its (international) staffing. The latter are referenced in connection to both employee attraction and retention in the context of (internal or external) labour market deficiencies that prompt the firm to fight for key talents through 'softer' approaches, such as employer branding and identification of common goals with individuals (international assignees included). This approach is also consistent with the shifts in employment contracts (see e.g. Knoke, 2001) and the evolution of protean careers (see e.g. Hall 1976, 2004; Yan et al., 2002), which have resulted in greater interorganisational mobility, and the employees' personal values and needs becoming the driving forces of career choices. Firm A thus not only defines common goals but also increasingly commends its employees for their contributions to the firm's development and growth. It also promotes assignees' increased engagement in the firm's co-creation of strategy in order to establish employee ownership (and the related commitment) with regard to organisational processes and actions.

To sum up, the results from the analyses of data from Firm A show the great complexity and multidimensionality of executing and managing traditional long-term managerial international assignments. They also indicate that the organisational structure and firm-level (international) staffing discourses in combination with the external environment significantly affect the organisational staffing practises and individual-level (international) staffing discourses, international assignment experience, and assignment execution. Several **practical implications** can be drawn from the content and critical discourse analyses in Firm A. First, to motivate employees to carry out long-term managerial international assignments, the organisation should invest in firm-employee relationship building that fosters mutual familiarity, loyalty, and trust, as well as greater individuals' commitment to achieving the organisational objectives, even when they feel this comes with great immediate personal sacrifices (employees thus expect a return on

their investment sometime in the future, based on the reciprocity of the relationship). Presenting an international assignment as a challenge may additionally motivate recruits with a pronounced managerial identity, referencing past relations and promising empowerment and autonomy during an assignment might work best with senior recruits, promising and providing proof of (the individual's engagement in introducing) change may motivate former employees to return to the firm for the purpose of an assignment, whereas presenting an assignment as a developmental opportunity for the individual (with the promise of support) may work better on junior recruits. Regardless of the assignee's status in the firm, the organisation could capitalise on their greater engagement and commitment by helping them develop a sense of ownership over the assignment project (or present the latter as a continuation of a project the individual already feels ownership over).

Firms are also advised to build a database of potential recruits by combining external and internal recruitment approaches for a broad and long-term supply of quality employees. Organisations are thereby instructed to pay attention to variations in recruitment approaches, as each approach has different implications for international assignment execution and management. When possible, managerial international assignees should be selected from the internal employee database, due to the many advantages of the mutual familiarity between the firm and individual, and the individual's firm embeddedness, for both the employee's adjustment and the expected performance. In-depth (re)integration into and (re)familiarisation with the firm is crucial for former employees (to avoid myopia and dissatisfaction) and new recruits (regardless of their expertise and managerial experience) in centralised MNEs. Focusing on employees' entry knowledge and learning orientation (if this is relevant from the perspective of the firm as well) during the recruitment process eases adjustments of this knowledge to the organisational specificities and needs upon employment, and can be used as a motivator at the later stages (a strong knowledge base also increases the individual's self-efficacy for an assignment). To attract employees motivated by developmental opportunities to the MNE, it is recommended that companies integrate a learning organisational culture and an employee development focus in employer branding. Fulfilling the set of related expectations is then key for employee retention.

Career development is considered the best option by both the individuals and the firm to prepare individuals for managerial international assignments. It allows the individuals to make gradual adjustments to different roles, equips them with broad knowledge of the processes needed in SME entities abroad, and is less disruptive than training introduced immediately prior to an assignment. It enables the firm to establish mutual familiarisation, form trust, and test employees' capabilities. It also introduces additional social pressure rather than contractual obligation for an individual to accept an assignment, and adds flexibility and responsiveness to the international staffing process – although it implies long-term investments. Especially in the centralised MNEs, employee development should be focused on firm-specific and adjusted knowledge as well as firm embeddedness (e.g. facilitating networking through rotations or training) to foster (cross-border or domestic) inter-entity collaboration. Again, targeting individuals with a strong learning orientation at the recruitment stage already is crucial in this respect.

The results of the analyses in Firm A additionally show that employee preparation should centre its attention on role shifts and support assignees' and their colleagues' related **identity work**. Role shifts are described as the most challenging for the individual as well as the most impactful on the individual's performance, team dynamics, and MNE collaboration. The firm should be particularly cautious regarding the different in-group versus out-group dynamics that arise with (assignees', their colleagues', or relational) role shifting (see also Andersson, 2010; Ellis & Ybema, 2010; Sluss & Ashforth, 2007; Valcour, 2002; Watson, 2001). While it could use the assignee's outsidership to its advantage (e.g. for introducing changes, breaking networks, or rational rather than emotional decision-making in an entity), promoting an 'us-them' divide could also inhibit the individual's as well as their team's work effectiveness and efficiency by exposing them to (or not protecting them from) the additional psychological and social pressures of being an outsider (hierarchically and based on the country- and entity-of-origin). The results of the analyses thereby demonstrate that the firm can somewhat limit the negative impact of the assignees' role shifts on its staff's performance by setting the international assignments and international staffing in a managerial rather than expatriate discourse. Career development also eases adjustments to different roles by making them more gradual. Shorter or less demanding and later prolonged or upgraded international assignments can thereby prepare an employee to gradually adjust to an expatriate lifestyle, too.

Third, if the firm wishes to limit the individual's (perceived) need for organisational support during an assignment, the results of the study imply that the firm should stress the individual's managerial rather than expatriate identity and thereby promote their independence in problem solving. Finally, to address repatriation issues, the firms could either utilise senior recruits without future ambitions in the headquarters for international assignments (especially when spillover effects to the headquarters are irrelevant, and when it is known than no desirable positions will become available for a returnee upon their repatriation), or artificially introduce change and reorganise the assignee's sending unit upon their repatriation, introduce a new key position and adjust it to the assignee's newly acquired or upgraded skills to additionally enhance the spillover effects of an assignment. However, other employees and the impact of a change on team dynamics (especially relative to organisational goals) also need to be considered when reorganisations or restructuring are introduced.

4.2 Firm B

4.2.1 Firm B case description and relevance

Firm B is an export-oriented international trading company with almost three decades of experience in international business and international employee mobility (or almost seven decades of experience in international business and international employee mobility, if counting the experience of its legal predecessor) (Firm B's corporate website). With approximately 200 employees and roughly EUR 185 million net revenues from sales (Firm B's annual report 2017), Firm B qualifies as a large service enterprise (see the Republic of Slovenia's Companies Act (ZGD-1-NPB14)). It is a fully domestically owned joint stock company with **high involvement**

of employees and their relatives in its ownership structure. Employee share ownership has been on a decline, however: since 2012 the level of ownership held by employees and their relatives has dropped from almost 84% to 37% in 2017 (Firm B's annual reports for 2012–2017).

Firm B was established at the beginning of the 1990s, and has since developed into a **broadly internationalised** and highly specialised business-to-business group of mostly service companies. Its internationalisation history reflects an incremental approach to the MNE's international expansion. The latter progressed from internationalising into a neighbouring market and two culturally, economically, and politically similar markets to its domestic market, to entering the more developed and distant German market, from which the firm serviced the markets in Germany, France, Italy, and Spain. Only a decade after its first internationalisation wave did the MNE start entering the riskier CEE and Western Balkan markets (Firm B's corporate website). With an aim of transforming from a regional to a global MNE, this firm will continue to follow an incremental internationalisation path (Firm B's annual reports for 2012 and 2015–2017; Firm B's corporate website). At the time of the study, the firm consisted of the parent firm and two domestic subsidiaries, along with 12 subsidiaries, one associate firm, and four representative offices in 11 foreign markets. The foreign entities mainly included commercial units, but also comprised storage facilities, and material processing centres. While these entities were concentrated in a single region (i.e. Europe – predominantly in the emerging CEE and the Balkan markets, but also in a few developed markets),[147] a broad network of buyers and suppliers gave the firm global access to more than 50 markets. Regardless of its global reach and ambitions, the firm's exports and imports were still regionally concentrated at the time of writing, though (Firm B's annual reports for 2012–2017; Firm B's corporate website; Interview 1b).

Like Firm A, Firm B is also **highly centralised**. While the foreign entities in its MNE network are free to pursue location-specific opportunities and adjust their portfolios to the local markets, they are still strategically and operatively linked to the headquarters. Strategically, the parent firm determines the overall business strategy and goals for the entire MNE, as well as conducts systematic, standardised, and regular control over the foreign entities – either through the management board member responsible for the MNE's foreign trade network or through internationally assigned managers. **The board member responsible for the MNE's foreign trade network** is thereby the central contact point for all managers across the MNE (i.e. internationally assigned, local, and third-country national managers of individual subsidiaries, associate companies, or representative offices), and constantly available for long-distance operational and strategic consultations at the top managerial level.[148] The firm also employs a centralised approach to international staffing of the key managerial positions across the MNE. The management board member responsible for the MNE's foreign trade network together with the

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[147] The firm is one of the leading ones in its field in Europe (Firm B's corporate website).

[148] Introducing the position of a management board member responsible for the MNE's foreign trade network indicates the firm's emphasis on international staffing and recognition of its strategic value for the firm, as well as the bigger need for international staffing due to the deficient managerial assignee pools in the domestic or host foreign markets, or both.

human resources department in the headquarters[149] conducts the selection processes for international managers employed by the firm, coordinates and manages their work, as well as supports the managers in further staffing of the subsidiaries when requested (i.e. managers of individual entities are autonomous in expanding their teams, but can ask for headquarters' support in managing the process and evaluating individual candidates) (Interview 1b).[150]

The MNE also promotes inter-entity collaboration, whereby the latter is facilitated through centralised events in the headquarters such as meetings and training events for product groups and the exchange of good practices, linking staff and managers from the headquarters with staff and managers from subsidiaries, along with various short-term annual professional training activities based on product groups. More specifically, inter-entity collaboration is facilitated through the management board member responsible for the MNE's foreign trade network, who organises regular strategy- or control-oriented meetings at the international managerial level that take place in the headquarters. These include (1) biannual meetings between the designated management board member and individual managers (aimed at reporting and strategic planning); (2) an annual business conference for managers of subsidiaries and sectors in the parent firm, as well as selected programme managers (focused on reporting on past results and future plans); and (3) subsidiary managers' visits to the headquarters for 'a day with the management board member' at least four times per year (similarly aimed at strategic exchange of ideas) (Interview 1b). However, the transfer of good practices is limited by subsidiary autonomy and the related strategic diversity across the MNE network (Interview 2b).

Operatively, centralisation of the MNE is reflected in the foreign entities' reliance on support business functions in the headquarters, such as the financial, commercial, legal,[151] human resources, and information technology departments, as well as other services of common interest, since (with the exception of the largest foreign subsidiary in the network) they do not have their own support departments. This is also evident in the foreign entities' financial and credit dependence on and the sales-purchasing relationship with the headquarters, which are responsible for centralised procurement of goods and materials for the entire MNE network (i.e. the parent firm acts as the main supply source for the network). It is furthermore reflected in the foreign entities' daily collaboration with professionals from the headquarters in performing their local operative tasks. The connectedness of the foreign entities with the headquarters is also demonstrated through a common software that facilitates standardised and centralised reporting and controlling. Finally, operative centralisation is evident in the headquarters defining the MNE's common principles of operation and firm-specific processes, which the assignees (and other

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[149] The human resources department's support for international assignees during an assignment is limited to legal and other administrative procedures, whereas the management board member is available for strategic advice (Interview 1b).

[150] The HRM department conducts mostly bureaucratic tasks (Interview 1b).

[151] Legal services are mostly outsourced due to the differences in national legislations, however (Interview 1b).

managers) transmit across the MNE network (together with the organisational culture, also defined in the headquarters) (Firm B's annual reports for 2012–2017; Interview 1b).

The relationship between the foreign entities and the parent firm is not one-sided, however, but rather reciprocal, as the firm explicitly acknowledges the foreign entities' role in its overall business performance (Firm B's annual reports for 2012–2017). Operating as a group in the domestic and foreign markets allows for greater diversification rather than (over)reliance on single local markets – an advantage explicitly recognised by the president of the management board in their evaluation of business results in Firm B. Foreign subsidiaries are thus consistently reported as an essential value contributing part of the Group (see Firm B's Annual Reports for 2012–2017). During crises they are even described as *"the providers of business stability"* and *"the most important contributor to positive business results of the Group /.../"* (Firm B's annual reports for 2012–2013, pp. 11). Firm B thus also continuously and systematically reports the business performance of its foreign subsidiaries in its annual reports – throughout the text as part of the overall business performance of the Group, and in a separate section devoted solely to results of individual entities abroad (Firm B's annual reports for 2012–2017).

Despite the absence of an explicit employee-centred discourse in Firm B's annual reports, an employee focus is implied through reports of the MNE's business results, which are attributed to employees, their knowledge, motivation, and selfless work. The employees' contributions to the firm's business performance are recognised at the top managerial level: in the firm's annual reports, the CEO or the chairman of the board, for instance, expresses gratitude to employees for their inputs during crises as well as takes pride in the internally trained experts as an important part of the firm's competitiveness. The emphasis on employees is also evident from the firm's discussions of the worst performing firms in the Group, as the firm's (planned or implemented) measures aimed at reversing the poor performance are predominantly employee-centred. They mostly pertain to changes in management and professional staff, (labour) cost optimisation, and reorganisation of individual entities (Firm B's annual reports for 2012–2017), rather than employee development.

Firm B namely portrays **a knowledge** (but not a learning) **orientation**: it stresses the extensive (international) organisational experience and knowledge as well as its employees' knowledge, expertise, and professionalism as its main advantages when positioning the firm in various markets and in achieving the Group's past, present, and future internationalisation goals. It also cites employees' knowledge, experience, commitment, motivation, and creativity, as well as willingness to upgrade and develop these further, as important parts of the firm's organisational culture (Firm B's annual reports for 2012–2017; Firm B's corporate website; Interview 1b). However, it does not stress independent systematic employee development. The firm instead focuses on recruiting knowledgeable individuals and developing them further through practice: it thus cannot be described as a learning organisation or an organisation with a learning culture, but is rather better defined as a knowledge-oriented organisation. Its knowledge orientation is further implied in descriptions of both its services, which are labelled as *"expert advice"* and *"innovative solutions"*, and its internationalisation efforts, where expert knowledge of (foreign) markets is labelled as a source of high added value. It is also stressed in the company's strategy and vision,

where expertise and credibility are listed as Firm B's distinguishing features and part of its competitive advantage. Knowledge (together with partnership, due to the service firm's emphasis on relationships) is also part of the firm's slogan and applies to both organisational and individual knowledge (i.e. both the organisational experience and professionalism of employees at home and abroad are stressed) (Firm B's annual reports for 2012–2017; Firm B's corporate website). Interviews furthermore show that the firm-level discourse related to the added value of employees based on their knowledge also translates to the individual-level discourse. Interviewee 2b, for instance, states that the employees with their knowledge and networks are the firm's greatest capital and wealth.

Finally, the firm's international composition of entities also suggests **the international composition of its staff** and the relevance of international staffing for the MNE. This is supported by the firm-level interview (i.e. Interview 1b), which demonstrates the firm's variety of international staffing approaches – especially in relation to managerial international assignments. Firm B implements (1) the traditional long-term managerial international assignments (of individuals or teams in the larger entities); (2) commuter managerial international assignments, where individuals commute between the sending and receiving markets on a weekly basis; and (3) alternative types of mobilities (including former employees engaged in project international assignments as sole proprietors, former managerial international assignees managing entities remotely as flexpatriates, local and third-country 'adoptees' considered as managers from the headquarters regardless of their origin, or 'assignees' on local contracts) (Interview 1b). There are no cases of inpatriation. Expatriate managerial assignments from the headquarters prevail, whereby individual managers are usually sent abroad. Assignments of managerial pairings are limited to the larger and strategically more important foreign entities, the stability of which is crucial for the entire MNE network. Most assignments are prolonged for multiple mandates in the same market – with no limitation regarding the number of mandates. There are also instances of managers managing two entities in the same market, but consecutive or simultaneous mobilities to several markets are rare (Firm B's annual reports for 2012–2017; Interview 1b).

To sum up, several characteristics make Firm B particularly relevant for an international staffing-focused study: (1) the international composition of its entities and employee base; (2) offices located in emerging and developed host markets; (3) a centralised organisational structure, the functional interdependence, and operational interconnectedness of entities comprising the MNE; (4) a high level of employee participation in the ownership structure of the firm, which implies greater employee engagement in the firm's strategy formulation and implementation, as good business performance is in their best economic interest as well; (5) a knowledge orientation and the related emphasis on employees' knowledge, experience, motivation, and a focus on relationship building (employee relations are also part of the employer branding); and (6) the organisation's substantial experience with diverse forms of international employee mobility and international assignment management during internationalisation. In terms of comparison with Firm A, four distinguishing features make this case particularly valuable: (1) it being a service rather than a manufacturing firm, (2) a regional rather than a global focus, (3) fully domestic ownership acting as a control for external factors in knowledge transfers within the MNE, and (4) a lack of codified employee and (international) staffing discourse at the firm level, providing

insights into the (ir)relevance of codification for discursive impact on (international) staffing practices. All these features are considered in the firm-level cross-case analyses in section 4.3.

In the following sections, I follow the structure of analyses described in the introduction to section 4 and applied to both Firm A and Firm B. I first present the results of the content analysis of the firm's annual reports for the 2012–2017 period along with the firm- and individual-level interview transcripts to uncover the international staffing practices and patterns in Firm B (see section 4.2.2). I then report the results of the critical discourse analysis for the organisational and individual-assignee levels separately (see sections 4.2.3.1 and 4.2.3.2 for the organisational perspective, and section 4.2.3.3 for the findings on the individual-level discourses). I conclude the section with a report of the multilevel cross-case findings (see section 4.2.4).

4.2.2 Content analysis: Firm B's needs- and location-based deviations from ethnocentric international staffing

In this section, I provide an overview of the content analysis findings based on combined data from annual reports and six interviews with seven interviewees in Firm B. The results of the analysis uncover the studied firm's international staffing strategy and practices. I first describe the types of international mobility (according to duration, purpose, direction, location, and category of host entity) used by Firm B. I then explain the shifts in international staffing of the managerial posts across the MNE network (with a particular focus on the 2012–2017 period, for which detailed data on individual managers' international transfers are available in the firm's annual reports) and clarify their inferences for the firm's overall international staffing strategies and practices.

4.2.2.1 Firm B's international employee mobility portfolio

Firm B employs a variety of international employee mobilities – mainly for filling the managerial positions across the entities in the MNE network. **The traditional long-term managerial international assignments**, where individuals have contracts with the parent firm and are officially sent on international assignments for one or multiple four- or five-year mandates, prevail. However, more recently the firm has also introduced **long-term commuter managerial international assignments**, where individuals commute between the sending and receiving markets on a weekly basis, in order to motivate more employees to engage in international mobility. Commuting between the sending and the receiving countries is described as beneficial for both the firm and individual. While it enables the individual to spend concentrated time with their family upon each visit to the home country and not have to move their family abroad, it also increases the individual's availability to the firm during their stay in the host entity, where there are no family distractions and the individual can work limitless overtime – i.e. such commuter assignments do not imply lower employee commitment (see e.g. Interviews 1b and 3b).[152]

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[152] A similar conclusion can be drawn from the pilot interviews.

Both the traditional and commuter long-term managerial international assignments are based either on **an assignment or a local contract**. The choice of the type of contract thereby depends on the quality of the social system in the host market relative to that in the domestic market (Interview 1b; Interview 3b). Entering into a contract with parent-country nationals already residing in or willing to move to the host country for long-term management of foreign entities is another option for which Firm B employs either assignee or local contracts. **Alternative types of mobilities** in the firm include long-term remote management of foreign entities by either host-, third-, or parent-country national managers managing multiple entities in the same market (Firm B's annual reports for 2012–2017), or transitional remote management by international assignees (i.e. flexpatriation) from the headquarters who have managed the same entities in the past but (for personal or other reasons) cannot continue their assignments abroad (Interview 1b; Interview 3b). However, remote management is avoided by the firm due to its lower effectiveness and efficiency in relationship building and firm development (Interview 1b).

The firm also implements international assignments of **third-country nationals** to managerial positions in its foreign entities, whereby it considers and manages these individuals equally to international assignees from the headquarters and local managers of foreign entities – irrespective of their type of contract (i.e. assignment or local) and country of origin. The rationale behind the same managerial approach to 'managing managers' of MNE foreign affiliates is that they all perform the same tasks and roles (Interview 1b). This implies that the firm defines managers' roles based on functionality rather than based on the individual's national or international identities and legislation.

Finally, the firm also supports the (self-initiated) involvement of current employees in **short-term project international assignments** for the firm or other entities. However, these assignments are frequently conducted during the employees' annual leave (not to set a precedent for other employees regarding the flexibility of their employment contracts and related financial rewards).[153] The firm also promotes the engagement of **former employees** in single or multiple short-term project international assignments as sole proprietors,[154] and reports on numerous shorter business trips (mainly from the headquarters to the entities and business partners abroad or from the foreign entities to the parent firm, as the MNE's subsidiaries abroad have a domestic focus and only visit the headquarters for training, seminars, or strategic meetings) (Interview 1b). Short-term mobilities are extremely rare in Firm B, however.

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[153] A pilot interview suggests that comparing benefits with the assignee could result in greater expectations and demands for an increase in their salary among employees placed in the parent firm (i.e. not internationally mobile) based on perceived unfair treatment (especially since these employees often do not comprehend the sacrifices made by assignees for their rewards).

[154] The same individual (also included in pilot interviews) has been engaged in short-term mobilities in the context of the firm as well as independently. The shift to a 'sole proprietor' arrangement has been beneficial for both the assignee and the firm: i.e. it is not disruptive to extant firm-employee relations and allows the individual to create greater profit margins as well as establish a better work-life balance.

While the long-term international assignments in Firm B are limited to managerial staff, the extremely rare short-term international assignments lasting up to six months are restricted to expert staff (Interview 1b). In the past, international assignments in Firm B have also been used for establishing new facilities (all foreign entities in the MNE network are established through international assignments due to the gradual nature of the expansion process), whereas at the time of the study, managerial international assignments (either as regular or crisis solutions) have been much more common. Other more **specific purposes of long-term international assignments** in Firm B centre on (1) the introduction of headquarters' principles of doing business to the foreign entities, (2) control over the manager and foreign entity from the headquarters (for risk reduction and limiting potentially damaging local practices), and (3) connecting the foreign entity to the headquarters of a centralised firm (Interview 1b; Interview 4b). As indicated by Interviewees 5b and 6b, however, the latter role could be performed by third-country or local managers just as well.

All international assignments in Firm B thus far have occurred in the direction from the headquarters to the foreign subsidiaries (mainly sales facilities). Between 2012 and 2017, one assignment was conducted between foreign subsidiaries. There have been no occurrences of inpatriation, however. The firm attributes this to having had no difficulties in staffing domestic positions with domestic experts or managers (Firm B's annual reports for 2012–2017; Interview 1b). While internal recruitment is favoured for international staffing, Slovenian external recruits with prior links to Firm B dominate international managerial positions in the MNE among the individual-level interviewees. The majority of international assignees to top managerial positions in the MNE have been senior individuals, but there have also been instances of junior (internal) recruits sent on managerial assignments due to the limited availability of candidates willing to expatriate and the importance of a pre-established firm-employee relationship for responsive position filling. Internal recruitment enables individuals' prompt assumption of tasks that require collaboration with the headquarters, and thus firm-specific knowledge and embeddedness (see Interviews 1b–6b).

Regardless of the type of contract or format of the long-term international assignments to key positions across the MNE, Firm B favours **an ethnocentric international staffing approach**. The ethnocentric approach to filling top managerial positions in the foreign entities is based on internal recruits from the headquarters (1) being familiar with the work environment, work principles, business practices, and product portfolio in the firm, which eases collaboration with the headquarters; (2) being able to communicate with the headquarters (as well as other managers across the MNE network) more effectively and efficiently due to the absence of a language barrier; (3) having pre-established trust and mutual understanding with the parent firm, which promotes role clarity as well as a more efficient task delegation and execution; (4) having a well-developed firm-specific social network which contributes to the assignees' work efficiency; (5) acting as the headquarters' control over foreign entities; (6) being more connected to the headquarters and motivated by the prospect of return; (7) being immersed in the organisational culture; as well as (8) the firm's in-depth knowledge of the assignee (their reactions to different situations, etc.) and pre-established trust. Another reason for an ethnocentric approach includes the firm's poor experience with local management in certain locations, which suggests that Slovenian management also acts as a risk reduction strategy (Interview 1b).

The analyses of Firm B's annual reports for 2012–2017 and Interviews 1b–6b show only rare deviations from the ethnocentric international staffing approach. The firm only employs locals or third-country nationals to manage its foreign entities when it cannot find candidates willing to expatriate in the headquarters (Interviewee 1b explains that the firm has exhausted its internal pool of suitable candidates, and thus needs to employ alternative strategies), when faced with (internal and external) labour market deficiencies, or when experiencing location-specific management requirements in the host country. Rather than being a strategic decision, deviations are thus a result of poor career planning and external factors.

The firm representatives clarify that the firm implements **a sequential approach to recruiting candidates for managerial positions** across the MNE. It first checks the willingness for expatriation among internal recruits in the headquarters. It then searches for external recruits in the domestic market or parent-country nationals residing in the host market. Next, it looks for internal local recruits in the foreign entity. Finally, if none of the prior steps are successful, the firm opts for local (or third-country) staff (Interview 1b). When external recruitment is required the firm often relies on referrals by trustworthy third parties, since external recruits present additional risks because of their unfamiliarity with and to the firm (Interview 5b). When it is out of options, the firm outsources the recruitment of managers for its foreign subsidiaries to HR agencies. While this is not a preferred option, Firm B recognises it has an important advantage: i.e. it includes systematic testing of candidates' capabilities and personality traits through psychological tests. This reduces the risk of misevaluating an individual based on their misrepresentation at an interview or a referral based on impressions rather than extensive experience with the recruit (Interview 1b).

A detailed analysis of the firm's key position-filling decisions between 2012 and 2017 is presented below. Since the firm does not collect data on employee mobility across hierarchical levels or at levels lower than the top managerial positions, the analysis is limited to the staffing decisions for top managerial positions across the MNE network and the related shifts (including any shifts in managers' according to their origin, duration of managerial mandates, the number of managers managing a single entity, and the number of managers managing multiple entities – sequentially or simultaneously).

4.2.2.2 Firm B's international staffing strategy shifts and shifts in the staffing of managerial posts

The analysis of Firm B's annual reports for the 2012–2017 period (see Table 13) shows that the MNE mostly uses **individual managers** rather than managerial teams to manage its foreign subsidiaries or representative offices abroad – preferably for multiple mandates (i.e. for periods longer than four or five years). The majority of the firm's managers are thereby internationally assigned from the firm's headquarters. In 2017, for instance, nine out of 17 entities were managed by eight managers from the headquarters (either on formal assignments, long-term local contracts, or in one case commuter assignment to the host country).

Table 13. Management and managerial shifts in Firm B according to the managers' origin, 2012–2017

	Market/Year	Management by origin					
		2012	**2013**	**2014**	**2015**	**2016**	**2017**
Foreign subsidiaries	Small DM 1	PCN-1	PCN-1	PCN-1	PCN-1	PCN-2	PCN-2
	Small EEM 1 (local HQ)	PCN-3, PCN-4	PCN-3, PCN-4	PCN-3, PCN-4	PCN-3, PCN-4	PCN-4	PCN-4
	Small EEM 1	HCN-1	HCN-1	HCN-1	HCN-1	HCN-1	HCN-1
	Small EEM 2	PCN-5	PCN-5	PCN-5	PCN-5	PCN-3	PCN-3
	Large DM 1	PCN-6	PCN-6	PCN-6	PCN-6	PCN-6	PCN-6
	Small EEM 3	PCN-7	TCN-1	TCN-1	TCN-1	TCN-1	TCN-1
	Large EEM 1 (local HQ)	PCN-8	PCN-8	PCN-8	/	/	/
	Small EEM 4 (local HQ)	HCN-2	HCN-2 (until 20. 11.); PCN-9 (since 20. 11.)	PCN-9	PCN-9	PCN-9	PCN-9
	Small EEM 4	HCN-2	HCN-2	HCN-2	HCN-2	HCN-2	HCN-2
	Large EEM 2	PCN-10	PCN-10	PCN-10	PCN-10	PCN-10	PCN-10
	Small EEM 5	*PCN-11	*PCN-11	*PCN-11	*PCN-11	*PCN-11	*PCN-11
	Small EEM 6	HCN-3	HCN-3	HCN-3	HCN-4	HCN-4	HCN-4
	Small EEM 7	/	/	/	/	HCN-5	HCN-5
	Large EEM 3	PCN-12	PCN-12	PCN-12	PCN-12	/	/
Associate company	Large EEM 1	nd	nd	nd	nd	nd	nd
Representative offices	Small EEM 3	PCN-7	TCN-1	TCN-1	TCN-1	TCN-1	TCN-1
	Large EEM 4	HCN-6 (do 30. 9.)	nd	nd	/	/	/
	Large EEM 3	PCN-12	PCN-12	PCN-12	PCN-12	HCN-7 (do 19. 9.); Local-8 (od 20. 9.)	HCN-8
	Small EEM 8	TCN-2	TCN-2	PCN-13	PCN-13	HCN-9	HCN-9
	Small EEM 1	PCN-3	PCN-3	PCN-3	PCN-3	PCN-4	PCN-4

Notes. EEM – emerging market; DM – developed market; *Combination of commuter assignment and flexpatriation; PCN – parent-country national (internationally assigned manager from the headquarters); HCN – host-country national (local) manager; TCN – third-country national manager, nd – no data, / non-existent entity.

Sources: *Firm B's annual reports for 2012–2017.*

Two entities in the same market were managed by a third-country national (due to the location-specific requirements in this market – see Interview 5b), whereas six entities were managed by local managers (two of these entities are smaller secondary entities in the markets where the parent firm has another local 'parent' entity managed by an international assignee from the headquarters; whereas two of the entities are micro representative offices, and one is a subsidiary founded by the local manager (see Interview 3b)).

Throughout the analytical period, the firm generally **maintains the same international staffing approach** for filling the top managerial positions in its individual foreign entities: i.e. internationally assigned managers from the headquarters are replaced by internationally assigned managers from the headquarters (or other parent-country nationals), whereas local managers are replaced by local managers. This may also be the case due to the firm wishing to signal stability to local team members, and might not be related to different levels of success according to managerial origin in different locations. Out of the 13 managerial shifts in 20 entities (14 subsidiaries, one associate company, and five representative offices),[155] there have been four exceptions to this rule between 2012 and 2017. In one of the small emerging market entities, a local manager was replaced by an assignee from the headquarters in 2013.

As explained by Interviewees 1b and 3b, this change was made due to poor performance of the firm. Also in 2013, in another emerging market a Slovenian manager was replaced by a third-country national (the change happened in two entities simultaneously). As clarified by Interviewee 5b, such changes occur based on location-specific requirements, such as the manager's citizenship in the host country. The remaining two changes in the selected manager according to origin happened in two representative offices. In one of the entities a parent-country national was replaced by two local managers consecutively. The interviewees explain that the shift was made after the closure of a related subsidiary in the market (see e.g. Interview 1b). In the second entity a third-country national was first replaced by a parent-country national and then by a local manager. Regardless of the type of shift, **no transition periods** (e.g. for transfer of business) are introduced before one manager assumes the position after another in Firm B (Firm B's annual reports for 2012–2017).

While subsidiaries are mostly managed by international assignees, representative offices have shifted their managerial focus from assignees to predominantly local or foreign (third-country national) permanent resident management since 2016 – with the exception of the strategic and more proximate locations. In crises, international assignees are usually used when crisis resolution is expected, whereas closure of subsidiaries with maintenance of a local presence through

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[155] Three of the changes have been related to entity closure: one representative office in an unstable market and two subsidiaries (in markets where the firm remained represented by an already existing representative office or associate company) namely ceased to exist (Firm B's annual reports for 2012–2017). The firm's shift in a staffing approach can thus signal business closure to local employees (see also Interview 1b), which is why the firm needs to be particularly cautious in making international staffing shifts and communicate the reasoning for these clearly to the local staff.

representative offices mostly signifies a shift to local management (Firm B's annual reports for 2012–2017). This lends further support to the conclusion that Firm B's strategic international staffing choices follow an ethnocentric approach to filling the key positions. The firm uses managerial international assignments in the majority of its entities, but especially in the strategically more relevant units or units it deems worth (or capable of) saving in crises. Only secondary entities in the same market or smaller representative offices are managed by local managers.

Interviewee 3b points to an exception: i.e. an entity in an emerging market established and managed by a local manager (through mediation of an assignee). This interruption in the international staffing pattern demonstrates that the firm is also **open to opportune external initiatives** to capitalise on local business opportunities. However, the interview suggests that these only gain power with an international assignee's support and advocacy of the external proposal in the headquarters. Used in small entities and for unexpected opportunities, deviations from ethnocentric staffing are *ad hoc* and needs based, rather than strategic. The use of a third-country manager in a market with location-specific requirements (both in terms of the knowledge and skills of a manager and relative to the local legislation) also indicates poor (international) career planning in the firm as well as the impact of environmental factors, such as labour market deficiencies, on staffing. Again, this approach does not result from the firm's strategic planning, but rather is situational.

Even though the single managers of individual entities prevail across the MNE, the analysis shows that Firm B has also employed two managerial assignees in its largest and strategically most relevant entity simultaneously in the past (Firm B's annual reports for 2012–2017). Interviews 1b and 2b thereby suggest it is planning to reintroduce this practice to the same entity in the future. This is because the firm acknowledges that the larger entities require **managerial pairs for risk reduction and business stability** (Interview 1b). The interim management of the strategic location by a single manager is not a strategic decision related to that particular entity, but rather a strategic international staffing decision aimed at crisis resolution in another market. The managerial pair at Firm B was separated after a (staffing and business performance) crisis in an entity in a similar, geographically proximate market to that of the strategic location, which the two managers had thus far managed together. One of the two experienced managers (i.e. the managing director) was thereby relocated to the problematic subsidiary for crisis resolution, while the second (deputy) director was promoted to the managing director position in the strategic location and simultaneously took over managing another entity in the same market from the first manager. Since the firm was focused on crisis resolution at the time of the managerial change and dealt with the problem of having had exhausted its internal pool of potential managerial assignees, the manager promoted in the strategic location has remained solely responsible for the strategic entity's performance – i.e. no deputy has been sought or found. The need for an additional manager is recognised by both the assignee and the firm, however. Firm B has thus begun its search for a deputy (Firm B's annual reports for 2012–2017; Interview 1b; Interview 2b).

The relocation of the manager indicates that Firm B is inclined to use the same assignee not only for **multiple mandates** (which is a reflection of the lack of expatriation willingness among the

firm's employees as well as its employee retention policy and culture), but also in **multiple** similar or geographically proximate **locations** successively – especially in crisis situations, when experience is particularly valuable and rapid international staffing decisions are needed (Firm B's annual reports for 2012–2017; Interview 1b). However, managers in Firm B mostly manage a single entity for multiple mandates. In rare cases, international assignees from the headquarters or third-country national managers manage two entities simultaneously – a foreign subsidiary and a smaller representative office in the same market (this is the case for four managers in three markets; whereas the secondary subsidiary in the same market is most often managed by a local manager (Firm B's annual reports for 2012–2017; see also Table 13)). For a limited period, a local manager managed two small subsidiaries in the same market, but performed poorly and was thus replaced by an internationally assigned manager in the larger of the two entities (Firm B's annual reports for 2012–2017; Interview 1b; Interview 3b). The interviews additionally reveal that a managing director of a Slovenian subsidiary and a manager (later a management board member) in the headquarters also managed a foreign entity remotely (as a flexpatriate) while being permanently employed in the MNE's headquarters as well (Interview 1b). Finally, in response to a lack of employee willingness to take on traditional long-term international assignments, the firm has been **considering the integration of units by language groups** as a potential future international staffing strategy (Interview 1b).

4.2.3 Critical discourse analysis: limited codification of employee relations and an individualised approach to employee relations

4.2.3.1 The organisation's voice as presented in Firm B's annual reports

In the analyses of Firm B's annual reports for the 2012–2017 period, I first focus on the content analysis of the documents. I thereby identify the key constructs used by the firm in reference to its (international) staffing strategy and employees. I then consider how these constructs appear in individual annual reports and across multiple texts (comparing annual reports section by section – for the entire period analysed) by employing critical discourse analysis. As in the case of the analyses of materials from Firm A, the critical discourse analysis informs the results of the content analysis and provides in-depth insights into how firm-level discourses emerge and are either altered or preserved throughout the analysed period. I thereby consider the contexts that the references to (international) staffing and employees appear in (or do not appear in). I also study the linguistic features of the texts in the corpus (particularly the wording used in reference to (international) staffing and employees in the annual reports). The wider organisational context is moreover considered with an aim to explain why social actors (particularly the firm's employees), international employee mobility-related events, and the entities within the MNE network are represented in a specific way, and why the arguments used in relation to (international) staffing are constructed in a particular manner. I furthermore reflect on the implications that the studied organisational discourses may have on the related individual-level discourses as well as both the firm- and individual-level actions (see e.g. Beelitz & Merkl-Davies, 2012; Merkl-Davies & Koller, 2012). As in the case of the analyses of Firm A's annual reports, I exclude the accounting reports

from the analyses of annual reports from Firm B, as they follow the standards determined by the legislation and are as such not revelatory about the firm-specific (international) staffing discourses.

Employees, employee relations, and employee development are largely absent from Firm B's annual reports, and only appear on rare occasions and very briefly in specific subsections of the texts. The contexts they appear in and the connotations they assume are relatively stable throughout the analysed period. They do not change with external pressures (such as crises in domestic and foreign markets) or internal shifts in the MNE (such as managerial changes). In the following paragraphs, I first elaborate on the conclusions made based on analyses of the annual reports' subsections that refer to employees to uncover the context(s) that the firm considers employees relevant in, as well as the way the firm constructs the (international) staffing discourse that is (co-)shaping the (international) staffing practices at the organisational and individual levels. I then list the subsections excluding employees and make inferences from these. In Firm B's annual reports, employees, employee relations, and employee development barely appear in the CEO letters, the chairperson of the board reports, and rarely in the individual commercial units' performance subsections. They are absent from the subsections on the business performance of the entities in the Group, the business performance highlights, where they only appear as part of statistics, the supervisory board reports, and the risk management subsections (Firm B's annual reports for 2012–2017). Detailed findings on the firm's (international) staffing discourse based on the analyses of Firm B's employee-related references in its annual reports for the 2012–2017 period and their implications for HR practice and theory are presented below.

The analysis of **the CEO letters** in Firm B's annual reports between 2012 and 2017 shows that the firm's top management recognises the importance of all employees throughout the entire MNE network for its business performance. The management does not differentiate between the different groups of employees according to hierarchy, profession, or other criteria, but rather addresses them as a whole in all the analysed annual reports. This holds true regardless of the CEO authoring the letter. During the analysed period, there was a change in the MNE's top management following the former CEO's retirement in 2014, which means that the CEO letters in Firm B's annual reports between 2012 and 2017 are authored by two different CEOs. This is not reflected in the CEO letters, however, as both the content and discourse in these remained consistent with the past texts. The only indication of the change in CEO is a promotional presentation of the firm limited to 2014 (the year of the change), when the CEO letter includes a brief presentation of the MNE's history. The other – previous and subsequent – letters focus more on the business results achieved in the year the report refers to (Firm B's annual reports for 2012–2017).

In general, both CEOs address their letters directly at the firm's three main stakeholder groups: owners, business partners, and employees in the parent firm and the entire MNE group between 2012 and 2016. In 2017, however, the direct address of the stakeholders disappears from the text (Firm B's annual reports for 2012–2017). Making an explicit distinction between the parent firm and the other entities in the MNE network in the previous letters (and their employees accordingly) implies both the centralised structure of the MNE and hierarchy between its units (the latter is also suggested by reports of different levels of business performance by individual entities, and thus their different levels of contribution to the MNE's overall performance), whereas the order of the

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stakeholder groups in the address reflects the nature of the text (i.e. the annual reports being primarily addressed at the firms' shareholders and potential investors) rather than the relevance level of each stakeholder group for the firm. Thanking employees for their contribution to the successful business performance of the MNE and its network before thanking the firm's (domestic and international) business partners and owners (i.e. shareholders) in the 2012–2014 annual reports is more indicative of the management's and firm's attitude towards its employees. By listing employees as the first among three stakeholder groups in this part of the text, the two CEOs imply that the employees are the primary contributor to the firm's business performance.

While the first CEO particularly stresses the knowledge, hard work, motivation, and self-sacrifice of the MNE's employees as the key values guiding the MNE's work in the 2012 and 2013 letters, the second CEO further expands on the value of the employees' knowledge contributions in 2014 by stating: *"We are grateful to all the employees who, with their knowledge, professionalism, and dedication, as well as their good relations with customers and suppliers, achieved the best possible results under the given circumstances and overall made good use of the opportunities offered by the markets."* (Firm B's annual report 2014, pp. 2). The employees' formally and informally acquired knowledge (i.e. the knowledge gained through formal education and experience), professionalism, commitment, and a sense of community are further stressed in the 2015–2017 CEO letters, whereby the CEO additionally emphasises the employees' contributions as co-founders and co-developers of the firm by saying: *"When the Slovenes decided for independence, almost all Firm B employees similarly opted for an independent Firm B. /… / We took the independence route without a significant dowry and started practically anew. However, we had /and still have/ personnel with a lot of knowledge, good education, and important experience."* (Firm B's annual reports for 2015 and 2016, pp. 3).

In 2016 and 2017, the CEO moreover stresses the international component of Firm B's business performance and describes familiarity with and knowledge about foreign markets, motivation, and energy as important factors in the firm's (internationalisation) goal realisation – i.e. they highlight the international component to employees' knowledge (Firm B's annual reports for 2012–2017). While both CEOs suggest they value the employees' (international business) knowledge, they also both indicate that they (and the firm) put great emphasis on employees' attitude and work ethic. The second CEO thereby additionally stresses the employees' soft skills as they report networking and relationship building as a relevant employee input. They also demonstrate that the firm evaluates the employees' inputs relative to context, which is further evident from the CEO referencing the difficult conditions in the domestic market and crediting foreign units for their better performance contributing to the MNE's success. In reference to the firm's knowledge focus and an emphasis on relationship building with various stakeholders (including employees), all of the analysed CEO letters between 2012 and 2017 incorporate the firm's slogan summarising the latter three aspects of the firm's organisational culture (Firm B's annual reports for 2012–2017).

The next subsection of Firm B's annual reports addressing employees is **the chairperson of the board report**. Although it is focused on business performance indicators of the MNE network, similar to the CEO letters, this subsection references employees' contributions to Firm B's business performance. During the 2012–2017 period, the chairperson of the board reports

particularly stress employee knowledge, labour, and networking investments in the firm. The chairperson of the board reports for 2012 and 2013, for instance, explicitly acknowledge the importance of employees, their knowledge, professionalism, dedication and commitment, and relationship building skills for the MNE. The two reports thereby use the exact same words as the CEO in their 2014 letter. This further supports the conclusion that the change of the CEOs has not resulted in any change in the (international) staffing discourse in the firm, but rather that only the content distribution throughout the text and the emphases on certain aspects of employee relations have changed with the managerial shift. The same message is used in different parts of the text – and while in the 2012–2014 annual reports it is presented as a description, in the 2015–2017 reports it is a thank-you note to employees from the chairperson of the board (Firm B's annual reports for 2012–2017).

Like the CEO letters, the chairperson of the board reports for 2012 and 2013 acknowledge the contextual factors impacting the firm's and its employees' performance. Rather than solely thanking the employees for their efforts under poor business conditions in both the domestic and foreign markets, the chairperson of the board adds a motivational address to their report, aimed at encouraging employees to continue tackling the challenges in the markets: *"Unfortunately, the path will not be simple and will border on the impossible multiple times, but let us prove that we can, we know how to, and we want to /achieve success/."* (Firm B's annual report 2013, pp. 13). They thereby refer to all employees – including the international staff – describing the foreign entities in the MNE as a provider of stability for the Group and *"the most important part of the positive performance in the Group"* in Firm B's 2012 annual report (pp. 11), and *"an important part of the positive performance in the Group"* in the 2013 annual report (pp. 11).

The motivational address aimed at all employees further supports the conclusion that the firm does not differentiate among employees, values team efforts (regardless of their source), and acknowledges the employees' inputs. It implies a one-sided firm-employee relationship, however, as there are no references to employee development. This indicates that the knowledge-focus of the firm is mostly employed at the employee recruitment phase rather than later on during employee career development within the firm.[156] The latter inference is challenged by the 2013–2017 chairperson of the board reports referencing employees in the firm's future plans, where they cite quality knowledgeable, motivated, and persistent personnel as one of the firm's main advantages and a basis for the MNE's future development and expansion – and since the 2016 report the staff are also presented as a resource that will be nurtured by the firm through employee training and development.

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[156] This is negated by the individual-level interviews, reporting the firm's focus on internal development of employees rather than recruitment of the already developed staff (see e.g. Interview 6b) as well as implications in the later subsections of the annual reports complimenting internally developed experts for their developmental inputs (see e.g. the subsections on individual commercial units' performance in the Firm B's annual report 2014). However, most references to employee development in Firm B remain limited to a practical 'learning by doing' approach – i.e. the firm applies experiential learning rather than systematic training.

In 2017, the firm also announced a medium-term HR policy plan that would support its future business plans, further portraying a growing organisational awareness about the importance of strategic employee development rather than simply recruiting employees with the necessary education and skills. However, since such plans for employee development had not yet been realised at the time of data collection, I argue that the annual reports nonetheless convey a knowledge- rather than a learning-orientation, while still indicating an imminent change in this respect. Other firm-specific advantages identified in the chairperson of the board reports include the diversity of programmes (an indication of subsidiary autonomy in the search for local opportunities) and markets (from 2016 this advantage is more explicitly about market locations and familiarity with different markets), along with correct business relations (reframed into capitalisation on extant and new (international) networks in 2016 and 2017). This suggested that further employee development would be focused on 'soft skills' and the location-based specifics of international business (Firm B's annual reports for 2012–2017).

The following subsections of the annual reports largely disregard employees, employee development, or employee relations, and focus on the business performance results of the MNE. **The subsections on individual commercial units' performance** nevertheless include some indications of the firm crediting employees for the entities' success. In 2013, the board member responsible for one of the divisions, for example, thanks their colleagues for their accomplishments in the division.[157] In 2014, the management board members similarly reference the technical inputs by their team members as a crucial developmental contribution in relation to a supplier to Firm B – i.e. they acknowledge the value of employees' expertise in relation to external stakeholders and as an important part of the Firm B's brand. In this respect, they also express pride in the consulting provided by internally developed technical experts to Firm B's business partners. The section of the 2016 and 2017 annual reports includes further references to internal employee development by Firm B (Firm B's annual reports for 2012–2017).

A separate section on the business performance of the entities in the Group, on the other hand, for the most part does not include references to employees (with exceptions of staff-related optimisation announcements or reports of staffing changes for individual entities). It is, however, more revealing in terms of the subsidiaries' strategic value for the MNE and the MNE's centralised structure and functional interconnectedness. In 2016, it references the management board member responsible for the MNE's foreign trade network, and this suggests the importance of the coordination of the firm's international entities and their managers – i.e. it is an indication of the importance of the international managers, regardless of their origin or type of contract. Although employees are not the focus of this section, the management board member responsible for the MNE's foreign trade network cites the firm's (international) personnel potential as a factor in the MNE's business performance stability, and references the case of an entity where both the management and the local team have had to be replaced due to the firm's poor performance. This implies that both poor and good performance are attributed to the firm's managerial and non-

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[157] In 2015, the same board member explicitly attributes the success of the division to a motivated sales team (Firm B's annual report 2015).

managerial employees who bear full responsibility for their results (Firm B's annual reports for 2012–2017).

Finally, **the subsections with the least (or zero) references to employees** are (1) the business performance highlights subsection (focused mainly on statistics), (2) the supervisory board reports, and (3) the risk management subsections. **The business performance highlights** subsection, for instance, reports the statistics on the number of employees, the declining employee engagement in the firm's ownership structure, and the improving educational structure of the firm's staff between 2012 and 2017. **The supervisory board reports** include no references to employees, employee development, or employee relations. **The risk management subsection**, which replaces a separate section on the expected development of the Group (also not focused on employees) in 2013, focuses on financial risks (whereby the commercial unit directors are tasked with the responsibility for addressing any price risks the firm encountered – again suggesting the transfer of responsibility for business performance to expert employees). In 2015, operational risks are added to the set of risks described and planned to be addressed by the firm. They are, among other things, addressed through internal and external employee training – mainly related to taxes and tax legislation, however. These training sessions and seminars are mentioned in the 2013–2017 annual reports. Lastly, the IT experts are presented as a risk management tool between 2013 and 2015, which further suggests that the expert rather than (solely) managerial employees are assigned and assume the main responsibility for Firm B's performance (Firm B's annual reports for 2012–2017).

Overall, the firm uses formal and predominantly technical language in its annual reports for the 2012–2017 period. The annual reports incorporate limited illustrative material. The graphics mainly include charts, tables, and graphs complementing the business performance results reports. In 2016 and 2017, a traffic light graphic is added to risk assessments. The reports are also illustrated with a few photographs of locations and products, machines, or materials from the firm's portfolio, although there are not many of these and they are often reused throughout the years (Firm B's annual reports for 2012–2017).

To sum up, although Firm B's annual reports for the 2012–2017 period include a limited number of references to employees, employee relations, and employee development, they nevertheless provide relevant insights into the firm's (international) staffing discourse. They show that the firm's perceptions and attitudes towards its (international) employees are rather stable – regardless of the external factors such as unfavourable market conditions or internal events such as shifts in management (especially since these mainly occur through internal promotions of persons already integrated into the extant organisational culture). The analysis furthermore suggests that the firm does not differentiate between its employees according to their profession, expertise, hierarchical status or country of origin and employment, but rather values the employees' individual and team contributions to its business performance based on their knowledge and attitude towards work – regardless of their role in the MNE. While a one-sided relationship with high organisational expectations regarding employees' inputs in the firm's operations is implied in the earlier annual reports, a move towards a more reciprocal relationship is indicated in the later texts referencing the firm's (planned and some also realised) employee development efforts.

Throughout the analytical period, the (international) employees are portrayed as primary and knowledgeable contributors to the firm's business performance (also in relation to external stakeholders), its co-developers, and co-founders. As such, they are described as owners of both its success and failure: i.e. they bear the responsibility for the firm's business performance (good or bad). This responsibility is not limited to managerial or domestic staff, but is rather dispersed internationally to the expert and non-managerial staff that (like managers) carries the consequences of either success or failure. Nevertheless, a designated coordinator of the MNE's foreign network and its managers as the providers of the firm's stability at the level of the management board implies some level of strategic corporate governance and management of the firm's international entity and staff network (Firm B's annual reports for 2012–2017).

4.2.3.2 The organisation's voice as reflected by the management board and the HRM department representatives

Interview 1b represents the organisational perspective on international employee mobility. It was conducted with **two firm representatives**, who were the most knowledgeable about Firm B's international staffing strategies, policies, and practices, simultaneously: (1) the management board member responsible for the MNE's foreign trade network, and (2) the head of the human resources department. Employing an interview approach that involved questioning two informants at the same time presented a danger in terms of limiting the interviewees' openness in their responses. However, the two interviewees were completely relaxed and direct throughout the discussion. They did not exert social pressure on one another regarding their answers, but rather verified and complemented each other's responses (e.g. by adding their departments' perspectives). The interview took place in person in one of the interviewees' offices, which contributed to the relaxed atmosphere. Both interviewees showed an interest in the research topic and remained available for additional questions after the interview.

The conversation lasted 135 minutes, as the interviewees were willing and able to provide detailed insights into the firm's international staffing strategies, policies, and practices as well as how they had evolved over time and the reasoning behind the changes. Both interviewees have spent their entire careers in Firm B and each acquired more than three decades of experience in different departments. The human resources department manager, for instance, started their career in the firm's commercial department and worked in the customs department before specialising in human resources management. The management board member, on the other hand, experienced different positions in commerce and occupied posts at different managerial levels in the firm – including a managerial position in a foreign market as a flexpatriate (Interview 1b), which meant that they had had international assignment experience from both the assignee and assignment manager perspectives. Although this interviewee had zero experience with long-term managerial international assignments as an assignee, they had been on multiple shorter term international mobilities aimed at establishing the HRM business function abroad prior to the interview, as well as had regular contacts with international assignees in the firm. This meant that they had an

understanding of international employee mobility from both the managerial and experiential perspectives.[158]

The interviewees did not receive the interview questions in advance. They were informed of the overall research topic prior to the interview, however, so that they could identify the best informants for the study. At the beginning of the interview, the interviewees were presented with the focus of the study and the topics to be covered during the conversation. They were also informed of the research procedures and signed a consent form regarding data processing and publication. The interviewees agreed to the interview being audio recorded, which did not impair their focus on the interview questions. Detailed notes of both the interviewees' responses and non-verbal cues were taken during the interview, whereas separate preliminary analytical notes were made immediately after the interview. A verbatim transcript of the recorded conversation was then prepared.

Since the interviewees requested the opportunity to correct any factual errors in their responses, the transcript was then transformed into a grammatically polished and thematically rearranged summary sent to the interviewees for final approval. At this stage, the interviewees also addressed any ambiguities regarding their responses during the initial conversation, as well as answered supplementary questions that arose during transcriptions of the first interview. This was done in writing, as the additional questions were included in the summary of the interview, so that the interviewees could respond to them when convenient. This approach was employed due to the interviewees' busy schedules. It not only allowed more flexibility in communication between the interviewer and interviewees, but also encouraged the responses to be well thought-out. During analyses, both the verbatim transcript (with consideration of any corrections made by the interviewees upon authorisation) and the summary of the interview were used. The first mostly for critical discourse analyses and the second mainly for content analyses. Illustrative quotes originate from the approved summary. The key findings from the interview are presented below.

4.2.3.2.1 The dominant international staffing approach and the prevalent types of international assignments in Firm B: the management board and HRM perspectives

Due to its **centralised MNE structure**, Firm B favours **an ethnocentric international staffing approach** for filling top managerial positions across the MNE network. Such an organisational structure creates the functional dependence of the (majority of) foreign entities on the headquarters, as well as their operational and strategic connectedness to the headquarters. The headquarters are also dependent on the MNE network to capitalise on local opportunities, as well as for risk dispersal, realisation of the overall MNE goals, and good business performance results (see also Firm B's annual reports for 2012–2017; Firm B's corporate website). These connections and interdependencies require intense collaboration among the entities comprising the MNE network, whereby the parent firm allows relative autonomy of its subsidiaries, yet aims to unify

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[158] The responsible management board member's experience was all the more relevant for the firm's understanding of international assignment (management) related processes due to its otherwise distant and skewed view of the latter from a distance (Interview 1b).

its business practices across the MNE as subsidiary autonomy has resulted in unrelated practices and programmes that often do not complement one another and cannot create synergies. This suggests a need for additional coordination and control efforts by the headquarters aimed at the network of entities, which are recognised as important contributors to the firm's overall business performance. Two main tactics in this respect include (1) the introduction of a management board member responsible for the MNE's foreign trade network performing control and coordination over foreign entities and their managers, as well as providing strategic support; and (2) international assignees as connectors between the headquarters and the foreign entities, transferors of the organisational culture and firm-specific processes across the MNE, as well as the direct control over local staff (Interview 1b).

According to the firm's representatives (Interview 1b), the engagement of employees (not necessarily managers, but also experts) from the headquarters in managerial international assignments brings the firm several advantages with regard to (1) coordination and collaboration of the MNE, (2) cross-entity communication, and (3) quality relationship building – between the headquarters and the entity, the headquarters and the individual, as well as relative to the local staff due to the physical presence of a manager in the entity advocating on behalf of the local staff in the headquarters. The member of the management board responsible for the foreign trade network of the MNE explains that the headquarters-originating internal recruits' familiarity with the work environment, work principles, business practices, product portfolio, employees and other stakeholders of the parent firm, in particular, eases their collaboration with and facilitates efficient support from the headquarters during an international assignment (Interview 1b).

The individuals' familiarity with and immersion in the organisational and business culture also facilitate the transfer of this culture across the MNE network, promote standardisation of the principles of operation across the MNE, enhance headquarters' control over the manager and the entity (through the assigned manager), and limit the potentially harmful local business practices. The firm, for instance, reports having poor experience with local management in certain locations, such as the Balkan markets, where using Slovenian management acts as a risk reduction strategy. The interviewed management board member, moreover, explicitly describes the advantages of the pre-established social networks of the assignees originating in the headquarters with the following words: *"Individuals with several years of work experience in the parent firm have established a social network in the MNE and know who to call, how to obtain offers quickly, who the suppliers are, and how to easily organise transport."* (management board member in Interview 1b). They also describe as another benefit of such staffing the internal recruit's familiarity with the host market, their colleagues in the foreign entity, and business partners due to prior business trips and past collaboration with these entities from the headquarters. This can ease the assignee's work adjustment (including adjustment to the local team dynamic) and assumption of tasks abroad, whereby past experience with the headquarters establishes greater clarity regarding the individual's tasks and role (also relative the overall organisational goals) when abroad.

In relation to eased communication between the MNE entities, the interviewees stressed the advantage of the headquarters-originating internal recruits not experiencing a language barrier

with the headquarters.[159] According to the management board member, this is particularly relevant from the perspective of the headquarters being able to effectively communicate the organisational objectives to the individual during an assignment. The absence of a language barrier also contributes to inter-managerial communication, assignees' MNE strategy co-creation, and the exchange of good practices throughout the MNE network. Since knowledge of the local language is a selection criterion for managerial international assignees from the headquarters, communication and coordination of work or relationship building at the level of the foreign entity and market is thereby not inhibited. Being a foreigner making an effort to learn and use the local language, in fact, additionally contributes to the manager's integration in the local team and relationship building with local business partners (Interview 1b).

Pre-established trust and understanding between the firm and the manager recruited in the headquarters together with mutual familiarity moreover reduce the (perceived) risk associated with international assignments: both from the perspective of the organisation, which is more sure of the otherwise challenging and unpredictable selection of an assignee and their reactions to different situations due to having experience with the individual in various contexts and situations, and from the perspective of an individual trusting the organisation to fulfil its promises regarding their mobility and repatriation. A strong firm-employee relationship from the outset of the mobility thus focuses the firm's and individual's attention on the assignment implementation and management from the work tasks perspective in the foreign market, as well as on building relationships with local staff and business partners. It also contributes to an individual's greater motivation to achieve the organisational objectives and their more responsible management of the entity, due to their greater connectedness to the parent firm and a desire for future repatriation. This motivation is further enhanced through the firm's commitment to assignee repatriation, which is already stressed at the phase of negotiating expatriation. While the firm expresses its commitment to the employee through the promise of repatriation, it also expects an assignee to express commitment through moving abroad with their family or being constantly available to the firm during visits to the host market as a commuter (Interview 1b).

In the light of the recognised (and often also capitalised on) value of the foreign entities managers' embeddedness in the headquarters, Firm B faces a challenge of having exhausted its internal pool of prospective international assignees from the headquarters. The interviewed board member reports that all potential headquarters-based candidates for managerial positions abroad have already been approached regarding their willingness to expatriate – some of them multiple times; but none of them are ready to accept an international assignment (or change their minds regarding expatriation). Such **'assignment willingness checks'** are conducted based on organisational need rather than regularly. Both the management board member and head of the HR department attribute the employees' lack of willingness to expatriate to (1) the decreased differences in living standards between the domestic and foreign markets, (2) the related reduced comparative benefits of an assignment for the individual relative to regular employment in the parent firm, (3) the assignees' family members' reservations regarding their status abroad, (4) the limited financial incentives

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[159] This does not refer solely to the national language, but also to the internal organisational language known only to the firm's employees (see also Interview 8a).

available to the firm, and (5) the European Union legislation, which limits the individual's social security rights abroad (Interview 1b).

As exerting social pressure on extant employees to expatriate through the designated management board member as the top authority in the field (with the board member targeting and approaching prospective assignees directly) does not seem to bring about the desired change of heart among employees regarding their international mobility, and since additional incentives are unavailable to the firm, Firm B has most recently turned to **a geocentric international staffing approach**. This decision is **needs- rather than strategy-based**, however. It means that, when internal recruits in the headquarters are not available, the firm gradually expands its pool of potential recruits for managerial positions: first to internal recruits in its foreign entity (parent-country nationals first and locals second) and then to external recruits (Slovenians residing in the market already or former headquarters' employees first, and local or third-country national managers as the firm's last resort due to their complete unfamiliarity to and with the firm). When host or third-country nationals are nonetheless engaged in managerial positions, they are perceived as the firm's 'adoptees': i.e. individuals highly integrated in and adjusted to the headquarters (see Interview 1b, where the interviewees describe these individuals as "our persons"). The rare cases of local and third-country national managers (at the time of the interview two out of 11 managers fell in this group, and were also interviewed for this study) are limited to the 'exceptional' and trustworthy persons who are either internally developed (i.e. moulded according to the organisational needs) or referred to the firm by trustworthy stakeholders.

Trust is particularly stressed at the top managerial level, as the firm favours candidates it has direct or indirect experience with for key positions across its network. Former employees or employees of business partners and competitors are external candidates that the firm has direct experience with. Individuals referred to the firm by extant employees or trustworthy business partners fall under the category of recruits that the firm has indirect experience with. Both cases present a danger from the perspective of **organisational myopia** regarding the individual recruits. Prior experience with an individual may be biased and incomplete. An individual also evolves and may have different qualities than those from the time when the firm or its stakeholders last had contact with them. In turn, the firm may develop misconceptions of these recruits' capabilities and personality traits. The latter can also arise from superficial interactions between the individual and firm (e.g. during a specific business transaction or a job interview) that hinder in-depth familiarisation and relationship building, which require intense daily and long-term interactions (Interview 1b). However, the internal labour market deficiencies force the firm to engage in these potentially risky recruitment strategies.

Trust can thereby also stem from a sense of a common cultural background and not solely from past relations. Firm B, for instance, demonstrates **bias towards parent-country nationals** in the external recruitment of assignees. When the firm extends the search for managerial candidates to the foreign markets, it first explores the availability of Slovenes already residing in the market. As the management board member says: *"Only when the search for a manager in Slovenia is not successful, do we check the availability of suitable personnel in the local environment of the foreign entity. Even in local settings, we often first check if there are any Slovenes who already*

live there, are willing to work for us, and could take over the management of the foreign entity – either as international assignees or employees with a local contract /.../.” (management board member in Interview 1b). There are several additional reasons for the 'parent-country nationals' bias in addition to perceived trust. One of them is the greater recognisability of the firm among Slovenians due to its long tradition in the domestic market and the greater attractiveness of the employer to parent-country nationals due to Firm B's employer branding being focused mainly on the domestic market. A preference for Slovenian candidates may also be grounded in the reduced language and cultural barrier between the individual, the headquarters, and the local employees, since Slovenian residents in different foreign markets are usually already familiar with both the domestic and host markets, their (national and business) cultures, and languages, which contribute to their work effectiveness and efficiency.

Although Firm B acknowledges that its parent-country nationals may not be able to adjust to local (national or business) culture, they also argue that other individuals may face difficulties in adjusting to the organisational culture. The latter is evaluated as more detrimental to business performance, which is why the firm adopts several measures that enable it to maintain the internal recruitment of assignees despite their limited pool. These measures include (1) prolonging extant assignments up until assignees' retirement, (2) including the less managerially experienced junior employees in managerial international assignments, (3) introducing more flexible formats of international employee mobility (such as flexpatriation or commuter assignments that include weekly commutes to the proximate host markets for several years, or assigning individuals to foreign markets as sole proprietors), (4) providing those managers that originate in the headquarters with employment according to the local legislation, should this arrangement be more beneficial for them; (5) and implementing remote (flexpatriate) management for interim periods. The firm has also started planning expatriate career development (i.e. employment and intentional development of employees for international assignments) to meet its future international staffing needs.

This means that the firm implements **a wide array of international assignment types and formats** – including alternative assignments, such as commuter and flexpatriate assignments, and assignments through local contracts. These can be particularly beneficial for the firm in terms of the individual's work effectiveness and efficiency – especially since an assignee travels to the host entity without their family. Not only does this reduce compensation costs, it also increases work effectiveness and efficiency. This is because a commuter or a flexpatriate is constantly available to the firm and completely focused on the assignment when abroad, since there are no private distractions from work in the host location (Interview 1b). The level of distraction may, however, depend on the family situation of the person: i.e. single parents may worry about their child during their absence more (as suggested by a pilot interview), whereas assignees with partners taking or sharing responsibility for the child during expatriation may cope better.

In reference to the type of assignment, the choice of employing an assignee rather than an employee on an international mobility with a local contract and *vice versa* depends on the social rights, health-care, and pensions ratio between the sending and the receiving markets. If the social system is more favourable for the employee in the receiving country, **a local contract** is drafted.

If the social system is less favourable for the employee in the receiving country compared to the sending country, an assignment contract is drafted – despite the higher costs of the latter for the firm and a lower base salary for the employee which the bonus for working abroad is not part of. The individual's interest comes first, since otherwise no one would be willing to go abroad. Short-term project-related mobilities of experts lasting up to six months and inpatriation are practically non-existent, whereas team assignments are limited to assigning managerial pairs to the larger and strategically crucial entities in the MNE network for risk reduction purposes (Interview 1b).

Overall, **traditional long-term managerial international assignments** of individuals still prevail in Firm B, though. Four- or five-year international assignment mandates are common, whereby the firm does not limit the number of mandates that an individual can complete. Upon mutual agreement, it rather promotes prolongation of successful assignments until an individual's retirement due to the exhausted internal pool of prospective assignees. The purpose of the long-term international assignments thereby centres on establishing and managing foreign subsidiaries, introducing the headquarters' principles of doing business to the foreign entity, and executing control from the headquarters (for risk reduction and limiting potentially damaging local practices). The long-term mobilities in Firm B include (1) traditional assignments when employees have a headquarters-based contract while they reside in the host market, (2) parent-firm nationals occupying managerial positions abroad as permanent residents in the host country with a local contract, and (3) commuters filling managerial positions abroad but commuting between sending and receiving markets weekly for several years. This shows that, in Firm B, the formal status of the assignee does not have an impact on the international staffing discourse, strategy, and practice (Interview 1b).

Due to an emphasis on **the benefits of the physical presence of managers** in the individual entities, long-distance or remote management (also typical for managing regional groupings of firms) is not promoted in Firm B. According to the two firm-level interviewees, a permanent absence from the entity with only short, sporadic visits greatly inhibits the development of quality in-depth, open, flexible, and timely communication with the local staff (especially bottom-up communication), since mediated communication requires greater focus, condensed content, and planning. The management board member describes their experience of long-distance management compared to management where an individual is physically present in an entity: *"Communicating in person leads to people telling you more than they would have otherwise: you get to know things you would not have /without being present in the foreign entity/."* (management board member in Interview 1b). The limited flexibility, quality, and quantity of communication introduced by distance thus hinders prompt problem solving as well as developmental activities in the foreign entity. The absence of the manager furthermore negatively impacts the team dynamics and prevents the manager from building genuine relationships with both the local staff and business partners. It also hinders the manager's up-to-date understanding of the local stakeholders, business practices and developments in the foreign business environment, and thereby affects the business performance of the subsidiary.

The interviewees also stress **the desire and expectation of local staff to be managed**. They suggest that not meeting this expectation introduces confusion among employees regarding their

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roles, tasks, as well as the future and status of the entity within the MNE network (Interview 1b). As the board member states: *"/I/t is not only the firm that wishes to have its own management abroad, the local team also wants to be managed."* (management board member in Interview 1b). The interviewee explains that the manager's presence gives the staff a sense of someone caring and fighting for them, as well as being in charge of and responsible for them. While this role could be performed by local or third-country nationals too, the two interviewees indicate that it is more effectively performed by parent-firm nationals, who can take on the role of advocates for local staff in the headquarters due to their past ties to and in the latter (i.e. they are perceived as a more powerful party in the intra-MNE networks compared to other managers). These managers can also provide guidance and advice (e.g. regarding relations with the headquarters), explain the reasoning behind specific MNE objectives and actions, and take a fair share of responsibility for the results (and the related stress) from local employees.

Since the manager's absence from the entity inhibits the assignee's, their colleagues', and the foreign entity's business performance, for the rare occasions when **long-distance or combined management** is implemented by Firm B, the management board member suggests using managers with past (long-term) experience in the managed entities. These have already built relations with local business partners and employees (as well as established trustworthy local liaisons they can use as their informants and substitutes for their control over local staff when absent from the firm), established their legitimacy in the entity and the market, are familiar with both the entity and the market, and have integrated in the work processes and team dynamics of the foreign subsidiary. They can thus perform their managerial tasks remotely. However, as the management board member warns, their managerial role can only be effectively performed for a limited time span (e.g. as an interim solution during transition to new permanent management in the entity, when the latter cannot be found on time – regardless of the origin), as the pre-established relations change with longer absence. They are similarly cautious regarding the use of virtual assignments, adding that such arrangements additionally result in the assignees taking on **a dual role** (i.e. they perform tasks in the headquarters as well as abroad) – whereby both their tasks abroad and in the sending entity suffer from a lack of focus and timely fulfilment (Interview 1b).

4.2.3.2.2 International assignment implementation and management challenges along with the firm's HR solutions to them

The analysis of Interview 1b helps identify several **international assignment implementation and management challenges** encountered by Firm B. The interviewees explicitly stress the challenges of (1) assignee selection; (2) motivation of extant employees for longer-term international mobilities (especially due to the limited resources for additional incentives and the restrictive European Union legislation with limited social benefits for the individual and their family);[160] (3) a limited internal pool of prospective assignees and the need to expand the search for assignees to riskier recruitment options (such as recruitment of junior staff or external recruits

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[160] Only young, ambitious staff (and not necessarily assignment-ready or suitable in terms of skills) rather than mature and experienced staff are willing to expatriate (Interview 1b).

for key positions – with the latter in particular being unknown to the firm, and who may thus misrepresent their character and capabilities at job interviews, and might not be a good match for the firm or its extant teams); (4) the firm misunderstanding or not fully comprehending the individual's needs during expatriation due to not having a full insight into their experience;[161] (5) potential worsening of firm-employee relations due to the MNE having to attract external recruits to the firm with an offer of better conditions than those for extant employees based on labour market deficiencies; (6) assignee's adjustments to role shifts during and after the international assignment (including direct or indirect demotions, co-management and related clashes of egos, or dual roles during transfer of business distracting the assignee's focus and causing work overload); (7) the potential mismatch between the firm's and individual's repatriation expectations (e.g. due to the assignee's exaggerated evaluation of their assignment gains and inputs or unavailability of suitable key positions in the headquarters for repatriates); and (8) postponed repatriation or long-distance management of the host entity after an assignment due to the lack of available assignee successors (Interview 1b).

According to the management board member, **the selection of assignees** and **assignee repatriation** are the most difficult yet crucial parts of the international assignment management process. In reference to the former challenge, the interviewee particularly stresses the difficulties related to the external recruitment of managerial international assignees. They explain that such recruitment can be riskier than recruitment of junior internal recruits with limited managerial experience (regardless of the external recruits' managerial experience) due to the recruits potentially misrepresenting their capabilities and personality in job interviews, the firm not being able to test their skills and resourcefulness in different contexts and situations, and the time and effort needed to develop a meaningful relationship with the individual. As the management board member states: *"Unfortunately this approach to assignment planning is also risky, because we can never know what someone is made of when we employ new employees. This only uncovers with time. Although each individual can portray themselves in the best light and pass the psychological tests well, later practice may show that they are not capable of acting in a certain way in a specific team and environment. /.../"* (Interview 1b). They thereby suggest that trust, proven competence, motivation, and work ethic are crucial for international staffing of key positions. They further support this with the following statement: *"It is much simpler to choose a person from the firm, we are familiar with for /several/ years, have contact and experience with, /.../ and for whom we know how they react in certain situations."* (Interview 1b).

The interviewees additionally highlight that external recruits in particular can misrepresent themselves – not only during job interviews but also through their prior (often limited and

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[161] The parent firm and its employees that have not experienced mobility cannot fully comprehend the difficulties and the immense (work and non-work related) challenges that an assignment imposes on an individual – in part also due to the distance between entities. International mobility seems more attractive and less challenging from a distance, whereas when experienced it is more demanding on an individual than expected: *"International mobility includes many things that we do not see from Slovenia. Everyone thinks it is great to live somewhere there – abroad; but it is not that great. Not everything is black and white."* (management board member in Interview 1b).

situational) interactions with the firm. This is especially the case for business partners or employees of competitors to the firm who have had previous interactions with it. The management board member describes an example of the firm's poor experience with the external recruitment of an individual it was perceived to be familiar with. This individual had collaborated with the firm and demonstrated a good work ethic, leadership and professional skills, motivation, commitment, and positive personality traits, yet once employed by the firm (also upon the referral of several colleagues) they proved to be a mismatch with the extant team in the headquarters as well as the foreign entity during expatriation, which has led to the failure of the assignment.

The interviewed firm representatives describe the assignee's arrogance, over-confidence, passiveness, a lack of interest in the firm, self-centredness, and unwillingness to learn from their predecessor as detrimental to the success of the assignment. They describe the individual as being *"more interested in the kind of car they would drive, the kind of tyres their car would have, their apartment and office abroad /than in the organisation and its goals/ when negotiating the assignment /.../ and /.../ overly confident in their own skills and capabilities."* (management board member in Interview 1b). The misjudgement of a known candidate suggests that only longer **in-depth relationship building** with employees allows for realistic evaluations of their suitability for the key positions in the MNE (based on both proven capabilities and personality traits). Third-party referrals (regardless of how trustworthy they are) and scarce (even if direct) experience with recruits can only reduce the perception of risk, rather than the risk itself.

The risks of external recruitment are not limited to a single employment contract and the related firm-employee relationship, however. The external recruitment of managers can have a negative effect on firm-employee relationships in general, and can be detrimental to inter-employee relationships in a firm. Interview 1b reveals the potential conflicts between the firm and its extant employees that arise from hiring external recruits. Due to the deficiencies in external labour markets, the firm needs to compete with its competitors for good employees, which includes offering new recruits financial incentives and benefits that are not provided to extant employees. This may in turn create dissatisfaction among the latter and reduce their motivation to create value for the firm or collaborate with the newcomer. Firm B addresses this issue through **information hiding or implementation of alternative assignments**: i.e. it negotiates individualised (confidential) contracts with managers, limits communication regarding any beneficial assignment agreements within the firm (e.g. regarding short-term project assignments for additional rewards upon employee self-initiative), or encourages arrangements in the form of external contracting and outsourcing that do not have a direct impact on employment arrangements within the firm (e.g. assignments of former employees as sole proprietors (see also the pilot interviews)).

To avoid poor assignee selection and its negative consequences for the MNE's business performance, Firm B employs several selection criteria (developed through experience) when searching for its managerial international assignees. The primary criterion for recruiting individuals for managerial positions across the MNE network is an individual's familiarity with or at least an interest in the firm. A passive stance during the job interviews, for example, signals the individual's disengagement, which will also persist during an assignment. The MNE also focuses on the individual's goal- and task-orientation and avoids recruiting individuals demonstrating a

self-centred stance and indicating that they are primarily motivated by their own self-interest. This suggests that **personality traits** are particularly important, which is consistent with the firm's emphasis on firm-employee relations as well as relationship building with stakeholders in general.

Other selection criteria include the individual's (1) competencies; (2) knowledge of the parent firm's (or a related) language for effective collaboration with the parent firm; (3) knowledge of the local language for effective management of the foreign entity and relationship building with local stakeholders; (4) familiarity with or at least an interest in the firm together with the individual's goal- and task-orientation as signs of their commitment to realising the assignment objectives; (5) embeddedness in the firm's social networks and culture for successful transfer of the latter to the foreign entity, effective collaboration with colleagues and business partners, and effective use of the headquarters' support; (6) eagerness and willingness to learn (a criterion particularly relevant for external and inexperienced recruits); and (7) trust built through direct experience (e.g. past employment in the firm or collaboration with it as a business partner) or indirectly (through referral by trustworthy third parties, although this approach is deemed as less reliable). Recently, Firm B has also introduced psychological profiling for all its managers (including international assignees) before appointing them to managerial positions, with a focus on the absence of arrogance, over-confidence, and excessive ambition.

This is because an assignee's arrogance, over-confidence, and excessive ambition can be detrimental to their assignment execution, since they may, for example, refuse support from the headquarters or local staff and stubbornly stick to their practices, irrespective of these potentially not working in a specific environment. It can also result in failed repatriation and turnover due to unfulfilled expectations: an overly ambitious repatriate may overestimate their sacrifice, assignment complexity and value for the firm, as well as their related skills, and expect excessive returns on their rather low investment (e.g. managing a small foreign office pre-closure) upon repatriation (e.g. a position on the top management team in the headquarters). Since the firm cannot fulfil this expectation (as well as due to the individual's insufficient competencies for the post), the assignee's repatriation results in the individual's dissatisfaction with repatriation negotiations (these always take place in Firm B, where repatriation is framed as a two-way process) and their resignation. While this may not be too damaging to the firm from the perspective of knowledge spillovers and talent loss in the case of a less crucial employee, who has acquired limited additional knowledge on their assignment, it may be detrimental to other employees' motivation for expatriation, as it sets an example of a failed mobility and attributes a negative narrative to the latter (see Interview 1b).

Because of the lack of assignment candidates, prior managerial experience is a less relevant selection criterion – especially for internal recruits.[162] Rather, embeddedness in the firm and familiarity with its strategies, practices, culture, business principles, portfolio, and stakeholders are more important for managing foreign entities in the interknit, centralised MNEs than leadership

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[162] While internal recruits can be experts with middle- rather than top-level managerial experience, external recruits usually have managerial experience, as their preparation for an assignment already requires investment in the acquisition of firm-specific knowledge (Interview 1b).

skills that can be acquired through a 'learning by doing' (i.e. experiential or practical learning) approach. This is also reflected in Firm B's preparation of assignees for an assignment. Integration into the firm is conducted for all new recruits to the firm. According to the HR manager, integration into the headquarters is also a legal obligation: that is, all recruits need to be employed in the firm for at least one month to be eligible for an A1 form making international assignments to EU member states official. The firm usually implements a longer period for employee integration in the organisation (Interview 1b), which further suggests the strategic and operational value of such integration rather than its sole purpose being the fulfilment of the firm's legal duties. Managerial or other skill-based training is practically non-existent (with the exception of basic language courses) in Firm B. This is consistent with the firm's knowledge-oriented rather than learning-oriented stance, as implied in its annual reports. The management board member is critical of **a *laissez faire* approach to assignment management**, however: while it may be effective for independent recruits with a strong managerial identity, it is not necessarily also efficient (Interview 1b).

Another selection criterion that is emphasised by the firm is the assignees' knowledge of **languages**: preferably the language of the headquarters and that of the foreign entity. The firm-level interviewees explain that language is the basis of relationship building: between the firm and the employees, between the foreign entity and the parent firm, between the assignee and their colleagues (local staff, managers in headquarters, and managers across the MNE), and between the assignee and the firm's business partners. On the one hand, knowledge of the parent firm's language is a condition for effective and efficient inter-entity communication and MNE collaboration – both operatively and strategically. It is described as a tool for building and maintaining relationships among managers across the MNE as well as between the assignee and headquarters. It is also crucial for an assignee's ability to follow the firm's procedures and read its internal documents, which are prepared in the parent firm's language. The assignees' knowledge of the local language, on the other hand, allows them to act as connectors of the parent firm (and 'translators' of the headquarters' strategies, actions, and objectives) to the local staff. It is also a basis for assignees' operative work in the foreign entities, where the documents and communication are prepared in the local languages. Furthermore, the knowledge of a local language facilitates building and maintaining genuine relationships, not only with the local team, but also with local business partners (Interview 1b).

Based on their own experience of flexpatriation (i.e. managing a foreign affiliate remotely from the headquarters), the interviewed management board member explains that the knowledge of a local language as a foreigner (and as such a member of an out-group) is not merely a communication tool, but rather an integration tool. Especially in markets with less commonly spoken languages, it signals an individual's effort and will to integrate and collaborate – to both their local colleagues and business partners. It contributes to the manager's likeability and acceptance among the local team and by other stakeholders in the market (see also Interview 8a). The interviewee thus states that *"the knowledge of the local language is an absolute condition /for foreign manager selection/ – there is no debate about that."* (Interview 1b). The knowledge of language(s) as a facilitator of relationship building and enhanced team as well as inter-entity

collaboration is thus another reason for Firm B to implement an ethnocentric approach to international staffing across the MNE, when possible.

Although not directly referenced, the individuals' **strong managerial identity** is another factor in assignee selection: among internal or external recruits and among junior or senior recruits. The latter is not conditioned upon the individuals' formal status, but is rather related to their identification with management and expression of a managerial stance (e.g. through active engagement in problem solving as a junior employee or an expert). The organisational focus on the assignees' managerial identity is reflected in (1) managerial rather than expatriation-based meetings between managers of foreign entities and with the headquarters; (2) the managerial board member being responsible for the entire MNE's foreign trade network – regardless of the origin of individual entities' management – and approaching all managers in the same way; (3) responsibility for the assignment success being transferred onto the individuals as independent problem solvers; (4) a focus on 'learning by doing' and assignees' resourcefulness; and (5) the lack of managerial training for assignees (regardless of the individuals' leadership (in)experience). The organisation thus not only searches for recruits with a strong managerial identity – it also assumes a strong managerial identity for all its international recruits (irrespective of their level of professional and leadership experience). As such, the firm expects a high level of independence and resourcefulness from these individuals.

Such an approach has both advantages and disadvantages. On the one hand, it precludes a need for extensive assignment preparation. On the other hand, it adds pressure on individuals (especially those managing strategically crucial locations) and results in control being relinquished over the international assignment implementation and management processes by the firm, which transfers the responsibility for assignment success (along with the related pressure and stress) onto the assignee and their colleagues, tasked with provision of support to the (assigned) manager. The board member explains that *"/t/he success of an international assignee is greatly dependent on an individual, their willingness to constantly learn, ask questions, and invest in their education, as well as on their compatibility with their subordinates in a specific market, who can help them in their work."* (Interview 1b). The interviewed management board member is, again, critical of such an approach and describes it as a "mistake" (management board member in Interview 1b). This is because this kind of (international) staffing discourse also results in (1) a lack of organisational investment in employee development, (2) a lack of organisational support for an individual during an assignment, (3) the dependence of an assignee on their colleagues for support, and (4) organisational loss of control over the assignment process and its outcomes (Interview 1b).

The firm nevertheless provides some support to the generally autonomous individuals on their international employee mobilities. This support can be aimed at preparation for the assignment or execution of assignment-related tasks during expatriation. While internal recruits are usually well-versed in commerce (crucial for assignments to the sales entities across the MNE network), they are less skilled in other areas of work they also have to assume abroad, such as accounting or relations with banks. Since managerial assignments in Firm B are mostly directed at SME entities with limited support functions, managerial international assignees need holistic knowledge of the processes in the firm to be successful on an assignment. Due to the assignees' **need for a holistic**

comprehension of the firm-specific processes, roles, and relations (crucial for the daily collaboration between foreign entities with the headquarters), the firm mainly focuses its 'assignment' support activities on assignees' (further) integration in the organisation. It does this through rotations in its domestic entities, business trips to host entities, and overall career development prior to international assignments. It also provides strategic consultations with relevant board members and operative support by support services from the headquarters during an international assignment.

However, additional **support** is needed when the firm engages junior staff in international employee mobilities. Such support may not be requested by the individuals, though, as they perceive (or are presented with) the assignment as a developmental opportunity and are motivated by gratitude for this (i.e. they do not wish to impose additional demands onto the organisation for a more balanced firm-employee relationship). The interviewed board member reports that the main motivation during an assignment for junior recruits with a strong managerial identity is proving themselves as problem solvers to the firm: i.e. they are challenge-driven and learning-oriented (i.e. self-taught managers) (Interview 1b). As indicated by the interviewee, the motivation of these individuals is most likely character- rather than youth-related, however. The management board member describes a junior assignee occupying a managerial position in the MNE as *"/.../ a typical case of a self-taught manager: they learnt relationship building and the way of work through 'learning by doing' – upon self-initiative and with the support from the headquarters (two board members were at their disposal) /.../ and local colleagues"* and as a specific type of person – *"hard-working, adaptable, and energetic"* (management board member in Interview 1b).

The firm nonetheless recognises that these individuals require additional investments in their skills development, support for establishing relationships with local staff and local business partners (also in terms of managerial identity confirmation), and building self-efficacy as a manager. These organisational investments are aimed at reducing the risks associated with recruiting junior assignees, such as their lack of leadership skills, rejection by the local team and other stakeholders as well as self-doubt. According to the firm-level interviewees, posting managerially inexperienced junior recruits to international managerial positions in the MNE sparks scepticism in the firm's choice in both the headquarters and local entity, as well as among business partners. In the case described by the interviewees, traditional gender and age roles (as perceived in the host market) enhance the local stakeholders' scepticism regarding the assignee selection (Interview 1b). This is also confirmed by the assignee interviewed for individual-level analyses (see Interview 3b in section 4.2.3.3.2). Since great commitment and exceptional people skills are needed to **challenge the local cultural norms and business practices** that define managerial positions as ones reserved for senior men, and in order to tackle the lack of trust in any staffing practices that are considered to be challenging these norms, the firm recognises the importance of soft skills training.[163] A mismatch between the local managerial norms and the firm's international staffing practices (employed due to the lack of other candidates, since otherwise the additional investments in the employee would not make much sense for that particular assignment) can hinder the assignee

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[163] The firm's emphasis on soft skills and soft skills training is also consistent with its focus on relationship building at different levels and with different stakeholders.

(and the firm) in establishing legitimacy in the foreign entity's team and among other local stakeholders. Additional efforts are thus needed – especially intensive **identity work** and support for both this and relationship building.

Soft skills training is largely absent from Firm B's assignee preparations, however. The interviewees acknowledge this as a deficiency in international staffing, as well as explain that, in their junior recruit's case, it has been a lucky coincidence rather than a result of strategic employee development, that the individual already has had certain people skills that allowed them to integrate into the team and establish good quality relations with local business partners. This provides further support for the importance of personality traits and soft skills as selection criteria for international assignees (especially for assignees sent to relationship-oriented cultures, as the junior assignee's host market is, and assignments where there is no time for extensive assignee preparation). The organisational support for **relationship building and establishing assignee legitimacy** has nevertheless been relevant: on-site visits with members of the management board have acted as an 'organisational warranty' for the individual (i.e. additional confirmation of the assignee's managerial identity and capabilities, that later needed to be confirmed through proof of competence by the assignee) (Interview 1b).[164]

In reference to content-related support for the managerially (or organisationally, if the firm opts for external recruits) less experienced recruits, the firm facilitates gradual adjustment of individuals to their new managerial role. It either (1) sends an individual to a deputy position in order to learn from the top manager before taking their place; (2) introduces a longer (learning-oriented) transition period for the new assignee with the former manager of the foreign entity; or (3) provides on-site mentoring by management board members for experiential learning (especially if there is no predecessor on-site who could ease an individual's transition to the new role). The management board member is also constantly available to assignees (as well as other managers of foreign entities) for consultations. However, the interviewees note that managerial support through co-management can be perceived as a threat to one's position, a demotion, or a sign of organisational mistrust in the individual's competence by an assignee, and can result in inter-managerial conflict. It may also cause confusion regarding each manager's responsibilities and power among local employees (Interview 1b). Clear organisational communication of the reasoning for co-management and delimitation of managerial responsibilities is thus needed – relative to the assignee and the local staff. This is because any related conflicts stem from the ambiguous role shifts described at the end of this section.

The organisation's focus on soft skills (often as a selection criterion rather than an area of organisational investment) and employee (work) adjustment in managing expatriation indicates the firm recognising **the individual's role shifts** and the related psychological effects on employees as relevant factors in international assignment success. The interviewees explicitly or implicitly refer to multiple role shifts experienced by managerial international assignees. First,

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[164] See also Interview 3b, where the assignee references this type of support as extremely valuable and particularly useful for their integration into the local team (facilitating their acceptance among local employees) and market, as well as effective assumption of their managerial tasks.

they reference a shift from a headquarters-supported specialist (expert) to a generalist (i.e. a top manager of an SME) upon expatriation. They describe this change with the following words: *"While, in the headquarters, an individual can turn to support departments /.../ and find an expert from any area and ask them for help or advice, this support is much more limited abroad. /.../ The employee has to be more resourceful abroad. Managing a foreign entity is thus a very complex and broad job."* (management board member in Interview 1b). They parallel this change with a reverse shift from being a top manager to becoming a lower-level manager with more operative tasks in the headquarters upon repatriation (a shift that may result in turnover). As explained by the interviewed board member, *"not everyone can become a board member or a division manager upon repatriation."* (management board member in Interview 1b). They describe the challenges of the individual's role shift upon repatriation with the following words: *"/I/f an employee usually manages a /small/ entity independently during an international assignment, /.../ they have to /assume/ a constantly subordinate-superior position /and/ get used to no longer being at the top of the firm's hierarchy upon their return to the headquarters/./ /T/hey have to perform certain tasks that are more operative than the tasks they have performed abroad."* (management board member in Interview 1b).

The interviewees from Interview 1b also indicate that managerial assignees can experience **direct or indirect promotions and demotions** throughout the international assignment process. Direct promotions or demotions refer to the individual in question changing posts, whereas indirect promotions and demotions refer to the individual retaining the same position yet losing or gaining status relative to a new colleague or an extant colleague changing positions or roles. Both types of change are relational, but the latter is caused by a change in the 'other'. In Firm B, cases of directors and deputy directors changing posts or managers co-managing an entity that has previously been managed by an individual manager (e.g. for transfer of business or introduction of a newcomer into work) are described among these shifts. Finally, the interviewees describe the shift to performing a dual rather than a single role upon expatriation (due to remaining available to the successors in the headquarters while already performing tasks abroad) or repatriation (due to remaining available to the successors in the foreign entities while already performing tasks in the headquarters).

All these role shifts have different psychological effects on an individual as well as relational effects on team dynamics and the firm-employee relationship. The negative psychological and sociological effects of indirect demotions that occur by introducing additional managers or switching deputy and directorial posts in individual entities, for instance, include (1) a 'clash of egos' during the interim periods of co-management as the managers may fight for power; (2) a worsened firm-employee relationship as the individual may experience an additional managerial assignee as a sign of the firm's distrust in their capabilities and enhanced control, which may result in employee's dissatisfaction with and resentment towards the firm; and (3) confusion among local staff regarding which manager bears what responsibilities, who they should be loyal to, and which managerial approach they should follow (the latter outcome especially holds for cases where managerial pairs are only an interim or transitional solution) (Interview 1b).

How individuals cope with such role shifts is largely left to them. The board member thus attributes **coping with demotion or co-management** to the personality of an individual, whereas the HR department representative claims that demotions are challenging for almost anyone. Further probing reveals the reasoning for the board member's claims. They draw their conclusion on demotion not being problematic from their own experience of role shifting in the MNE and 'demoting' themselves by dividing an area they had managed among several colleagues (i.e. relinquishing their power) in order to solve a problem of inefficient management or process optimisation. They thus experienced self-inflicted demotion as a win. When imposed by the organisation (an external force), on the other hand, demotion is usually perceived as failure, as it is most often introduced as a sanction against an individual's poor performance. Finally, the findings based on Interview 1b imply that the role shifts caused by international employee mobility are more profound for the assignees than their colleagues, as the assignee needs to adjust to the extant team and local partners first and can only later adjust the team to themselves. The firm contemplating the ratio between the assignee's and their colleagues' role shifts nonetheless indicates their relational nature.

In reference to **repatriation**, the firm representatives stress the importance of expectations being met for employee retention (emphasised in general, as well) at both the levels of the individual and the firm. Whereas individuals expect a reward for their self-sacrifice in the form of promotion, the firm expects added value (e.g. through knowledge spillovers) together with a fair self-evaluation of an individual's capabilities based on the level of assignment complexity and the individual's inputs in the assignment, as well as a fair assessment of the potential for knowledge spillovers when discussing their position in the firm upon repatriation. There are two main issues related to the individual's (self-initiated) repatriation from the organisational perspective. The first is the lack of available positions in the headquarters. The second is the lack of assignee successors (this issue disappears if repatriation is caused by entity closure). The interviewees thus stress that repatriation is easier in markets where a deputy is already present.

Mostly, Firm B does not initiate repatriation (because of its limited pool of employees willing to expatriate). When it does initiate repatriation, it is usually due to its disappointment with the individual's or foreign entity's performance. In these cases, repatriation often does not occur as the employee leaves the company. If the employee decides to remain in the firm, they lose negotiating power regarding their placement, which eases repatriation from the organisational perspective (but causes issues related to finding a new expatriate). As in Firm A, the interviewees offer no solution regarding repatriation-related issues. They only reference the need (and organisational plans) for career development targeting prospective international assignees to guarantee a sufficient pool of international managerial successors for the MNE. Such an approach is targeting expatriation more than repatriation, however – although both stages are interrelated.

Finally, Firm B particularly stresses **legislation** as a limitation to its international staffing practices. This literally limits the assignment duration, and also determines the format of an assignment – through a combined effect of host and home institutional environments as suggested in the quantitative part of the study (see section 3). In reference to the institutional effects, the firm-level interview thereby further suggests that institutions at the country-level (particularly the differences

between the host and home social systems) impact not only the firm, but also the individual and their expatriation preferences. They determine the type of contract that is more favourable for an individual (especially in terms of social rights and benefits), and thereby also indirectly influence the organisational international staffing.

Expatriation is negotiated between an individual and the firm in macro context. Legislation adds further complexity to international staffing due to divergent laws in different countries that prevent standardised practices and introduce additional costs of outsourcing legal services. It also limits the firm's options regarding the already low employee motivation for international mobility, and codifies parent firm integration into the firm pre-expatriation, which further reduces the firm's flexibility in international staffing. Although legislation determines the international assignment-related practices in Firm B, it does not determine the organisational international staffing discourse. Internationally mobile managers in Firm B are instead framed within **the managerial discourse** and treated as a homogeneous group in that respect – regardless of the type of contract they are on, the host country they are in, or their seniority level upon expatriation. An additional aspect introduced by the interviewees when discussing legislation is the mismatch in sending and receiving countries' interests (especially regarding taxation), a mismatch between the firm and the employee based on the country-level context (while the firm aims for cost optimisation, the individual targets maximisation of social rights – the two rarely coincide in individual host environments) (Interview 1b).

4.2.3.2.3 The organisation's voice: contrasting the annual reports and the firm-level interview in Firm B

As in the case of Firm A, Firm B's annual reports for the 2012–2017 period and the firm-level interview (Interview 1b) provide complementary insights into the firm's (international) staffing discourse, international assignment strategies and practices, and the reasoning behind them.

While references to employees, employee relations, and employee development are scarce in Firm B's annual reports, these are nonetheless revealing with regard to the firm's overall employee-related narratives and discourses. In the annual reports, the firm addresses all its employees as a homogeneous group – only mildly differentiating between managers and technical experts or between the parent firm and its foreign trade network employees. This signals either a standardised or an extremely individualised approach to managing staff that cannot be outlined in a condensed document. All employees are also framed as contributors to the firm's performance, guarantors of its stability, co-creators of its development, and co-owners of both its successes and failures. This further suggests either strategic employee empowerment or the organisation relinquishing control over its actions by designating full responsibility for business results to employees – both managers and experts. While the firm does not emphasise employee development in its annual reports, it puts a great emphasis on employees' (extant) knowledge, expertise, commitment, and experience. This suggests limited organisational (systematic) investments in employees, a strategic recruitment of already developed personnel, and a 'learning by doing' stance (implied by references to labour market deficiencies and the related need for adjusting and upgrading employees' skills to better fit the organisation through experiential learning). The listed employee qualities are thereby presented

as crucial not only for employee integration into the firm and value creation within the MNE, but also for the firm's branding relative to and relationship building with its business partners (see Firm B's annual reports for 2012–2017).

This implies that Firm B perceives its employees as having a relationship building power with the firm's internal and external stakeholders. Relationships are in general extremely emphasised in the firm's annual reports and even appear in the firm's slogan as part of its organisational culture (Firm B's annual reports for 2012–2017; Firm B's corporate website). This may be related to the firm coming from a service sector. Regardless of the cause, this relationship-orientation is heavily reflected in the firm's international staffing-related discourses and practices, as presented by firm-level interviewees. First, the importance of internal relations (especially between the headquarters and the foreign subsidiaries, the assignee and the local staff, the assignee and the staff in the headquarters, and the assignee and other managers across the MNE network) is reflected in the firm's ethnocentric approach to international staffing and the preferred internal recruitment of assignees based on these employees' embeddedness in the firm's internal networks (i.e. the internal recruits' pre-established relations with colleagues in the sending and receiving entities and with the MNE in general) as well as their firm specific knowledge.[165]

Other assignee selection criteria also reflect the firm's emphasis on relationships. The focus on recruits' language knowledge, for instance, is grounded in its value for relationship building with internal as well as external stakeholders (e.g. local business partners) (see also Barner-Rasmussen, Ehrnrooth, Koveshnikov, & Mäkelä, 2014; Bordia & Bordia, 2015; Mawdsley & Somaya, 2016). The recruits' personality traits are moreover focused on due to their relevance to an individual's tendency for and capability of building relationships: according to Firm B, these characteristics determine the individual's compatibility with the firm and local team, and either enable or prevent the individual from collaborating with the local team, accepting support by other managers, or acting in the best interests of the firm. They also determine the individual's expectations relative to their colleagues and the organisation, which affect the assignee's assignment experience and related actions (including potential turnover).

The relational nature of assignment management is further reflected in the organisation's recruitment strategies. These are based on personal contact and often include social pressures on employees to accept an assignment. They are moreover grounded in an expectation of mutual commitment (demonstrated through the organisational promise of job security and individuals' willingness to move their families abroad or work overtime) and reciprocity. The emphasis on firm-employee relationships is thereby additionally indicated by the negotiating nature of international assignment duration and format (the latter reflects the individuals' preferences) as well as the prevalence of long-term managerial international assignments (often with multiple prolongations which are also based on firm-employee negotiations). The relationship focus is furthermore reflected in the firm's considerations regarding external recruitment, as the organisation recognises that the latter may hinder its extant relationships with employees and inter-

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[165] This is also related to the firm's centralised organisational structure that requires intense inter-entity collaboration.

employee relations due to perceived unjust differences in employment arrangements. Criticism of external recruitment is thereby mostly based on the lack of firm-new employee relations and the related risks, such as potential misrepresentations of individuals and a mismatch with the firm.[166] In addition, the interview reveals that the intensity and quality of relations are crucial for a realistic assessment of an assignment candidate,[167] as referrals by trustworthy third parties or superficial organisational experience with external recruits can be misleading, and thus only result in reduced perceptions of risk, but do not reduce the actual risk of staffing unfamiliar individuals to key positions across the MNE.

Firm B also demonstrates its relational focus through assignee preparation: i.e. familiarisation with and socialisation into the firm are crucial parts of assignment preparation for external recruits, whereas soft skills are recognised as crucial for any manager, yet they are not systematically invested in by the firm. Instead, the firm provides quite limited support to its assignees – with the exception of junior managers. The latter receive support for relationship building, part of which is also implied support for identity work through confirmation of these recruits' managerial roles and identities. Inter-managerial relations are also recognised as a potential source of support for assignees (e.g. through consultations, co-management, or introduction to and transfer of business). However, the organisation suggests that inter-managerial support can also lead to a perceived threat to an individual's role and managerial identity if not clearly communicated. It can signal an organisation's lack of trust in an individual's capabilities, create confusion regarding responsibilities and trigger inter-managerial or firm-employee conflict, spark confusion regarding intra-team relations among local staff, and produce assignee frustration, dissatisfaction, disengagement, and turnover.[168]

This dissatisfaction is largely related to an assignee experiencing various role and identity shifts (that may clash with one another, with the roles and identities ascribed to them by colleagues or business partners, as well as the roles and identities of others) throughout the assignment process that are also stressed by the firm-level interview. The interview implies that the firm can either support or hinder these role and identity shifts – through discourses (e.g. framing assignments as managerial tasks rather than expatriation, in order to set the expectation and create self-perception of an individual as an independent problem solver) as well as actions (e.g. confirming an

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[166] The same holds for the firm's reluctance to use flexpatriation, as the latter only enables (limited) relationship perseverance rather than relationship building, and prevents the quality interactions needed for problem solving and development. However, the use of flexpatriation nonetheless suggests that the effects of relationship building during expatriation with the more permanent physical presence of an individual in the host entity can be lagged.

[167] See also Leana and Rousseau (2000) for conclusions on the importance of the different relationships within and of the firm for successful business performance, as well as Moser (2005) for research findings on the effect of recruits possessing internal information about the employer on their familiarity with an organisation and the meeting of expectations regarding the employment contract.

[168] See also Chattopadhyay, Finn, and Ashkanasy (2010) for the implications of professional status hierarchies within teams for intra- and inter-category competition for status.

individual's identity).[169] In Firm B, these role shifts are comprehended relationally (i.e. an assignee's role shift implies a role shift for their colleagues, and *vice versa*), which suggests they may be managed with consideration of relationships as well (see also Andersson, 2010; Cooper, Rockmann, Moteabbed, & Thatcher, 2019; Sluss & Ashforth, 2007; Yip et al., 2019). Since the organisational investments in assignee development and preparation are scarce, this is likely a 'soft' and cost efficient approach to capitalising on the assignees' extant skills. Junior recruits in particular are recipients of such support, which is aimed at organisational risk reduction rather than employee development, however.

Finally, the comparison of annual reports and the firm-level interview in Firm B reveals that international staffing is context-determined (i.e. it is the firm's response to internal and external labour market deficiencies as well as legislative limitations) and that codification (or lack thereof) is not necessarily reflected in (or reflects) practice. Firm B barely references employees in its annual reports, but its scarce references to the importance of relationships and employee engagement nonetheless do much to explain its international staffing decision-making and decisions as revealed by the interview. This shows that framing international staffing in the firm in a managerial discourse and with a relational emphasis heavily impacts international staffing practice (in terms of assignee selection, recruitment, and management). Researchers should thus be cautious in making inferences based solely on the codification of organisational practices.

4.2.3.3 *The individual's voice in Firm B: strong managerial identity, holistic management, and collaboration with parent and host entities*

4.2.3.3.1 *Interviewee 2b: an external recruit managing a strategic entity – trust, integration, strong managerial identity, and pressures of autonomy*

Interviewee 2b was a managerial international assignee sent to a medium-sized sales entity in an emerging market economy similar to the domestic market of the parent firm. They were **an external recruit** with both managerial and international experience in other organisations prior to being invited to Firm B for the purpose of the international assignment. By the time of the interview, the individual had also acquired approximately 10 years of experience with expatriation for Firm B. During this time, the format of their international employee mobility changed. While the mobility had started as an official international assignment, according to which the individual was deployed to the foreign entity from the headquarters and had a contract with the latter, after approximately two years it was transformed into local employment, as the individual signed a contract directly with the foreign entity. Since the firm and individual both considered the two formal arrangements of the interviewee's international mobility as international assignments, and thus as a single mobility, they were framed as a single assignment with multiple mandates in this study as well. This is because the second arrangement was a direct continuation of the first and meant little change for the individual (with an exception of the enriched social rights they could

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[169] For an overview of different coaching principles as organisational responses to specific identity challenges see e.g. Yip et al. (2019).

now benefit from in the host country), the firm (in terms of assignment management), or the firm-employee relationship.

Their long-term experience with international employee mobility and the changes in its formats made this interviewee particularly informative. They could provide insights into the (evolution of an) individual's experience of an international assignment over a longer period of time, in terms of the external recruit's integration into the MNE, the related role and identity shifts, and their implications for firm-employee relationship building. Because the individual was on their international assignment and had no planned visits to the headquarters at the time of data collection, the interview was conducted through a telephone conversation. This did not seem to deter the individual's focus on the study. The interview took place in a pleasant atmosphere. The individual was relaxed and candid in their responses. The ease of establishing rapport was thereby additionally facilitated by the individual's self-confidence stemming from their managerial experience and role (i.e. it was associated with elite interviewing). Due to the insightfulness of the interview, the conversation was prolonged from the initially scheduled hour to 105 minutes. Since the interviewee had planned a meeting immediately after the interview, the conversation had to be divided into two parts. The interviewee's willingness to continue the interview after their one-hour meeting further demonstrated their interest in and focus on the study.

During both parts of the conversation, detailed notes of the interviewee's responses and non-verbal cues (e.g. laughter) were taken. The interview was also audio recorded, which did not seem to have any effect on the responses. Separate preliminary analytical notes were prepared immediately after the interview and a verbatim transcript was typed up later on. The interviewee did not request the opportunity to correct any factual errors in their responses. A summary of the interview was nevertheless prepared for consistency in analyses and commensurability of results. For analyses, both the verbatim transcript (for critical discourse analysis) and the summary (for content analysis) were used. The key findings are presented hereinafter, whereby all illustrative quotes originate from the transcript, but are grammatically polished.

The interviewee describes the MNE as **a centralised organisation** of interdependent entities with (1) daily operative and strategic collaboration with the headquarters and among subsidiaries (whereby collaboration is stronger by sub-regions), (2) the parent firm's language (Slovene) as the working language of the Group at the top management level, (3) centralised reporting, (4) open communication with and possible use of the support departments from the headquarters across subsidiaries, (5) an overall business strategy determined by the headquarters, but allowing a certain level of autonomy for each entity, and (6) a joint information system connecting the entities to the headquarters through the IT infrastructure. They explicitly stress that the entities in the MNE differ in their strategic relevance and level of maturity, which results in the varying degrees of pressure for outstanding business results on their managers.

Interviewee 2b suggests that goal setting and organisational expectations differ for new enterprises compared to the mature firms – as well as for strategically more and less relevant entities. The interviewee, for instance, explains that they are experiencing **extreme pressure for success** due to the strategic relevance of their host entity for the MNE, its excellent past performance, and great

contribution to the overall MNE performance (implying the Group's dependence on this entity). The pressure experienced is thus at least partially self-inflicted. This is clearly indicated by the assignee referencing stress relative to past managers' results and describing the fear of failure as a major stressor – both factors inherent to a managerial identity. The relevance of the entity for the MNE and the employee's awareness of the latter thereby add to the stress of a managerial role.

While this performance-based stress is not international assignment-specific, Interviewee 2b suggests that it may be enhanced by the host entity's independence and detachment from the parent firm. The interviewee describes the entity they are managing as relatively large and mature compared to other entities in the MNE's foreign trade network. As such, this entity is relatively independent from the headquarters. Although it (like its experienced manager) does not require as much support from the parent firm compared to the smaller and less mature entities, the subsidiary's (almost) complete independence from the headquarters means that the individual bears (almost) full responsibility for its results. The interviewee states that this autonomy is both freeing and an added pressure: *"Freedom is a great thing, but it can also be complicated, if there is too much of it."* (Interview 2b). They moreover explain that the stress related to their responsibility for the entity's (and in turn MNE's) success or failure is also strengthened by the differences in markets and subsidiaries' portfolios resulting from the relative autonomy of the firm's individual entities in strategy development. The latter not only presents difficulties for the transfer of knowledge and good practices (e.g. through informal consultations or the introduction of standardised training for managers or other employees across the MNE network), but also additionally limits the inter-entity psychological support for the manager. Interviewee 2b notes that, if possible, inter-managerial collaboration could redirect some of the stress of independent decision-making onto the managerial colleagues of an assignee (even if only informally) (Interview 2b).

The organisational structure of the MNE does not only have implications for the managers' experience of managerial (international) assignments, but also affects the overall (international) staffing of the MNE. The interviewee suggests that the centralised structure of the MNE motivates the firm to employ an ethnocentric approach to the latter. This is because centralisation renders inter-entity collaboration crucial. According to Interviewee 2b, employing international assignees from the parent firm to manage the MNE's foreign affiliates facilitates collaboration by easing communication between the management at the headquarters and subsidiary, as well as inter-management across the MNE due to the use of a common working language (with similar reasoning as suggested by Interviewee 6b) at the top managerial level. These individuals' loyalty to the firm based on pre-established firm-employee relationships also motivates their engagement in collaboration, which is a further motive for ethnocentric staffing.

Interviewee 2b explains that the ethnocentric approach in Firm B also stems from the organisational perception of **the parent firm-originating assignees' greater loyalty** and enhanced sense of belonging to the firm (due in part to their socialisation into the firm's organisational culture) compared to external recruits or host-country national managers that renders these managers to be (perceived as) easier to retain and less likely to engage in opportunistic behaviours, particularly relevant in competitive and deficient labour markets. The

firm's trust in international assignees is thereby a result of mutual familiarity between the parties to the relationship as well as proof of competence and character. The third reason for the firm's ethnocentric approach to international staffing is marketing, rather than strictly HRM-related: Interviewee 2b explains that the ethnocentric international staffing approach introduced by Firm B is also part of the firm's branding strategy, as the MNE differentiates and positions itself based on its country-of-origin (the latter is part of its organisational identity and culture (see also Firm B's annual reports for 2012–2017 and Firm B's corporate website)). Employing Slovenian staff to top positions in foreign entities is an important part of said branding and the firm's differentiation from competitors – something that would be lost with the localisation of management (Interview 2b).

The interviewee therefore identifies an additional role performed by an international assignee thus far absent from the expatriation literature: i.e. country-of-origin branding and firm differentiation. However, among all the listed reasons for an ethnocentric international staffing approach, the individual explicitly points to trust as the main reason for the firm's prevalently ethnocentric international staffing approach. They indicate that this is an irrational reason, since the extant local and third-country recruits for managerial positions in Firm B's subsidiaries are described as equally capable as the internationally assigned managers from the headquarters. **The international staffing approach** to filling top managerial positions across the MNE network in Firm B is thus **perception- rather than performance-based**. The interviewee thereby explains that staffing of managerial positions is crucial for the firm's stability – regardless of the management's origin; and that especially the larger and strategically more important entities are advised to engage managerial teams rather than individuals for the division of tasks, more efficient coordination and control over staff, and avoiding work overload for the manager, as well as risk reduction related to managerial turnover, repatriation, relocation or retirement, as having an additional manager in place eases the replacement of a manager who decides to leave the firm as well as the transfer of business (Interview 2b).

While Firm B usually first resorts to internal recruitment for filling key positions across the MNE network (see Interview 1b), Interviewee 2b is **an external parent-country national recruit** for a managing director position in one of the key strategic facilities of the MNE. Staffing a key managerial position with an external recruit implies the firm's lack of expatriation-willing and ready internal recruits, as well as its poor planning of international staffing. The interviewee has had relevant experience for the assignment, however – as well as prior contacts with the firm, having acquired 10 years of work experience as a commercial director (i.e. a middle management position) with Firm B's business partner before joining Firm B. They have also had some experience with short-term international mobilities. As a student, they took part in a study exchange in an emerging market. They also went on several business trips (mainly to developed markets) for their former employer. Finally, they engaged in a four-month apprenticeship in the financial sector in a developed market, which is especially helpful for the assignment from the perspective of bank relations, which are particularly emphasised in Firm B's industry. Their recruitment can thus be described as both skill- and relationship-based.

The individual's international experience has mostly not been directly applicable and transferable to the host market of the international assignment (i.e. it mostly pertained to developed markets and international rather than local social networks) or the assignment process, and is also considered less relevant by the individual in terms of adjustment. They attribute the latter to the similarity of the host market with Slovenia, rather than their previous international experience. Nonetheless, this experience signalled the individual's adaptability, flexibility, and capacity to work well in intercultural teams to the firm during the recruitment process. Interviewee 2b thus describes such experience as part of the selection criteria for the international assignment, as introduced by the organisation. Besides their middle management and international experience, Firm B also considered the prior links they had with the individual through their business partner as a basis of trust when recruiting Interviewee 2b. An additional factor in assignee selection was their willingness to learn the local language as a basis for building relations with local stakeholders (Interview 2b).The interviewee describes knowledge of the local language as crucial for their communication, integration, and socialisation in the host environment. It has allowed the manager to build closer relationships with both colleagues and business partners, as well as facilitated building a support system of friends in the local community. The individual thereby recognises the 'likeability effect' of local language knowledge, suggesting that business partners are often impressed by their effort and show admiration for it (see also Interviews 1b and 8a). According to Interviewee 2b, lack of local language knowledge, on the other hand, would have distanced them from the locals.

One might infer that the MNE filling the managerial position in its largest and most profitable entity with an external recruit indicates the reduced importance of the individual's integration into and familiarity with the MNE's headquarters in the relatively autonomous foreign entities, and suggests the greater relevance of professional and managerial skills. However, the evidence from Interview 2b indicates that such staffing is more likely a reflection of a lack of internal candidates for the post and the firm's preference for Slovenian rather than (the potentially less costly, but also perceived as less trustworthy) foreign managers (see also Interview 1b). The centralised structure of the MNE and its language strategy require even the external recruits to integrate into and be familiarised with the processes and social networks in the headquarters before those in the foreign entity. In accordance with this, Interviewee 2b reports that the preparation for their international assignment focused on acquiring firm-specific knowledge and establishing firm embeddedness. It involved the initial **rotation in the parent firm**, where the interviewee learnt about various individuals' roles in the headquarters, the MNE's portfolio, and business partners. However, the interviewee is critical of the intensity of this rotation due to the short timeline before the assignment, which led to information overload.

Preparation also included **the introduction of the newcomer into the local team** and the local market through the individual's predecessors in the local entity and the representatives of the headquarters, who acted as support in establishing the interviewee's links with the local business partners. The individual describes the transfer of business in the subsidiary as extremely important for their work adjustment, and commends it as exemplary and well thought-out – noting it as a factor prompting them to plan a similar transfer of business with their future successor (Interview 2b). This implies that an assignee's positive experience with organisational support for their

transition to a new role has potential for long-term spillover effects. These are not limited to the implementation of the individual's assignment, but also include the individual's active support for their successors as a return on the firm's investment in them triggered by gratitude. Such preparation, although aimed at inter-entity and inter-employee relationship establishment, thus also strengthens the firm-employee relationship.

Despite the importance of support for the (external) recruit's integration in both the parent and host firm environments, the individual states that the most relevant organisational support for an international assignee is nonetheless ensuring their family's welfare, so that they can focus on work and achieve the desired business results – otherwise they would be distracted due to family-related concerns. As Interviewee 2b says: *"The family has to function; otherwise you as a manager definitely cannot focus on business and managing a firm as much as you could, had things worked well at home."* Family welfare is described as especially relevant due to the individual's having been uprooted from their home environment and domestic social networks (i.e. it is related to role and identity transitions), with the strong family and friendship relations from a person's childhood mentioned as a crucial lack faced by expatriates, who also have no local support systems at the beginning of an assignment (Interview 2b). Interviewee 2b also explains that **gradual integration** into a new environment is helpful in this respect. They, for instance, commend the firm for first allowing for some assimilation time for the family and the individual to adjust to the new living environment, then for some assimilation time for the assignee to integrate into the foreign entity, and only then expecting standard operations (initially as a deputy director and later as a managing director, which also demonstrates a gradual shift in work roles).

Overall, the individual's expectations regarding the organisational support are limited – despite acknowledging the international assignment as a personal sacrifice and a huge investment by an individual, who *"goes abroad to perform a relatively difficult task – managing a firm abroad, in a foreign environment /.../"* (Interview 2b). The interviewee, for instance, expects no logistical support (e.g. in looking for an apartment for the family or a school for their children), stating that this is in their domain as they are the person physically present in the market, whereas the parent firm cannot manage these processes effectively from afar. As they state: *"Because we are the ones living here, we have to figure things out on our own."* (Interviewee 2b). I suggest that this position reflects both the individual's **managerial identity** and their desire to keep their personal and professional lives separate (e.g. as a coping mechanism preventing them from being completely consumed with and by work). It should also be noted that the interviewee's (mature) host entity could have probably provided such support effectively, due to its better familiarity with the local environment compared to that of the individual.

The interviewee's strong managerial identity is expressed throughout the interview. First, the individual indicates that they are an opportunity taker, motivated by a challenge. They thus chose international mobility based on the opportunity rather than based on a long-term career plan, a strong personal desire for expatriation, or a cost-benefit analysis of a specific mobility. They summarise their life philosophy with the following words: *"Life is like a conveyor belt: it neatly carries opportunities that one either takes or lets them pass by. When a packet that seems good appears, you simply take it and walk away with it. This is how we went /abroad/."* (Interviewee

2b). They moreover suggest that this decision is not rational, but rather spontaneous and situational, adding that: *"One eats a sandwich, because they are hungry; drinks a beer, because they are thirsty. But why does one go abroad? I don't know. (laughter) Not every 'why' in life can be answered. /.../ Not everything can be rationally explained: there is also the irrational in life. /.../If one would have thought about all the downsides /of an assignment/, they would never have gone /.../."* (Interviewee 2b). This statement further demonstrates the assignee's managerial tendency towards risk and adventure rather than risk-aversion and (excessive) caution. The interviewee also shows a preference for improvisation and love for unpredictability (implying resourcefulness and a problem-solving orientation) rather than standardisation and certainty, which are some of their additional managerial characteristics.

Second, the interviewee describes the decision to expatriate as a personal decision and a personal choice, the outcomes of which they take full responsibility for (see also Interview 8a). They state that *"/e/ach person is the creator of their own happiness – wherever they go"*, adding that they are the only person responsible for *"execut/ing/ whatever the firm has sent /them/ to do and what they have been paying them for."* (Interviewee 2b). Such a sense of responsibility for one's actions and decisions as well as a belief in being able to impact one's future are also characteristic of managers. Third, the assignee's work-focus is a further indicator of the interviewee's strong managerial identity. The interviewee stresses that the main responsibility of each manager is to enrich the firm's capital (i.e. they 'managerially' assume responsibility for others as well). They thereby suggest that the work overload and immense time pressure for realising multiple tasks related to their assignment and achieving the desired results have distracted them from fully acknowledging the stress of the assignment. As they put it: *"In the short time of adjustment, certain things evolve so quickly and intensely, that only now – looking back, I can say: 'Whoa, all this was possible?'"* (Interviewee 2b). This statement demonstrates not only the work-focus of the individual and tremendous flexibility and adaptability to organisational needs,[170] but also their immense resilience to (personal) crises (e.g. by developing myopia regarding their own needs and personal issues and focusing on the tasks at hand as a coping mechanism) and a clear problem-solving orientation – all part of a managerial identity.

Fourth, as a person with a strong managerial identity, the interviewee denies experiencing any assignment-related stress. They propose that their awareness of expatriation being challenging (but not knowing all the details of these challenges in advance) has precluded stress. They mostly attribute the latter to unpreparedness (and thus to personal failure). They illustrate their stance with the following statement: *"Is Cristiano Ronaldo under stress, when 90,000 people scream at him, that he has to score? No, he is not under stress, because he is there to do this. He believes in himself, he is capable, he is the best – he is not under stress. The person not in control of the situation is under stress. /.../ I knew I was going to a foreign environment. /.../ So /I/ knew what was waiting for /me/. The only thing /I/ did not know and which did present stress, /because/ it was*

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[170] The individual's adaptability to organisational needs is also reflected in the assignee conditioning the duration of their assignment on their added value for the firm and showing willingness to prolong expatriation based on organisational needs rather than own career goals (Interview 2b).

really unexpected, was /the 2009 economic crisis/." (Interview 2b). This statement further demonstrates the individual's confidence in their capabilities (i.e. self-efficacy) – also based on the clarity of their role.

The interviewee describes external factors not specific to expatriation, such as the economic crisis, as the most stressful part of their assignment. They provide two reasons for this, which both reflect the individual's managerial identity. First, the individual experiences high levels of stress when they have zero control over the situation. Second, the individual experiences considerable stress when they need to fire employees based on context and not their poor performance. As a manager, they feel responsible for their subordinates as well as employee relations, which are usually particularly poor under crisis circumstances. The individual parallels the crisis situation with free falling, stating that, at the time, they *"could only wait for the parachute to open as the ground was getting closer and closer"* (Interviewee 2b). This statement implies the individual experienced anxiety due to loss of control. Finally, the interviewee engages in inter-managerial rather than cross-level international collaboration within the MNE network, which further supports their self-identification as a manager adding value to the firm (Interview 2b).

The only implications of the interviewee's **expatriate identity** were their comparisons with other assignees and the support they received for their assignments in other firms and references to being uprooted from one's home environment as adding to the complexity of the already challenging top managerial tasks (regardless of the location of the entity) – especially due to an individual's lack of strong support networks from their childhood in a foreign environment. They thus describe substituting the absent domestic social networks with both visits to their home country (on business and informally) and networking with individuals in the local market, whereby they include Slovenians and others from Balkan nations in their networking so as not to lose their Slavic identity. According to the interviewee, the search for substitute networks is stronger among expatriates not joined by their family for an international assignment (Interview 2b). They also describe themselves as a foreigner, but do not consider this to be problematic for their integration into the host market and entity due to the strongly multicultural environment in the host county, which makes the individual "nothing special" – i.e. there are many out-group representatives from different groups that do not endanger one another or the dominant in-group (Interview 2b) (see also Chattopadhyay et al., 2010; O'Leary & Mortensen, 2010).

The emphasis on a managerial identity has implications for **the firm-employee relationship** as well. Besides the interdependence as well as operative and strategic connectedness of the two levels, it suggests a 'negotiation-based' dynamic between them. The latter is best reflected in the change of assignment format. Initially framed as a formal international assignment, the interviewee's mobility has since been transformed into a local contract upon Interviewee 2b's initiative (and in spite of this arrangement being more costly for the organisation). Through experience in the local market, the assignee has realised that a local contract is more favourable to them – especially in terms of the social rights and health insurance in the host market. Additional reasons for the change have included (1) the legislative limitations to assignment duration; and (2) the assignee's residence in the host market rather than the periodic commuting between sending

and receiving markets assumed by an assignment contract, which has led to the assignee's dis-identification with international assignee status, and resulted in a mental role shift (Interview 2b).

Overall, Interviewee 2b does not reference **role shifting** much, though – neither their own nor their colleagues'. In relation to their own role shifts, the interviewee mentions their gradual moves from middle to top management roles, and from a domestic to an international management role. They describe their introduction to the firm in both the sending and receiving markets, arrangements for family well-being, similarities between sending and receiving markets, the multicultural host country environment, and their local language knowledge as key factors in their role transition and integration into the new environment. They reference their de-rootedness from domestic social networks as a hindrance and a factor motivating their search for substitute networks with culturally similar expatriates in the local market not to lose contact with their culture. The interviewee also implies that the consistency of the ethnocentric staffing approach in the MNE renders role shifts by local staff redundant. This is because local staff are accustomed to foreign management from Slovenia and thus only minor adjustments to each manager's personal leadership style are needed. These transitions are additionally eased by the managerial shifts being predictable and part of the natural career development flow (e.g. they occur due to retirement or repatriation of the former manager). Finally, the references to repatriation by Interviewee 2b are scarce, as the employee is not considering repatriation yet.

4.2.3.3.2 Interviewee 3b: a junior recruit assigned to solve a crisis situation – abrupt role shifts, trust issues, empowerment, relationship building, and breaking the managerial cultural norms

Interviewee 3b was an internal recruit initially employed as an expert middle manager in Firm B's domestic subsidiary for eight years before being sent on a managerial international assignment to a small sales facility located in a risky (and as such less attractive) emerging market. At the time of their recruitment for the international assignment, the individual was a junior employee with limited managerial and international experience. Their international assignment was an *ad hoc* (and thus unplanned) **commuter assignment** aimed at crisis resolution. After multiple prolongations, the individual's expatriation amounted to a long-term international assignment that lasted four and a half years. The interviewee was a recent repatriate to the domestic entity and thus had experience of the entire international assignment process. They had returned to their home unit two months before the interview and continued to manage the foreign entity remotely as a flexpatriate for a transition period, while the firm was searching for their successor. They were thus not assigned a permanent repatriation position yet. They could nevertheless provide insights into the (gradual) separation from the local team and their reintegration into the domestic entity and market, potential insecurities regarding their position upon return, negotiations about their future role in the MNE, and any firm-employee relationship changes throughout the different stages of their international employee mobility.

Having experience with managing the foreign entity both as a long-term international assignee (despite the weekly commutes between the sending and receiving countries, the individual maintained permanent presence in the foreign entity) and remotely as **a flexpatriate upon**

repatriation made the interviewee particularly informative regarding the similarities and differences between the two international assignment formats at the top management level with respect to relationship management involving local stakeholders and the headquarters, as well as the firm-employee relations and MNE collaboration. Being an *ad hoc* junior recruit sent to solve a crisis in a foreign entity furthermore contributed to the interviewee's insightfulness into (also more abrupt) role shifts throughout their career and international assignment, the (individual-level) psychological and (firm-level) managerial implications of the latter, as well as the firm's possibly adjusted approach to preparing and supporting a less managerially experienced individual in assuming the complex managerial tasks abroad – taking into consideration a simultaneous shift in the international staffing approach in the respective entity (from localisation to parent-country national management) and its consequences for team dynamics and business partner relations.

The host market context of the host entity was particularly relevant for this case because of the differences in understanding **the gender- and age group-related norms regarding managerial roles** in the local society compared to the interviewee's domestic environment, and the related assumptions and behaviours in reference to the assignee by both the local team members and business partners (which the managers managing the assignment from the headquarters had to consider in formulating and executing the support activities as well). It also additionally framed the assignment as highly relational due to the relationship-based host culture complementing the organisational relationship-oriented culture.

Since the interviewee was a repatriate, the interview could be conducted in person, and took place in the interviewee's office. This contributed to a relaxed atmosphere, although not much rapport needed to be built due to the interviewee's confident and open personality. The interviewee was interested in the research and responded to the questions honestly (which was evident from both the criticism of the deficiencies as well as references to good practices related to their international assignment at the individual and firm levels, and regarding the firm's international staffing approach). The conversation lasted two hours and was audio recorded. The interviewee was aware of their responses being recorded (pointing out the parts of their responses that were meant as jokes and stating this explicitly into the recording machine to signal the researcher not to include them in the transcript and analyses), but did not censor the replies – nor did they request the transcript be sent to them for approval. During the conversation, detailed notes of both the interviewee's responses and non-verbal cues were taken. Separate preliminary analytical notes were made immediately after the interview. A verbatim transcript and a summary of the interview for analytical consistency were then prepared. They were both used for analyses: the summary for content analysis and the verbatim transcript for critical discourse analysis. Illustrative quotes presented below originate from the verbatim transcript but are grammatically corrected for greater uniformity of the presentation of results. The key findings and their implications are discussed hereinafter.

Interviewee 3b attributes the international staffing approach of Firm B to its centralised MNE organisational structure. The interviewee describes the MNE as a network of relatively autonomous entities that are encouraged to independently search for and capitalise on opportunities in the local market, while at the same time contributing to the overall MNE's

objectives. This means that the managers of individual entities not only have to be familiar with the headquarters' policies, strategies, and practices, but also have to be resourceful and responsive in adjusting to the local market specificities. For the former, being an internal recruit from the parent firm or at least one of the entities in the domestic market closely linked to the headquarters is beneficial. For responsiveness and resourcefulness, **a managerial identity** (including being motivated by challenge, opportunity, and problem solving) and the possession of specific soft skills (e.g. intercultural collaboration and relationship building) are useful. These two aspects served as selection criteria in the case of Interviewee 3b's *ad hoc* international assignment to a small sales entity in an emerging market for the purpose of crisis resolution.

Despite the individual's junior status and limited managerial and international experience, Interviewee 3b has had the advantages of familiarity with the parent and host firms (they have had the most contact with the host market and entity among all Firm B's employees in the parent country), motivation for problem solving, and a (domestically) proven problem-solving managerial orientation. They have also demonstrated willingness to expatriate – an important factor in assignee selection, since the firm was encountering a deficit of (immediately) available internal managerial international assignees. Additional selection criteria included the individual's personality (especially their openness to collaboration and work ethics (see also Interview 1b)) along with soft skills and junior status (as a signal of both the person's willingness and capability to collaborate operatively with local staff). The willingness and capability to collaborate operatively with local staff is described as especially important for a manager's integration into the local team in relationship-based host cultures with low tolerance for strict hierarchies.

The firm has also recognised the individual's potential for **breaking the friendship-based local networks** with business partners, and for **transforming the local culture-related poor business practices** causing a crisis in the entity, made easier by the individual's out-group status. The listed selection criteria imply both situational (crisis-adjusted) and contextualised (emerging host market-adjusted) international staffing by Firm B. It also suggests flexibility in international staffing approaches based on a need. In the case of Interviewee 2b, the assignment represents a shift from localisation to ethnocentrism grounded in the desire of the headquarters to establish greater control over the foreign entity in crisis and introduce headquarters-based business practices to the foreign entity (see also Interview 1b). The focal crisis was (unintentionally) caused by the local manager pursuing poor local business practices. The shift in the international staffing approach has thereby also been aimed at breaking such practices through an 'outsider' (i.e. out-group member) as the person most likely to be successful in change introduction. The managerial shift based on country of origin has had specific effects with regard to establishing favourable team dynamics and relations with local business partners (as discussed below) (Interview 3b).

The interviewee's experience prior to their expatriation has been relevant for their self-efficacy in this respect. This has included (1) working in commerce (as a purchasing manager) for another firm, which has equipped the individual with procedural expert knowledge as well as introduced them to Firm B; (2) performing the role of the head of a programme for Firm B in its domestic subsidiary, which has familiarised the individual with the firm's portfolio and suppliers as well as the people and processes in the headquarters; (3) becoming a managing director based in the

domestic market but responsible for three foreign markets (including the later host market for the assignment), which has given the individual international business knowledge, as well as knowledge of processes and tasks performed by the controlling department (and detailed financial information for each entity in their domain – including the entity of their later assignment), the respective markets, and remote management of processes, but not yet an entire entity.

International[171] or managerial experience have not been the central selection criteria for Interviewee 3b's assignment. Their motivation, a pre-established firm-employee relationship, professional expertise directly linked to the host market, and a relationship-orientation, have instead acted as crucial factors in the firm's decision to assign Interviewee 3b to a host entity in a crisis situation, rendering any planning for the assignment next to impossible. To reduce the risks of assigning a junior recruit, the firm has initially scheduled the assignment for **a trial period** of six months. Both the firm and individual have been uncertain in their decision. The interviewee explains that a trial period has allowed the firm to test their capabilities in a specific context, and the individual to establish whether they wish to pursue an expatriate lifestyle. Unwilling to permanently move abroad, the interviewee has also negotiated a commuter assignment format with periodic extensions of their contractual agreement giving them more flexibility and (combined with successful fulfilment of organisational objectives and the lack of alternative options in the firm) negotiation power over the employer in the assignment process.[172]

The employee's international mobility has been prolonged several times (upon need) and has amounted to a long-term managerial international assignment that has lasted four and a half years. Multiple prolongations (and the related firm-employee negotiations) additionally reflect a dynamic firm-employee relationship throughout the assignment process. The firm's flexibility regarding the assignment format, duration, and assignee recruitment criteria (i.e. selecting a riskier option of a junior assignee for a managerial assignment aimed at crisis resolution) thereby also indicates the importance of time pressure in the absence of succession planning and in the context of labour

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[171] While the interviewee has had no longer-term international employee mobility experience prior to the studied assignment, they have had experience with business trips. The latter have satisfied their desire for travelling and thus distracted them from considering longer-term expatriation. They have nevertheless equipped the assignee with relationship building skills, capabilities for adjustment to and engagement in intercultural collaboration, as well as contributed to them being accustomed to travelling – all aspects relevant for the international assignment (Interview 3b).

[172] Commuting is thereby also used as a tool that allows the individual to physically and mentally separate their work (i.e. international assignment) from their private life (i.e. home visits during the weekends). The interviewee states that moving abroad with their family would divert them from work: *"/In the host country/ the professional and private are very intertwined. It is normal that a business partner calls you at 9 pm, because they are in your vicinity and could meet with you for drinks and bring you a contract to sign. I cannot imagine moving there with family – /it would be too distracting/."* (Interviewee 3b). Prioritising work over private life is additional proof of the assignee's managerial identity.

market deficiencies for the firm's loss of negotiating power in international staffing (see also interviews from Firm A).

Irrespective of the individual's relatively high negotiating power in the firm-employee relationship (stemming from both internal and external factors) and self-efficacy, the interviewee does not have excessive demands for their mobility. They rather wish to prove themselves before receiving rewards (a further sign of their strong managerial identity reflected in the desire to solve problems, tackle challenges, and address crises independently).[173] Moreover, limited demands also reflect the individual's awareness about needing content-related organisational support for their assignment. In this respect, they reference the shift from an expert (specialist) role in the headquarters to a generalist role of an operative manager as particularly challenging. This shift in particular requires support from the headquarters as the largest and most developed entity in the Group with experts and expertise available for each area of work, which the assignee and the host entity often do not possess. The concern regarding the lack of holistic knowledge of firm-specific processes is not limited to the individuals with junior status, but rather to all assignees from the headquarters, whose development in the domestic entity is focused on narrow (specialist) knowledge rather than a holistic comprehension of the firm-specific processes needed to effectively manage a foreign SME. This raises doubt in the effectiveness and efficiency of assignees from large entities managing SMEs in the MNE network.

The interviewee references the MNE entities' size as the sole factor causing the differences in their modes of operation. Future research could thus investigate whether procedural transfers between similar-sized and similarly developed entities are more effective and efficient. It could also explore the effect of differences between entities within the MNE on the optimal management option (as well as manager preparation) for each type of entity – considering the management of both the local processes and inter-entity collaboration. Interviewee 3b explains that assignees from the headquarters are usually specialists for one area (e.g. commerce) and that career development in the headquarters with many specialists at hand cannot prepare them for the broad spectrum of tasks in the foreign entity, where they need to manage all areas of work (regardless of their primary expertise) and act as **an operative manager**. The interviewee describes the availability of specialist advice and support by areas at request as especially valuable. This is because junior and senior employees, external and internal recruits, experts and managers may need different types and levels of support from the headquarters based on their extant knowledge, skills, and expertise. Initiating organisational support on their own thus not only gives them control over the content of support, but a sense of empowerment rather than a sense of being under constant or sporadic control, which is also more consistent with their (firm-assigned and assumed) managerial identity and role during an international assignment (see also e.g. Interview 8a).

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[173] Although the person portrays strong characteristics of a team player, collaborating with the team in resolving the crisis and considering their success as joint success and result of joint efforts, they wish to be (and take pride in being) the one coming up with the best solutions for the firm (Interview 3b).

In discussing organisational support for their international assignment, Interviewee 3b also highlights the importance of pre-assignment visits to their later host entity with board members from the headquarters to perform the tasks of the controlling department. They suggest that these visits provide them with additional insights complementing the longitudinal overview of the entity's business performance through a collection of systematic and standardised monthly reports. They are thus helpful in terms of the individual's in-depth familiarisation with the entity's financial and business performance indicators. Through such visits, the individual establishes a more detailed insight into the foreign entity, its processes, and activities compared to controlling it remotely from the domestic subsidiary as part of a group of co-managed markets. The interviewee, moreover, suggests that these visits are helpful in initiating relationships with the local stakeholders doubtful of their managerial capabilities and skills.

When referencing **the organisational support** during expatriation, Interviewee 3b lists (1) coaching and strategic advice from the designated management board members upon need, (2) daily operative support by specialised departments in the headquarters, and (3) the continuous local transfer of business from their predecessor as the actions most helpful to their work adjustment. The support from the predecessor (stemming from their gratitude to the manager for saving their job) is described as particularly valuable. It establishes stability in a turbulent crisis situation and increases the flexibility of the individual's transfer of business, which (in the presence of a fully informed colleague) can take place over a longer period of time as the assignee focuses on current issues in the firm.[174] Interviewee 3b describes the situation with the following words: *"I had someone who was there – who had all /the information/ even if they did not share it all at once in the beginning of the assignment. They were there with me daily and could make the transfer continuously and in real time."* The local predecessor has become the interviewee's most trustworthy partner in the foreign entity – despite their poor judgement as a managing director of the entity that resulted in the crisis the interviewee was sent out to deal with.

According to the interviewee, the local manager's poor performance as a manager has not been out of malice or incompetence, but rather a reflection of local business practices and the individual's lack of a managerial identity (e.g. finding financial decision-making stressful and caving under pressure from business partners). The local individual is thus a competent professional, but not a capable manager. The assignee could only come to this conclusion based on pre-assignment visits and following the individual's performance as an expert before becoming a subsidiary manager (their excellent results have thereby been a criterion for the individual to be promoted to a managerial position). This lends further support to the importance of quality firm-employee relationships for evaluation of assignee's (or any other manager's) competence, as well as suggests that expertise alone does not suffice for successful management.

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[174] The interviewee does not discuss the transfer of business in their domestic unit, which implies that the latter has been less challenging – either due to the individual not assuming any complex responsibilities in the domestic subsidiary or because of the firm's sufficient internal pool of employees for filling the domestic positions upon need (see also Interview 1b). Based on the individual's position prior to the assignment, the latter explanation is more likely.

The case of keeping the predecessor in the firm furthermore shows the importance of the individual's initiative, as it was the interviewee who recognised the value of their predecessor and convinced the management board not to dismiss the local manager but rather reinstate them to their former expert position in the local entity. In turn, the local manager reciprocated the new manager's support for their own transition to a role they are more comfortable with (and have already identified with) through support for their **role transition** to the managerial post by providing transparent information regarding their past decisions and actions in the firm, which has eased the assignee's problem solving. They have also been additionally motivated to produce excellent results in their expert area of work out of gratitude to the new manager and satisfaction with re-establishing a match between their role and professional identity (Interview 3b).

The case moreover demonstrates the importance of reciprocity, absence of power struggle, role clarity, and designated role match with the individual's identity for reducing inter-managerial conflict and capitalising on individuals' strengths. It also shows that evaluation of employees should take their motives for a specific action into account, and that the firm should not dismiss individuals based on failure without understanding the reasons for this, as it may lose quality employees. The assignee's motivation for instigating and intensifying collaboration with their predecessor is thereby two-fold: (1) guaranteeing content-based support for their work adjustment, and (2) ensuring psychological support in an unaccepting local environment. Work overload in a crisis situation has prevented effective transfer of business immediately upon the individual's arrival to the firm, whereas the (mostly senior) colleagues' (in both the parent and host firms) and business partners' doubt in the individual's competence based on their managerial and international inexperience, as well as gender and age-related stereotypes in the host culture, triggered a (subconscious) need to have someone to discuss possible solutions with in real time as a form of reassurance for the assignee.

Corporate-initiated support (i.e. coaching by board members and continuous support by individual departments in the headquarters) is focused on the strategic and operative tasks of a manager (i.e. it is business content-related support) and organisationally motivated by risk reduction related to the individual's inexperience. It is also grounded in (1) the MNE's centralised structure, which requires daily collaboration by departments and the manager's familiarity with the developments in the headquarters, (2) the different levels of maturity among the MNE's entities, which result in some entities not having developed support business functions, and (3) the host culture specificities regarding gender and age group roles (i.e. contextual factors) (Interview 3b). The firm also covers the individual's travelling and living expenses abroad, as well as rewards their success with a raise and bonus. However, the interviewee explicitly states that they value trust more than any financial compensation or operative and strategic support provided by the firm (Interview 3b).

By stressing trust as the most important feature of the organisational support, the interviewee shows they take full responsibility for their actions as an internationally assigned manager (regardless of their inexperience and any ambiguities regarding their longer-term expatriation). This is another indication of their strong managerial identity. Trust by the management board in the headquarters signals empowerment for and autonomy in the individual's decision-making abroad – which are especially important in crisis situations when decisions need to be made

instantly (without consideration of internal decision-making procedures or the chain of command) (Interview 3b). As the interviewee elaborates: *"You get to certain situations, when you have to make a decision in a given moment. There is no time to write to the board and wait for their confirmation. Not every decision can be planned in advance / – despite the procedures put in place/."* (Interviewee 3b). While the desire for trust may be context- (i.e. crisis environment as well as national and organisational culture) and character (i.e. managerial identity) dependent, it is probably also conditioned on the individual's junior status and the related lack of trust they experience in the domestic and host entities. It thus also acts as a tool for **managerial identity confirmation**.

Although the interviewee has already built a certain level of familiarity and trust within the MNE as an internal recruit before engaging in the international assignment, this trust is under test with their promotion to a top managerial position early in their career – especially in a crisis and in an organisational and host country culture that favours managers' experience and seniority over enthusiasm and youth as criteria for filling top positions in firms. According to the interviewee, (re)establishing trust is thus not targeted solely at the headquarters but also at local stakeholders (i.e. local staff and local business partners). The interviewee tackles the first challenge (1) through transparent communication of their actions abroad to the headquarters;[175] (2) by only expecting rewards for their sacrifices and investments in the firm after proving themselves and demonstrating relevant business results; and (3) through achieving excellent business results as the final proof of competence. For example, during the trial period, Interviewee 3b has maintained their basis salary from the headquarters (most likely also not to set their own and organisational expectations regarding the international assignment and its outcomes too high, due to the individual's inexperience and the many unknowns related to the crisis situation).

The desire to prove their value to the firm and their competence to themselves before having any demands regarding organisational financial or non-financial support is summarised in the following statement: *"When I went abroad, I did not negotiate a higher wage, because I wanted to achieve certain results first, as well as see whether the expatriate working style even suited me. This was because the firm gave me an opportunity to take on a managerial position abroad, although I did not have much relevant experience for the job. The only thing I wanted was the firm's trust /and support/. Everything else (e.g. my income) came second – something to be discussed once we would all see how the assignment unfolded."* (Interviewee 3b). This is additionally motivated by the assignee's gratitude for an opportunity to develop as a professional and further their career through their mobility. As they state: *"I would probably never get such an opportunity at my age otherwise or elsewhere /.../"* (Interviewee 3b). Rather than simply expecting

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[175] This may have been a mechanism with which the assignee has enhanced their own confidence in their decisions as well, as it has given them a sense of supervision by the superior and the more experienced managers from the headquarters responsible for the performance of the entire group. It has probably also been a countermeasure to the mistrust built up by the assignee's predecessor and their poor business practices, as well as the subordinates' attempts to discredit the individual in the headquarters. Detailed reporting of all decisions is not required by the firm (see Interview 3b).

trust (and a one-sided organisational investment in their development), the interviewee invests an effort into (re)building and strengthening trust through proof of competence (and their skills through practical work). Although they have achieved good results in the past, they are aware that their sudden role shift from domestic middle management to an international top management position requires such investments – also relative to the colleagues in the domestic entity (even more so, since they are also breaking organisational norms regarding managerial posts).

The individual's assignment has also been in breach of the host entity's cultural norms regarding management at the organisational and national levels. In turn, the individual has had to put even more of an effort into building trust in their competence and legitimacy of their assignment among stakeholders in the foreign market (Interview 3b). The individual's extant skills, personality, and a 'learning by doing' stance, as well as the management board members' support for their managerial identity claiming relative to business partners, have proven to be crucial in (re)building trust in the host market. Open communication with local staff, active engagement in operative tasks, and leading by example (e.g. by being the first to arrive and last to leave the office) have not only enhanced the trust among local employees needed for establishing favourable team dynamics, but also resulted in the individual's integration into the team and identification with it (which has continued upon repatriation as well). The visits of local business partners (initially with board members for enhanced legitimacy) and adjustment to the relationship-based culture of doing business with extant and new business partners in the foreign market, combined with an introduction of strict headquarters-inspired rules of doing business aimed at risk management and good business results, on the other hand, have strengthened the trust among local business partners (Interview 3b).

The interviewee describes both their breaking of the local business practice norms (e.g. by introducing new rules to doing business) and adjusting to the local business culture (i.e. by engaging in relationship building) as important for establishing trust in them occupying a managerial role. Both have been used as tools for **identity claiming**: the former by demonstrating confidence, determination, authority, and power, and the latter by portraying respect for the overall local culture, goodwill, and relational orientation. At least some level of adjustment (e.g. assuming culturally grounded business behaviours typical for the host country, such as having long coffee breaks with business partners) is needed for the locals to accept a newcomer in their claimed role and identity. The interviewee describes an example of this: *"I always compare how a regular meeting in Slovenia and a meeting in /my host country/ usually evolve. In Slovenia, two of my colleagues came to a meeting, sat down and were offered coffee. They accepted the offer out of politeness, but by the time the coffee was served, an agreement had already been reached and the person they were visiting stood up and said 'Goodbye.'. They did not even have the time to drink their coffees. (Laughter) /In the host country/, the situation is reverse: if you do not have the time to stay longer, they foster resentment – you are not sufficiently dedicated to the deal you are closing. They emphasise the personal relationship."* (Interviewee 3b).

The interviewee attributes many of the assignment-related issues and risks to their **junior status** – including role transition challenges and potential clashes with local stakeholders. They thereby explicitly reference the possible conflicts with senior employees. This is because the team in the

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host entity is comprised of employees who are all senior staff relative to the internationally assigned manager from the headquarters. The interviewee does not consider the seniority gap to be particularly problematic, however. They rather suggest that any potential reluctance of senior employees to change (e.g. due to ownership over the processes in the foreign entity or developing habitual behaviours that are difficult to change) is counteracted by the organisational crisis giving the team a joint interest and goal in crisis resolution within Firm B's subsidiary. The local staff, on the one hand, wishes to preserve their jobs, whereas the assignee wishes to fulfil the organisational objective of preserving the entity and generating good business results. Since these goals coincide, the status-based conflict is not activated. Two additional factors contribute to this effect: the assignee's parent firm origin gives the individual status-based power (of being a representative of the entity highest in the MNE network), and the assignee's collaborative and transparent approach to local staff regarding crisis resolution further accentuates the joint goals of the two 'groups', as well as establishes the assignee's identity as a 'saviour' rather than a threat to the local team (Interview 3b).

Although the assignee's **clashes with the local team** are not expressed at the aggregate level, the interviewee still reports some rebellion by selected individuals and describes their attempts at discrediting them in the headquarters (e.g. by presenting their decisions as mistakes to the management in the parent firm based on a belief that they have better solutions to specific problems). The interviewee describes their transparent communication regarding any action taken in the local entity to both the headquarters and local staff as a successful countermeasure to these attempts – especially since their decisions have led to good business results, which serve as proof that their suggestions for change are beneficial to both the local entity and MNE as a whole. The interviewee further suggests that the conflicts with local staff regarding possible solutions to a problem not only give them an opportunity to prove themselves to the headquarters (through successful conflict resolution and by finding the best solution and demonstrating their value to the firm), but can also have potential for **process innovation** based on a clash of perspectives. The assignee moreover stresses the value of the extant team's familiarity with work and the local market for greater work efficiency in the entity in the context of a junior manager from a different market who could learn location-specific knowledge and skills from the locals, similar to them learning headquarters-based business practices and approaches from them. The senior local employees and a junior manager are thus described as complementary (Interview 3b).

Overall, the interviewee attributes many of the disadvantages and risks of an international assignment to their junior (rather than expatriate) status. They nonetheless also reference several advantages of being a junior recruit – for both the individual and firm. They argue that being in the early stages of career development can serve as additional motivation as well as a source of energy for problem solving (especially in crises). They moreover attribute their relationship building orientation to their junior status, stating that a senior or a status-motivated manager would probably be less willing to engage in operative tasks with the local staff. They thus suggest that a junior status is an advantage in relationship-based cultures, where high involvement of the manager in teamwork and operative tasks is needed, and where strict hierarchies are avoided. This may also refer to SMEs in general, as they require operative management due to their lack of support functions. The interviewee also indicates that the selection of a junior manager can

challenge extant cultural norms regarding gender and age group roles in both the assignee's home and host entity or home and host country, and bring about additional staffing ideas and options to (local) firms. In other words, it can result in HRM-related process innovations (see Interview 3b).

Interviewee 3b also suggests that being a junior recruit is less detrimental to assignment success and the firm's business performance in *ad hoc* recruitment for crisis resolution than being an external recruit. They identify multiple advantages of **internal recruits** (particularly from the headquarters or domestic market) over external candidates for key managerial positions abroad: (1) the individual's proven competence through work and past results; (2) firm-employee mutual familiarity and the related prompt decision-making – especially relevant in crisis situations; (3) flexibility in drafting the final contract and determining the format of the international mobility; (4) the individual's familiarity with the firm's stakeholders; (5) eased work adjustment and assumption of international assignment-related tasks due to firm-specific knowledge, awareness of the crisis, organisational expectations and procedures, and embeddedness in the firm's social networks;[176] (6) eased headquarters' control over the individual and subsidiary; (7) mutual trust; and (8) enhanced inter-entity collaboration. The interviewee thereby emphasises that *"the search for staff to fill the positions abroad is very challenging"* and that *"any person, who knows the market and the way of doing business from inside the organisation, is immediately at an advantage."* (Interviewee 3b).

They thus also highlight some of the main disadvantages of external recruitment, making the firm reluctant to employ this option: i.e. a prolonged transfer of business, a more demanding work adjustment, and a need for greater efforts invested in establishing trust. They explain that *"it is not realistic to expect a new /external/ candidate to be able to assume work immediately /.../ because /external recruits/ are probably going to find it more difficult to get familiar with the firm /and need more time to integrate in and adjust to it/ /.../, /because/ each firm is different"* (Interviewee 3b). The last part of the statement implies that these issues occur irrespective of the level of an employee's seniority and the (managerial or expert) experience of the external recruit. It also indicates the greater relevance of the firm-specific knowledge and embeddedness for managerial and crisis resolution success compared to managerial and expert knowledge.

Interviewee 3b also discusses the advantages and disadvantages of **a formal international assignment arrangement** – a specific sub-theme that emerges as crucial in the international staffing discourse in Firm B but not in Firm A. The advantages for the individual include (1) a better financial arrangement (covering family and other expenses not included in local contracts), and (2) better social conditions for assignments to markets that are less developed than the sending market. The advantages for the firm, on the other hand, include (1) greater control over an assignee, (2) eased control over the entity, and (3) possible cost optimisation through capitalising on the lower taxation of an assignment compared to employing locals for assignments to more developed markets relative to the domestic market (this is not the case for Interviewee 3b's assignment). The disadvantages of formal international assignments for the individual, on the other hand, include

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[176] Especially knowing whom one can ask for specific support and help to ease execution of the international assignment-related tasks.

(1) a limited duration of expatriation due to restrictive legislation, and (2) financial repercussions upon repatriation due to the assignee's wage being balanced with a non-taxed expatriation allowance for cost optimisation.

The interviewee explains that an assignee's wage can thus significantly decrease upon repatriation, when only the base salary is guaranteed and the individual loses any compensation for working abroad. However, they suggest that a wage reduction is unlikely after a successful assignment and that the organisation usually returns the base salary to a level at least equalling the income of the individual pre-assignment, although they reference the lower social benefits in the long-term as a more likely repercussion of such an arrangement. While the immediate income for an individual during an assignment may be unchanged, the allowance is not part of the contributions paid into the retirement fund, which is later reflected in a lower pension. This suggests that an assignment may have unexpected long-term consequences for an individual – especially when formalised. For the firm, the disadvantages of formal international assignments involve (1) administrative burden (e.g. obtaining permits), (2) differences in national legislations, (3) potentially higher costs (family compensation, expatriation allowance, taxes) than those of employing locals, and (4) the limited duration of the arrangement (Interview 3b).

The individual also lists some of the advantages of long-term international employee mobility in general. Among them, they especially highlight the assignee's acquisition of a different perspective as a basis for process innovation, not only in the host entity but also in the home entity upon repatriation. They explicitly reference the improved mutual understanding across the MNE network and the related enhanced inter-entity collaboration as additional advantages resulting from assignees having both headquarters and international assignment experience. They state: *"One gets a completely different picture than in the parent firm, where you can't even begin to imagine, how someone abroad feels and what they need."* (Interviewee 3b). Among the disadvantages of an assignment, the interviewee lists an unstructured working schedule, work overload, and their overtime being unrecorded. Since the individual says they are compensated for the overtime through an expatriation allowance, describing it as a disadvantage implies they seek gratification (i.e. recognition for their input) rather than compensation. This suggests a managerial identity.

The strong managerial identity of Interviewee 3b is expressed throughout the entire interview. First, the individual describes themselves as an opportunity taker motivated by a challenge, a chance for personal growth, a possibility for career development, and an opportunity for proving themselves to the management board and gaining their trust. Second, they also demonstrate risk-proneness (e.g. by accepting a crisis assignment) and a desire to test their limits and capabilities, as well as leadership qualities, by challenging the cultural norms regarding management. Third, they exhibit independence in their low expectations for organisational support, provision of the needed support for the assignment (e.g. through negotiating an extension of the contract for their predecessor), and problem solving. Valuing trust and availability of advice upon need further displays this stance, as both give the assignee a sense of empowerment rather than control. They also explicitly state that they take full responsibility for their decisions and actions and demonstrate ownership over the 'assignment project': *"Abroad, you have to act as if the firm is yours."* (Interviewee 3b).

Fourth, they are task-oriented and work-focused – favouring local over domestic contacts due to their value from the business perspective and putting work above personal gain, such as financial compensation for overtime or integration in the environment through dedicating more time to personal networking or leisure. Interviewee 3b, for instance, states: *"You are assigned abroad to work."* and *"/I am in the host country from Monday to Friday/ to work, /whereby the work usually lasts throughout the day: there are no 8-hour workdays."* They also say they *"/.../ initially didn't have the time for /business club's/ meetings, which are basically pleasant socialising with potential for benefits /.../. However, when you are in a given situation with so many problems to solve, you do not have much time left for such /mainly cultural shock decreasing/ activities."* They thereby explain they like the work focus abroad and a separate private life at home, which suggests separation of the two areas of life acts as a **coping** strategy aimed at increasing work efficiency rather than raising the quality of life. The interviewee moreover motivates their colleagues through leading by example – i.e. they explicitly identify as a leader. In addition, they link their own rewards to proof of competence and actual achievements rather than the promise of results, which implies their ambition. They also acknowledge their success, which gives them confidence and negotiating power relative to the firm (as well as added pressure for future results, further suggesting ambition). Finally, fearing the loss of their managerial autonomy and empowerment upon repatriation to an environment, where they would need to execute other people's ideas, strategies, and action plans, as well as follow different rules, is another expression of the interviewee's managerial identity (Interview 3b).

Despite self-identifying as a manager, the interviewee states that, by the end of their assignment, they had begun to strongly identify with the local team as well. This **'local identity'** (and not an expatriate identity, which can be attributed to commuting) of the assignee has developed over time, however, and with building relationships in the local entity. The assignee explains that this process is triggered by joint actions, joint experience, and joint success. The integration and socialisation effects of this are further enhanced by the assignee being on their first international assignment and by a crisis situation, which together have intensified their experience. The assignee says: *"I found myself in /the host market/. I consider the entire team there as 'my people' now. We have very good relations – perhaps because this was my first assignment, my first firm, and my first people, but we have really all dedicated a lot of effort over the years to get to where we are today and have successfully /executed our tasks/. This is one reason why I cannot imagine going on an assignment anywhere else at the moment. If I went anywhere, I would probably return to /this host country/."* (Interviewee 3b).

The assignee suggests that developing strong relations with both the domestic staff and local staff has lagged effects. They describe having good relations with domestic staff during expatriation as supportive in terms of their assignment execution, whereas maintaining and nurturing these relationships during the assignment helps the individual to reintegrate into their sending unit upon repatriation. Relationships with the local staff, on the other hand, can have lagged effects upon the assignee's repatriation to their home entity that can be particularly useful for flexpatriation (Interview 3b). This implies that **remote management** is an option for managing entities in firms with limited availability of expatriation-willing and ready individuals. The interviewee conditions the use of flexpatriation on the flexpatriates' previous long-term assignment to the same unit as a

basis for developing strong relations and legitimacy with local stakeholders. They also stress its transitional nature: i.e. the interviewee proposes that the quality of relationships also diminishes with time, which is why flexpatriation cannot be used as a permanent solution. They also argue that flexpatriation in particular cannot be used for longer periods in relationship-oriented markets, where physical contacts are valued in doing business. They further stress the implications of physical distance for timely problem resolution in the entity that additionally render flexpatriation a less effective and efficient managerial option in international staffing. Due to its transitional nature and being conditioned on intense pre-existent relations, flexpatriation is described as a role shift experienced by the assignee during their career development related to international mobility.

The different role shifts during the Interviewee 3b's career development in Firm B have included (1) the shift from an expert to a middle management position during their work in the domestic entity; (2) the shift from a domestic middle management position to an international top management position upon expatriation; (3) the reverse shift from an international top management position upon expatriation to a domestic middle management position upon repatriation; (4) the shift from being a member of the domestic entity's in-group to being a member of the foreign entity's in-group; (5) a shift from a specialist in the domestic entity to an autonomous decision-maker and a holistic operative manager abroad upon expatriation; (6) a reverse shift from an autonomous decision maker and a holistic operative manager abroad to a subordinate following directions by others upon repatriation (although with the promise of greater powers upon agreement on the repatriation position); and (7) a shift from being a commuter to a dual role of remote manager (flexpatriate) and repatriate upon return to the domestic entity (during the transition period – with expected transferor of business role).[177] The individual also references a shift from identifying with the parent firm to identifying with the local team through expatriation, as well as with the small group of internationally experienced repatriates in the domestic market capable of introducing process changes related to international collaboration to the MNE upon repatriation. The interviewee thereby implies that a limited number of employees with international experience in the parent firm can result in a more challenging repatriation and even frustration – especially when the domestic staff feels threatened by the internationally experienced returnee and when they lack an understanding of their newly acquired skills' added value for the firm (Interview 3b).

The interviewee discusses the different challenges of their role shifts. The more practical challenges include logistics, broadening or narrowing down of the individual's knowledge and skill set (e.g. due to the shift from a specialist to a generalist and *vice versa*), and dealing with work overload. The interviewee describes work overload upon repatriation in particular as a hindrance to their assumption of tasks in the domestic entity: *"/.../ it is extremely difficult to accept a responsible position in the headquarters, while I am still managing /the foreign entity/ /.../. I am engaged in the work of the headquarters, but there is too much of everything, so I think assuming a position in the headquarters at the moment would be irresponsible also towards the firm. My*

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[177] While a commuter assignment is negotiated as mainly beneficial to the individual, flexpatriation is negotiated by the firm as an interim solution to the organisational needs.

repatriation post will thus be defined once /we find the successor for the foreign entity/." (Interviewee 3b).

The interviewee's reluctance to accept a more responsible and demanding position in the parent firm upon repatriation due to it being in the best interests of the firm is consistent with the individual's managerial identity. However, according to their LinkedIn profile, the interviewee has been assigned to and accepted a regional executive director position in their domestic entity 10 months after their repatriation – while still managing the foreign entity remotely due to the firm's lack of assignee successors. This means that a challenging domestic position is introduced regardless of the continuation of the person's work overload and has been accepted in spite of the repatriate's claims that performing a dual managerial role would be irresponsible on their part from the perspective of corporate governance. This implies a desire for gratification and a need for the firm to reciprocate the assignee's investment (i.e. provide 'return on an individual's investment') within a year after repatriation at least in the form of a change in status (which the title of a regional executive director affords). The individual changing their mind and accepting the position in spite of still performing a flexpatriate role could have been an indication of the person pressuring the headquarters to find a successor for them in the foreign market, or a sign of an organisational solution in the form of a reorganisation optimising the corporate governance of the international network based on the repatriate's inputs. Further research on the transfer of business and reintegration of assignees upon repatriation is needed.

Other role shift-related challenges described by Interviewee 3b are psychological or relational and involve (1) a sense of foreignness; (2) a need for integration into and adjustment to the local team and (national and business) culture (including the norms on gender and age group roles); (3) discrimination by business partners due to breaking the norms on gender and age group roles; (4) fluctuations in motivation; (5) fluctuations in self-efficacy (due to inexperience, encountering doubt by others, gaining experience, achieving success, etc.); (6) variations in the level of control over the situation (and a sense of loss thereof – due to disempowerment or a decrease in the individual's decision-making powers; lack of knowledge, skills, and experience; or external factors such as a crisis situation); and (7) emotional stress when having to leave their in-group (especially upon repatriation because of the psychological effect of leaving being greater than that of arrival). The interviewee, for instance, summarises the changes in their motivation and sense of empowerment with the following statement: *"When I went abroad, I left full of optimism for fulfilling a task, contributing something to the firm, and making a change. However, now I am afraid of how I will reintegrate into a large parent firm as its part. /.../ Going abroad brings you more freedom – which can be an advantage or a disadvantage. /.../ One depends on oneself, but they are free to decide. I made my own decisions, which proved to be correct, which is why it is even more difficult to return to an organisation where I will no longer decide independently, but will have to get approval from someone else."* (Interviewee 3b). The duality of their role upon repatriation prevents the individual from experiencing the latter effect and may act as an (unstrategically used) coping mechanism for a more gradual transition to the less autonomous domestic post.

4.2.3.3.3 Interviewee 4b: external recruit establishing a new entity: introducing international employee mobility as a possibility and firm-employee experiential mutual familiarisation

Interviewee 4b was recruited by Firm B for a managerial international assignment in the MNE's foreign entity located in an emerging market economy. At the time, the foreign entity had not yet been fully established. It had only existed for a year and was still a micro firm with three employees. One of these was the entity's first managing director: another external recruit and parent-country national, who had resided in the host country before being recruited by Firm B (unlike the interviewee who was a resident in the sending country before the assignment). Because the firm was not satisfied with the progress in establishing the entity made by the interviewee's predecessor, it replaced them with Interviewee 4b, who was tasked with establishing the structure and processes in the entity, as well as local staffing and developing a network of business partners in the local market. For the first three years of their international assignment, the interviewee was also in charge of managing the subsidiary's sales and finances as its CFO. As the firm grew,[178] the individual also gained additional responsibilities and powers – becoming the entity's CEO. When, after another six years, Firm B decided to sell the subsidiary to a local partner firm, which purchased the entity due to its good business results, and simultaneously increased its equity in said partner firm to maintain control over the subsidiary, the interviewee's contract changed once again: they became the vice CEO of the restructured firm.

Regardless of the ownership structure of the host foreign entity, Interviewee 4b remained employed in the Slovenian parent firm, where they had an international assignment contract throughout the entire period of their expatriation. With approximately 15 years of experience with managerial international assignments in Firm B, the interviewee was able to provide detailed insights into the more or less gradual and lengthy role shifts during the international assignment process, their work adjustment, and the different organisational approaches to assignment management throughout the process – also considering the different stages of firm development (i.e. longitudinally). Although the international assignment was prolonged several times and despite the changes in the position being filled by the assignee, the interviewee considered the entire period of their expatriation as a single assignment. I thus consider it as such in the analyses as well.

The interview was conducted as a telephone conversation and lasted 75 minutes, since the interviewee had no planned visits to the parent firm or home country during the data collection phase. Regardless of the mediated communication approach, the interviewee was relaxed, open, focused, and willing to share their experience of the international assignment and its management. They only refrained from answering any questions regarding their relationship with their managerial predecessor, who remained employed in the entity even after their demotion and poor performance due to the general employee retention policy in Firm B. The interviewee's reaction implied a complicated relationship, and indicated that the employee retention policy (especially when implemented within the same entity at the managerial level) may not be effective and

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[178] In 15 years, the firm grew into a medium-sized enterprise, which is the largest and strategically most important subsidiary in the MNE network (two-thirds the size of the parent firm).

efficient from the perspective of team management and establishing favourable team dynamics (see also Interview 1b).

With the consent of the interviewee, the conversation was audio recorded, which did not seem to impact the interviewee's focus or responses. Detailed notes of both the interviewee's answers and non-verbal cues were taken during the interview. Separate preliminary analytical notes were made immediately afterwards. A verbatim transcript and summary of the interview were then prepared for further analyses: the summary for content analysis and the verbatim transcript for critical discourse analysis. The interviewee requested the transcript be sent to them for final approval. This did not act as a self-censorship device but rather as an opportunity for the individual to correct and amend any misunderstood or ambiguous information. No corrections were requested, though. The illustrative quotes presented below nevertheless originate from the grammatically corrected and approved summary for consistency in reporting. The key findings and their implications are discussed hereinafter.

In describing Firm B, the individual highlights its **centralised structure**. First, they state that the MNE implements headquarters-level control over the foreign trade network of relatively autonomous entities, whereby the coordination and control role of the management board member responsible for the MNE's foreign trade network is particularly pronounced. The interviewee is critical of **the relative autonomy of each entity** in formulating its portfolio, however. They suggest that this results in a mix of incompatible programmes, which are difficult to manage holistically. Second, the interviewee describes their strategic collaboration with the headquarters (e.g. in preparing annual plans for individual entities). They also highlight the daily operative collaboration of individual entities abroad with the headquarters – especially with the international trade department in the headquarters due to the sales focus of the MNE's network abroad. They also imply that operative collaboration is often aimed at cost optimisation (e.g. through joint procurement). The interviewee furthermore discusses the non-systemic but nevertheless headquarters-promoted exchange of good practices and the often friendship-based rather than strategic inter-managerial collaboration across the MNE that takes place in all directions. Finally, in discussing knowledge transfers and joint support functions as advantages of centralisation, the interviewee also recognises that centralisation can add risk to the MNE's business performance. In times of crises, it can result in crisis spillovers across the MNE and hinder the development of individual entities (Interview 4b).

The interviewee acknowledges the centralised organisational structure and related strengthened operational and strategic collaboration of the MNE's entities abroad with the headquarters as an important factor in the MNE's choice of **an ethnocentric international staffing approach** to filling the key positions across the MNE network. They explain that the primary roles of expatriates from the firm's headquarters (the only type of long-term international assignees in the MNE) include connecting the MNE, performing control over the foreign subsidiaries on behalf of the headquarters, and guaranteeing the development of individual entities. They suggest that, when an ethnocentric approach to staffing is not possible and the MNE is forced to employ local management in its foreign entities, the local management is subjected to more direct control from the headquarters. They relate **the differences in control over management based on its origin**

to trust. The interviewee states: *"/A/fter all, it is different if the firm sends a person whom it has known /and trusted/ for several years abroad."* (Interviewee 4b).

This suggests that the lower trust in local managers stems from the firm's less in-depth and intense familiarity with these compared to the headquarters-based individuals. According to Interviewee 4b, managers of individual entities are given great responsibility and powers, and the firm thus needs and wants to make sure that they will perform their job well. It can only do this through observing an individual in diverse situations and developing a strong relationship with them (see also Interview 6b in section 4.2.3.3.5 for a local manager's perspective). While this may hold true for the headquarters' control, the opposite may apply for the country-level control. Interviewee 5b (see section 4.2.3.3.4), for instance, proposes that the state-level institutions 'trust' their citizens (and in turn organisations employing host-country nationals in top managerial positions) more due to their greater legal liability relative to the host country to an entity. The interviewee describes how state control is enhanced for firms with foreign management in their host market because the country fears foreign managers evading legal liability and engaging in circumvention of the law. The country-level legislative context thus determines the organisational international staffing practice in some locations more than the organisational structure.

Interviewee 4b also suggests that, in certain markets, an ethnocentric staffing approach can represent a cost optimisation strategy. This implies **the impact of macro context** on organisational international staffing options: i.e. the impact of the individual domestic or foreign market contexts (e.g. through restrictive and changing local legislation regarding international employee mobility) – and the combined impact of the domestic or foreign market contexts (e.g. through the comparatively more or less favourable social systems) (see also Interviews 2b and 3b in sections 4.2.3.3.1 and 4.2.3.3.2 respectively). The interviewee, for instance, attributes the lack of willing internal candidates to the good living conditions in the sending market. This seems to have a stronger influence on the individuals' decision (not) to expatriate than the international mobility arrangement offered to them by the parent firm. Interviewee 4b describes the different organisational responses to the lack of internal candidates willing to expatriate, such as the remote management of foreign entities (e.g. flexpatriation) or external recruitment of managers for foreign entities.

They stress that these **'alternative' options** are all less effective and efficient solutions for staffing the top managerial positions in the functionally interdependent and operatively connected (i.e. centralised) MNEs compared to international assignments from headquarters due to their limited firm-specific knowledge and embeddedness. They emphasise the need for integration of external recruits into the headquarters as crucial for the effectiveness of their assignment, and highlight the relevance of pre-established relations with the local team members for the success of remote management from the headquarters (Interview 4b). In reference to the latter, the interviewee also warns against work overload and distractions from the focal tasks stemming from managers performing a dual role (i.e. one in the headquarters and one in the foreign entity). They suggest that commuting and performing certain tasks in the headquarters would similarly not work for international assignments that require greater focus on the entity. As they state: *"I don't know what*

I would be doing in the headquarters for, for example, three months. You are either here or there. In three months, you cannot accomplish anything anywhere." (Interviewee 4b).

Despite the firm's preference for internal recruits and an emphasis on firm-specific knowledge and firm embeddedness, Interviewee 4b is **an external recruit** with no direct (i.e. employer-employee) or indirect (i.e. business partner) experience with Firm B before the international assignment for the firm. Apart from their relatively short international sales experience (limited to five years in a different firm) and familiarity with (as well as love of) travelling, the interviewee has had no relevant experience with leadership, team management, and the different support functions they have been expected to establish and later coordinate for Firm B. They were also previously unfamiliar with the firm's portfolio and employees and host market. The interviewee thus jokingly states that the main selection criteria for them being recruited to the enterprise has been their willingness to expatriate (Interview 4b). They explain that, due to the firm's limited choice of internationally mobile staff in the domestic market (related to the good living conditions which discourage both internal and external recruits from expatriating), Firm B is often forced to search for *"/.../ someone who is at least willing to go abroad, and only then looks at what it could teach them and if it is capable of teaching them /the skills and knowledge/ it needs /to fulfil the organisational objectives/."* (Interviewee 4b). The interviewee suggests that such unwillingness rather than lack of internal candidates, such as junior employees with firm-specific knowledge, is detrimental to the firm's strategic international staffing. In other words the firm has an internal pool of potential candidates, but is unable to activate them for expatriation (Interview 4b).

In the case of Interviewee 4b, the connection between Firm B and the interviewee has been established by a mutual colleague, conscious of the firm's international staffing needs. This means that the individual has been cognisant of the firm's issues with suitable internal candidates for the assignment and thus had some additional negotiating power relative to the MNE. However, the individual describes their decision to accept an international assignment as spontaneous rather than strategic and well thought-out. They state that they had never contemplated an international career until getting the opportunity for it in Firm B. One of the reasons for the individual's lack of interest in an international career is that expatriation was not an option with their previous employer. This demonstrates the importance of introducing international mobility as a possibility through the organisational staffing discourse so that the individual can at least consider it, rationalise their professional or private goals in the international mobility context, plan accordingly, and make a faster, more informed decision once offered a chance to engage in expatriation. Interviewee 4b, for instance, states that, once they had been presented with the opportunity, they decided to accept it in less than a month. They also describe their decision as a consequence of them being *"sufficiently young and dumb, to accept the offer"* (Interviewee 4b), which suggests perceiving an assignment as a tremendous challenge that requires an adventurous character and tendency to accept risk, since such mobility is a set of unpredictable events one can never be fully prepared for.

Similar to Interviewee 2b, Interviewee 4b describes being unaware of all the complexities of expatriation as a factor in their decision to expatriate. This does not mean they have been uninformed or misinformed, however. It rather implies that an assignee can only get a complete

picture of expatriation through experiencing it. It also suggests that no level of organisational communication can be complete, as an assignment is highly contextualised and can vary from past assignments even if it occurs in the same market. The firm nevertheless has to make sure that the individual is aware of the crucial challenges in the host entity and the objectives set (as much as it can in the light of having limited experience with the market itself). Misleading the individual about the working conditions abroad (e.g. through hiding information or portraying a better situation than in reality) cannot act as a strategy for motivating suitable candidates to expatriate. While such an approach might convince the manager to expatriate, it prevents them from preparing for any adjustments needed for successful implementation of their assignment, and thus deepens the shock experienced during expatriation as well as increases the likelihood of assignment failure.[179]

Framing an assignment as more attractive than it really is (e.g. by intentionally hiding information or only reporting positive events) may increase the willingness to expatriate, yet does not guarantee that the individual will remain motivated or be prepared for and capable of addressing any unexpected challenges if disappointed by the situation on-site. Intentionally hiding information can instead lead to the decision to repatriate or even harm the firm-employee relationship to the point of the individual leaving the MNE entirely. If the deceived employee decides to stay abroad, they may experience failure due to unpreparedness or resentment towards the firm and the related lower work effectiveness and efficiency. They may even retaliate and intentionally introduce measures that damage the firm. Such an approach may furthermore be damaging to assignee recruitment in the long run, as it frames assignments with failure for future assignees. The firm thus needs to be transparent about both the challenges and opportunities of expatriation – thereby also being realistic about the latter since failure to realise its promises can result in employee dissatisfaction and resignation from the firm. Point and Dickmann (2012) similarly stress that companies need to live up to their promises in order to prevent the dysfunctional outcomes of a specific employment arrangement rather than manipulate their image through false employer branding (Dickmann & Doherty, 2010). The same effects may not apply if the firm is unaware of the situation on-site. Pilot interviews have, for instance, shown that assignees with strong firm-employee relations prior to expatriation persist in unfavourable conditions if they feel the firm has not intentionally misrepresented the situation in an entity. Under such circumstances, assignees tend to activate their managerial identity and try to solve the problems they face.

Interviewee 4b explains that an opportunity for accelerated career development, widening one's perspective, and tackling a challenge acted as the main motivators for their expatriation – once they were made aware of the option within the organisational context. In other words, **expatriation** is **conditioned upon awareness** of its existence within the firm and its potential benefits. Organisational communication is crucial in this respect. When discussing the advantages of their

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[179] See also Black et al. (1991), who argue that possessing information regarding any potential new behaviours that an individual is required and expected to adopt or old behaviours they should discard upon entering a new situation (e.g. expatriation) before they actually enter the new situation enables the reduction of (e.g. assignment-related) uncertainty through anticipatory adjustments.

mobility, the assignee states that *"/they/ could probably not advance as quickly and take on as many responsibilities in Slovenia, as /they/ have with the international assignment."* (Interviewee 4b). Career development should thus be particularly stressed in organisational communication aimed at promoting expatriation. The firm should also pay attention to any expatriation-related concerns an individual may have pre-expatriation as these may indicate the organisational support needed by the assignee. Interviewee 4b describes three main concerns they considered when accepting their assignment: (1) being de-rooted from their domestic social network, (2) not having an established local support system, and (3) expatriate work and lifestyle not fitting their objectives and personality.

The first two concerns can be addressed through organisational **support for networking** in the host environment, whereas the latter concern could be diminished by a trial period or an alternative assignment format. However, since the firm has had no established networks of its own in the market at the beginning of the individual's expatriation, the interviewee has found support for establishing their local social network in a former acquaintance living in the host country, as well as the embassy and the Facebook group of Slovenians in their host town. The geographic proximity of the sending market also helped the individual to maintain connections with their domestic social network. The firm addressed the individual's concern regarding their fit with the expatriate lifestyle through an individually negotiated international assignment format and the initially shorter (i.e. two-year) mandate, which enabled the individual to gradually get used to expatriation and decide whether the expatriate work and lifestyle were suitable for them. It has also allowed the firm to test and evaluate its choice of the external candidate based on the assignee's behaviour in different situations abroad, and based on the results they achieved with the foreign entity (Interview 4b, see also Interview 3b).

The interviewee describes the prolongation of their international assignment as a natural development: *"/After the initially agreed period/ I somehow simply stayed abroad and have remained there for 15 years. This is how things develop."* (Interviewee 4b). This gives support to the conclusion that, once abroad, individuals often get adjusted to expatriation and persist with it based on organisational needs. The individual considering the assignment to be a single event despite its multiple prolongations, role shifts, and contractual changes in response to organisational growth and changed ownership structure further suggests that the firm-employee negotiations regarding the assignment contract are the most pronounced before the beginning of expatriation. Any later negotiations are based on the original agreement – despite the dynamic firm-employee relationship.

The interviewee describes **preparation** for international assignments in Firm B as *ad hoc:* while such an approach allows space for negotiations, creativity, and flexibility, it also has disadvantages in the form of unclear expectations due to the lack of rules and *post festum* employee development. When discussing the preparatory organisational support for their international assignment, the interviewee mainly references a relatively short (five-month) transition period in the headquarters focused on their familiarisation with the firm and its employees. With a rotation in the headquarters, the MNE eases the adjustment of external recruits to the new work environment, a different organisational culture, firm-specific processes, and especially a new portfolio (if external

recruits have no prior knowledge in it, as in the case of Interviewee 4b). In this preparatory period, the individual has already started to visit the host entity. These pre-assignment business trips are aimed at the assignee's familiarisation with the organisation of the foreign entity, its suppliers, system of sales and other local specificities. These trips have been completely autonomous for Interviewee 4b, however, as neither the previous manager nor the management from the headquarters has accompanied the assignee on their visits to the potential business partners. These have rather taken place in collaboration with the local team, which demonstrates the latter can also have an important role in assignee preparation and integration in the local business environment. After a five-month period, the interviewee then occupied their permanent position in the foreign entity (Interview 4b). This implies a more **gradual approach** to preparing external recruits for an assignment, which involves familiarisation with and integration into both the parent firm and the host entity, further suggesting the connecting role of an assignee and the importance of inter-entity collaboration that requires firm-specific knowledge and embeddedness.

To ease the individual's integration in the host environment, the firm also organised a language course for the assignee. The interviewee considers the latter as an important aspect of their preparation for expatriation. They describe local language knowledge as *"crucial for any expatriate – from both the business and personal perspectives, as it eases adjustment to cultural and business specificities of the host environment."* (Interviewee 4b). They stress the relationship building power of local language knowledge by explaining that the locals accept the individual much faster if they speak the local language. The interviewee's local language knowledge has thus been essential for the individual's integration into the local team, formation of relationships with business partners, and socialisation in general (Interview 4b). The final aspect of organisational support for an individual's transition to a new role described by Interviewee 4b is their progressive career development from a CFO to CEO position in a continuously growing entity. The interviewee suggests that their gradually growing responsibilities allowed them to first adjust to the new organisational and host business environments, and later to the work role transitions within this environment (i.e. they did not experience a multitude of adjustments at the same time).

Although the interviewee has been an inexperienced manager (i.e. the international assignment is their first top managerial position), they do not report attending or requesting any managerial training before or during their international assignment. Instead they acquired the necessary leadership skills and knowledge through **experiential learning** (i.e. 'learning by doing') and informal coaching support by the then director of the foreign trade network in Firm B, who was a long-term assignee to another emerging market prior to the interviewee's expatriation. Due to the immaturity of the host entity, the transfer of business from the interviewee's predecessor in the foreign entity has not taken place. There has also been no transfer of business from the assignee in the parent firm, as they were an external recruit hired for the assignment and thus did not occupy a specific post in the headquarters (Interview 4b). Despite their success in the foreign entity without managerial preparation, the interviewee believes that at least some basic managerial training should be introduced for each managerial international assignee – i.e. an internal or an external recruit and a more or less experienced manager from a large enterprise. According to Interviewee 4b, managing a foreign entity requires **holistic knowledge** of the firm's processes

(e.g. financial management), firm-specific knowledge (e.g. knowledge of its portfolio), and soft skills (e.g. local language knowledge, communication and organisation skills).

By not requesting managerial training for themselves (despite recognising its value), the individual demonstrates the (self-)perception of **an intuitive manager** with a strong managerial identity, even without experience in performing a managerial role. Their identity rather than experience is thus the basis for their self-efficacy and enactment of an independent problem solver role in Firm B. Consistent with this identity, the interviewee demonstrates a focus on immediate tasks (i.e. prompt fulfilment of organisational objectives related to the establishment of a new entity) rather than on self-development. They also demonstrate a practical orientation and a preference for experiential learning, which further focuses their managerial identity on an 'operative manager' identity, which matches the organisational need for managers willing to learn holistic processes and tasks as well as engage in these operationally in order to successfully manage smaller firms with limited business support functions (Interview 4b).

The interviewee's managerial identity seems to be stronger than their expatriate identity. The assignee describes having to tackle the various challenges abroad (including familiarisation with local stakeholders) independently. They label their assignment as a *"sink or swim"* situation (Interviewee 4b). This is particularly emphasised at the beginning of the assignment: i.e. when the foreign entity is not fully established and the expectations regarding its performance are not well defined. The headquarters expects the assignee to be resourceful in this respect. A further sign of the individual's managerial identity is them subordinating their personal needs and wants to the organisation's objectives. They, for instance, plan their private visits to the sending country based on business trips to the headquarters. They also identify with other managers (regardless of the managers' origin) and reference friendship-based inter-managerial collaboration despite each manager being primarily and independently responsible for their own market – without interventions by others. The international assignee also relates the stress of their expatriation to fear of failure (emphasised at the beginning of the assignment due to the individual entering an unknown and not yet structured work environment) rather than to cultural shock. This may be related to the similarities between the sending and receiving countries, however, as the individual says they experience limited differences between themselves or other assigned managers from the headquarters and the local staff (Interview 4b).

Finally, the individual describes the firm's actions (also those by the headquarters) as 'our' actions, which implies that, over the years, they have developed a sense of ownership over the processes in the MNE and have begun to strongly identify with the organisation – despite initially being an external recruit. A sense of ownership over firm-specific processes is a key managerial characteristic. The interviewee nevertheless showed some **indications of an expatriate identity** and experiencing cultural shock. For example, they reference the importance of maintaining connections with the domestic social network for their identity preservation. They also explain that while networking with other parent-country nationals in the host country may not have been particularly useful from the business perspective (see also Interview 3b), it has also served the individual's need for identity preservation and a desire to remain connected to their culture when abroad. They also relate the only disadvantage of expatriation to their de-rootedness from the

domestic environment and the related feeling of homesickness, whereas they cannot identify a single business-related disadvantage of expatriation for an individual.

Finally, Interviewee 4b addresses repatriation and (re-)integration into the firm's headquarters as the final stage of an international assignment (suggesting they are not willing to relocate to another market for another assignment, but prefer a longer assignment to a single market). While they have not experienced repatriation yet and have also not thought about it, they intend to return to the parent firm at some point in the future. They condition repatriation on good working conditions and a stimulating post – i.e. they expect a return on their investment in the development of the foreign entity. They base their **repatriation expectations** on other people's testimonies and expect their repatriation to be more challenging and difficult than expatriation. They compare repatriation *"to departure to a third country, where one sets everything anew."* (Interviewee 4b).

This is probably related to their long-term absence from the headquarters as well as the fact that they have never worked in the headquarters (not counting the initial rotation). However, they mention one factor they expect to ease their (re)integration into the firm's headquarters: i.e. daily contacts with colleagues from the parent firm during their assignment. In relation to repatriation, the individual is most fearful of the role shift it would bring about: i.e. the shift from a relatively autonomous decision-maker to having to operate in an environment with clear hierarchies and rules and where they would have less freedom.[180] They also suggest that the lack of internationally experienced staff in the headquarters would be potentially problematic for their (re)integration into the parent firm.[181] The assignee furthermore expects to perform a lengthier (six–12-month) transfer of business onto their successor in the foreign unit before being able to repatriate. They describe this as a common practice in the firm (due to its strategic relevance for the MNE) rather than a particularity of their assignment, though.

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[180] The individual explicitly or implicitly indicates experiencing the following role shifts throughout the international assignment process: (1) a shift from a domestic middle manager to an international top manager (with progression of responsibilities in the latter: i.e. from CFO to CEO); (2) an expected shift from an autonomous decision-maker to repatriated subordinate; (3) a shift from a specialist to a generalist upon expatriation (because an operative manager is needed in SMEs); and (4) the reverse shift from a generalist to a specialist upon repatriation (Interview 4b).

[181] The individual also suggests that every employee in the international trade department in the headquarters should have experience with international mobility lasting a few months so that they could better understand the foreign markets they are responsible for and international business in general. They claim that business trips do not suffice for developing an in-depth understanding of different aspects of individual markets and IB processes. The interviewee acknowledges that, from a practical perspective, it may not be possible for the firm to arrange such mobilities to all markets that its employees are responsible for due to time constraints, but it should send them on at least one short-term assignment to improve their understanding of international business (Interview 4b).

4.2.3.3.4 Interviewee 5b: third-country external recruit with a local contract – location-specific factors and labour market deficiencies determining deviation from ethnocentrism

Interviewee 5b was an engineer with 20 years of work experience prior to being employed by Firm B for the purpose of managing a small sales foreign entity in an emerging market, and thus they were an experienced external recruit with a specific expert background. Before joining Firm B, they had worked for multiple organisations, including (1) the army, where they learnt working under conditions with strict rules; (2) a socialist firm in the Balkans, where they learnt working under principles of public ownership over the means of production and distribution as well as the related state control, (government-led) economic planning for equal distribution of wealth, price control, the absence of competition, and social welfare protecting employment, determining minimum wages, and fostering trade unions; and (3) several domestically or internationally owned private firms in developed and emerging markets, that equipped the individual with an understanding of how these firms operated[182] as well as the intercultural communication and relationship building skills involving diverse stakeholder groups in various markets along with a more capitalist sense of doing business.

The internationally owned firms noted above included emerging market and developed market-owned firms as well as firms with capital from both backgrounds. The individual worked for either these firms' headquarters or their subsidiaries, which meant they acquired experience with both the highly specialised large systems with strategic management and the smaller emergent entities with less structured support business functions and roles requiring a more operative managerial approach. They could thus operate in either type of business environment as well as enhance inter-entity collaboration based on their more holistic understanding of how MNEs operated. The interviewee's international experience also encompassed working for several companies in their later host market for Firm B. They also had experience in a Slovenian-owned company in this host market that later referred the individual to Firm B. This suggested that they were familiar with both the local market and operating in accordance with Slovenian business culture. When they were recruited by Firm B, they were located in a developed market bordering their later host market. Their employment thus required a move to a market they had previously resided in and where they still had their family at the time of recruitment to Firm B. Although they had citizenship in this market, it was not their country of origin (the latter was also an emerging market). They were thus considered a third-country international assignee by the firm. However, they themselves did not consider their managerial assignment as an assignment by an expatriate. This was grounded in the individual not being nationality- but rather task-oriented and in them working for the firm under a local rather than an assignment contract. Having had resided in the host market in the past as its citizen also contributed to the individual's reduced sense of foreignness (Interview 5b).

While this interviewee was **not formally a managerial international assignee**, but rather a manager *per se*, their responses were nevertheless revelatory regarding the firm's international staffing discourse and practices – especially since the firm-level interviewees suggested

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[182] The individual says: *"If you don't work for foreign companies, you don't know how they think, how they solve problems, or what procedures they apply."* (Interviewee 5b).

questioning this individual for further insights into international assignments in their organisation from the assignees' perspective. This implied that Firm B's international staffing approach was driven by purpose rather than formality or the manager's country of origin: i.e. the firm managed the managers of its entities and their assignments equally (regardless of the manager's origin), because all top managers of foreign entities were performing the same function (see also Interview 1b). Interviewee 5b could thus provide **supplementary insights** to responses by formal international assignees in the firm and uncover whether some of the mechanisms identified through interviews with assignees pertain solely to international assignments or explain a broader spectrum of managerial phenomena. Together with Interview 6b, which was an interview with a local manager who was similarly perceived and managed as an international assignee by the firm (for insights from this interview see section 4.2.3.3.5), this interview was therefore included in the analysis for control purposes (strengthening or weakening assignment-specific conclusions of the study).

Since the interviewee was visiting the headquarters during data collection for the study, Interview 5b was conducted in person. It took place in the firm's conference room – an environment familiar to the interviewee. The atmosphere was pleasant and relaxed. The interviewee was interested in the research topic, focused on the questions, outgoing, direct and critical in their responses, as well as willing to respond to any questions posed. At the beginning of the interview, Interviewee 5b was presented with the focus of the study and the topics to be covered. They were also informed about the research procedures prior to answering the interview questions. The interviewee agreed to the interview being audio recorded, which did not impair their focus on the interview questions or openness in responses. The conversation lasted 130 minutes.

Detailed notes of both the interviewee's responses and non-verbal cues were taken during the interview, whereas separate preliminary analytical notes were made immediately after the interview. The interviewee did not request any corrections during or after the interview. They also did not request the summary of the interview to be sent to them for final approval. Since all ambiguities were resolved during the interview, no follow-up interview was needed (although the interviewee expressed their willingness to answer further questions after the interview as well). A verbatim transcript of the recorded conversation and a grammatically polished and thematically rearranged summary of the interview were then prepared for further analyses. During analyses, the summary served as the basis for content analysis and the verbatim transcript was used for critical discourse analysis. Illustrative quotes originate from the verbatim transcript, but are grammatically corrected for consistency and clarity of conclusions. The key findings from the interview are presented below.

The interviewee describes the MNE as **centralised** and explains that the strategy for the Group along with the action plans and objectives for individual entities are determined and designed in the headquarters. The individual perceives such centralised goal setting as helpful rather than a form of control from the headquarters, since it establishes clear expectations regarding their managerial tasks and the outputs of each entity. The parent firm also executes supervision and control over the entities' goal fulfilment through a standardised and periodic reporting system. The individual nonetheless suggests they co-create the firm's strategy through providing locally

generated ideas for further development of the entity and the Group to the headquarters. For this as well as for coordination and control purposes, the firm has a central contact point for (and thereby centralised control over) all managers of subsidiary and representative offices: i.e. the management board member responsible for the MNE's foreign trade network.

The interviewed manager describes the managers' communication with this board member and the headquarters as open, two-way, and facilitated through a centralised communication system (including a free-of-charge internet phone connecting the foreign entities to the parent firm and with one another). The individual refers to their collaboration with the headquarters as both operative and strategic. However, they stress that the inter-entity collaboration not involving the headquarters and knowledge sharing across the MNE network are weak. They attribute this to the managers' focus on individual entities and their performance in the respective foreign market rather than the Group's performance. As the interviewee emphasises: *"I am responsible for this company."* (Interviewee 5b). They add that they would like enhanced inter-entity operative collaboration – also to optimise their entity's sales; and suggest that a common (headquarters-centred) working language acts as a facilitator of inter-entity collaboration at the top management level (Interview 5b).

Based on the MNE's centralised structure, functional interdependence, and operative connectedness – and the related importance of mutual familiarity and trust between the firm and its employees (especially the employees occupying the key positions across the MNE), Interviewee 5b stresses that internal recruitment of managers from the headquarters is a more effective and efficient staffing option compared to external recruitment of candidates for top managerial positions in centralised MNEs' foreign entities. They acknowledge that enterprises do not always have suitable internal or domestic candidates for a specific managerial post, though. In describing their recruitment process to Firm B, they reference **an absence of suitable or willing internal recruits** for managerial positions abroad as the first factor resulting in external recruitment of the manager. They explain that there were no internal candidates for their post at the time of their recruitment, but rather that a limited number of other external recruits, who were all Slovenians, existed.

The second factor contributing to the firm deviating from a preferred ethnocentric international staffing is external: it pertains to **the location-specific requirements in the host market**. These include the necessity to speak the rare and difficult to learn local language (due to the linguistic incompetence of the locals), local citizenship and willingness to accept a local contract (due to the legislators favouring local over foreign managers for their greater legal liability in the host country), knowledge of the local law (for more effective business performance), and an understanding of the local people with regard to raising morale and facilitating optimal team dynamics. Not many candidates for the managerial position fulfil these requirements in the parent firm's home market (internal and external candidates included), which forces the firm to look for alternative options that do. Interviewee 5b has thus, to the best of their knowledge, become the first **externally recruited manager** of an entity in the MNE network with no direct or indirect experience with Firm B before expatriation. The interview indicates that a need for an alternative (less effective and efficient) international staffing approach to filling the key positions in an MNE

does not necessarily stem from the firm's poor career and HRM planning (i.e. internal labour market deficiencies), but can occur due to the deficiencies in the external (domestic or international) labour markets or the specificities of individual business environments – i.e. it can be macro context-determined (Interview 5b).

Despite being an external recruit and as such **an 'enigma'** with many unknowns to the firm, Interviewee 5b references trust as having an important role in the firm's final decision to recruit them – as well as in their own decision to join the firm. They describe both the management inquiring about them among trustworthy colleagues and their decision to apply for the position as being based on a colleague's referral of the firm. They thus suggest that **referrals by trusted third parties** can act as a partial substitute for establishing the initial trust when the firm does not know much about the individual or the individual does not know much about the firm: i.e. they are used as guarantors of trust for both the employee and firm. Further direct contacts during the recruitment period in both the subsidiary and headquarters, through which the direct firm-employee relationship is established and the parties get slightly more familiar with one another (not yet having work experience with each other),[183] also impact the firm's and the individual's decision. The interviewee uses a marriage metaphor to describe internal and external recruitment options. They compare internal recruitment to marriage after a long relationship and external recruitment to marriage on the spur of the moment. They illustrate the difference between the two options with the following statement: *"If you marry somebody whom you have known for more than 10 years, you know their history, /but if you marry/ somebody whom you have met 2 weeks ago and they are your big love, the real situation reveals itself only after the pink cloud disappears."* (Interviewee 5b). External recruitment is thus portrayed as the riskier approach due to the many unknowns faced by both parties involved, whereas internal recruitment is based on an extant relationship and is hence considered less risky.

The interviewee therefore suggests that each external candidate for a managerial post in the MNE should be exposed to at least a one-year rotation in the headquarters for better familiarisation with the MNE or a one-year introduction to business in the foreign entity as a deputy director – if there is time for such an introduction. They suggest that such preparation is desired, but not necessary if the recruit is experienced in international collaboration and management. According to this interviewee, their international (managerial) experience contributes to managerial effectiveness, while firm-specific knowledge and integration contribute to managerial efficiency – especially in relation to the headquarters. This is the opposite to most interviewees' claims in both Firm A and Firm B that international experience contributes to the efficiency of a managerial assignment and firm-specific knowledge to its effectiveness. The experience may be location-specific, however. The interviewee describes their transition to a managerial role in the firm's foreign entity as being thrown into a situation and having to figure things out on their own – without rotation in the headquarters for integration into or familiarisation with the organisation (although this is common for new recruits in Firm B) or a trial period in the foreign entity (the interviewee immediately signed a long-term – four-year – local contract). They have nonetheless managed the entity

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[183] Only through direct experience with an employee in diverse situations can a firm build trust in someone's capabilities, however (see also Interview 1b).

successfully and were on a second mandate at the time of the interview.[184] The result could have been different, however, since the process has not been strategically governed by the firm but rather left to the individual. This suggests the organisational expectation of a managerial identity (that may be sought out during the recruitment process) or full empowerment of the internationally experienced recruits (Interview 5b).

Interviewee 5b identifies several **selection criteria** employed by the firm when selecting them for their managerial post. These can be categorised into location-specific, personality-based, or professional experience-based selection criteria. Location-specific criteria are focused on the person's fit with the national culture in the host culture (and by extension with the local team) and with the host country institutions. They include knowledge of the local language, knowledge of the local law, and an understanding of the local people (i.e. their thought patterns and behaviours) acquired through the individual's past experience of living and working in the target market. The interviewee moreover proposes that their citizenship in the host market and willingness to accept the local contract have been crucial in the firm's decision to select them for the assignment. Both the local citizenship and willingness to accept the local contract are institutionally imposed selection criteria, as they contribute to the manager's greater accountability relative to foreign managers and reduce state-level control over the entity.

Selection criteria based on personality or professional experience, on the other hand, are more focused on the person's fit with the organisational objectives and culture. They include (1) the individual being perceived as an orderly person due to their experience in the army and thus someone able to introduce order to the foreign entity, which was the organisation's objective at the time; (2) the individual's broad knowledge and professional experience acquired in versatile organisations that is especially relevant for their greater independence in problem solving, resourcefulness and operative stance in the host SME, where they have diverse responsibilities; (3) people skills and proficiency in intercultural communication; (4) understanding (and not necessarily fluency in) the working (parent firm's) language of the Group; (5) the individual's familiarity with the national business cultures of both the subsidiary and headquarters; (6) their technical background making it easier to understand the firm's portfolio; (7) managerial experience; (8) experience in commerce; and (9) a strong managerial identity (including being motivated by a challenge and having problems to solve).

The individual also explains their **motives for joining Firm B** and moving back to the host market, although these are more related to their private life than business. They include (1) a family house in the host country, (2) a spouse unprepared to move to the other market, and (3) difficulties in balancing work and private life as a commuter. The interviewee describes their decision to join Firm B as situational: i.e. it is a response to the opportunity for the individual to improve their quality of life. Interviewee 5b thereby expresses their 'opportunity taker' character, saying: *"I am like a sky-diver who springs from the airplane. I jump here and there – and stay where I feel good."* Their decision to change location and organisation is further eased by the individual's familiarity

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[184] The number of mandates for managers in the MNE is not uniformly determined, but rather depends on the persistence of the individual-employee fit (Interview 5b).

with the host market, language, working style, and work morale. They are also attracted to the market due to not experiencing any discrimination in it in the past (Interview 5b).

In reference to **preparation** for a managerial assignment (international or domestic), the interviewee stresses the importance of any employee being integrated into the MNE – either through career development in the firm as an internal recruit or rotation in the firm as an external recruit. They also highlight the importance of recruits for top managerial positions across the MNE being equipped with a broad skill set and knowledge to be able to manage all aspects of the entity with less business support functions compared to the larger systems. The interviewee illustrates the breadth of their managerial tasks in managing a small entity with the following statement: *"We are a small company: so I'm the financial director, the managing director, the person responsible for HR… A one man band."* (Interviewee 5b). After the interview, they also elaborate that not only a firm-specific but also a wide general knowledge base is crucial for a managerial assignment: *"To lead an organisation, possessing broad knowledge is important. One needs to have knowledge of andragogy, psychology, and working with people. A university degree is not enough. /One/ rather /.../ needs to work on all three mentioned topics."* (Interviewee 5b). This suggests that experience gained within and outside the firm throughout the individual's life can be relevant for the success of an assignment (including pre-employment experience). I argue this is the case not only because such experience shapes the employee's knowledge and skills, but also because it shapes their identity.

In performing their managerial tasks, the interviewee especially values their international experience (in different markets and firms – either their headquarters or subsidiaries), as it has equipped them with the multiple perspectives and broad knowledge needed to manage a foreign entity and contributed to their resourcefulness. Their experience has also been a source of confidence for the individual, saying: *"If you have enough experience and knowledge, which you can always collect, and if you have the self-confidence, then you do not have to worry: you will find a job."* (Interviewee 5b). This statement illustrates not only **the individual's self-efficacy** within Firm B and for their international assignment – it also demonstrates their confidence in being able to find alternative employment upon firm-employee mismatch, which puts them in a better negotiating position relative to both their current and future employers, as they are not dependent on either. The interviewee moreover portrays an overall inclination to change employers over time – often after successfully fulfilling their tasks, which illustrates their managerial identity. They offer an explanation for their lack of loyalty to a single employer by stating that working for a single employer for one's entire career would result in myopia, detrimental to both the individual's and firm's development: *"I met a few people, who worked only for one company for years and were completely lost in the market. They only knew one system – one company, one organisational culture, one language… You have to see more."* (Interviewee 5b). Being oriented towards constant self-development aimed at fostering resourcefulness is a further indication of Interviewee 5b's managerial identity.

While the interviewee has expressed a need for integration of each (especially new) employee into the firm and a managerial need for broad knowledge, they report they have not received much support in either respect from Firm B. Although they have not felt the need for support in terms of

relationship building, as they believe themselves to be proficient in this area, they consider being denied a rotation period in the headquarters as an additional burden in terms of the realisation of organisational goals. Similar to Interviewee 4b (another external recruit), Interviewee 5b describes their experience of transitioning to the assignee role as one without organisational support and thus requiring them to learn how to 'swim' on their own. This implies **a lack of strategic corporate governance** and control over the MNE network management in Firm B. Rather than steering the managers towards fulfilling the organisational goals and providing them with support for this, the firm has given up control over the managerial processes and completely transferred it onto individual managers. Such unsystematic and unstrategic renunciation of control by the firm cannot be considered empowerment, as it adds risk to the firm's international staffing and acts as an additional stressor at the individual level. Further implying a lack of 'managing the managers', the interviewee describes a prolonged transfer of business in their entity, provided to them by the firm, as a measure introduced to ease their predecessor's transition to retirement (through prolonging their engagement with the firm for another year on an advisory contract) rather than to support their managerial assignment. In reference to the transfer of business, the interviewee nevertheless acknowledges the value of self-initiative learning from their predecessor (e.g. about the procedures and their approaches to different issues in the firm) in order to develop their own leadership style in the entity (Interview 5b).

The limited organisational support and emphasis on self-initiative in assignment preparation, development for the assignment, and transition to the managerial role in the foreign entity imply not only the individual's self-identification as a manager, but also the organisational expectation of their managerial identity. The individual is expected to (and indeed has to) be resourceful and independent in tackling the managerial challenges and solving any emergent problems in the foreign entity. This means that the individual's demonstration of **a strong managerial identity** is both a selection criterion during manager recruitment and an individual's response to the firm's expectations and discourses conveying these expectations. Interviewee 5b, for example, demonstrates a problem-solving orientation and exhibits problem-solving capabilities by presenting problems to the headquarters only with proposed solutions. They actively and independently (i.e. without requiring organisational support) build relationships with local staff and business partners. They also portray leadership skills and adjustability to the team, stating that every organisation is unique and that one needs to find a way to lead a specific organisation. They describe this as being able to *"find the right vibration"* (Interviewee 5b) and suggest that they have also successfully achieved this in each of their previous jobs for different organisations, implying they are an intuitive manager.

Consistent with a managerial identity, the interviewed manager furthermore shows great confidence in their skills and position in the firm. For example, they do not perceive having a Slovenian deputy (an internal recruit) as a threat to their position or as the firm imposing control upon them, or the deputy performing a 'connector to the headquarters' role. They instead claim to perform the latter role themselves, and thereby also imply that the parent-country nationality and status of an internal recruit have a negligible impact on the manager's relationship with the firm. They suggest the latter depends on the individual's soft skills and personality. They thus perceive the Slovenian colleague in their entity as an opportunity for additional proof of competence and

confirmation that they are doing a good job as a manger to the headquarters. As they put it: *"It doesn't matter /which nationality the deputy has – they could be a local/, but /.../ I like to have somebody from Slovenia /.../ there /.../. I don't feel it as control but rather as an opportunity for someone to tell the headquarters: 'Okay, this managing director is doing a good job.'"* (Interviewee 5b).[185]

The interviewee also draws confidence from their vast experience and knowledge that give them multiple employment options. They explicitly state they have had other offers and describe their decision to stay with the firm as a choice which acts as a form of empowerment for them in the firm-employee relationship. They attribute their loyalty to Firm B to good relations with their colleagues and thereby demonstrate being relationship- rather than money- or status-oriented: *"/L/ife is not only about money. Life is also about well-being. We spend most of our time on the job… in the workplace; and if I feel good with my colleagues and in my workplace, I am employed by a good organisation, am in good relations with the board of directors, with my bosses, with my colleagues here, why change? Why change something that works /...?"* (Interviewee 5b).

Finally, the individual portrays a stronger identification with management by distancing themselves from the local staff hierarchically (e.g. by using formal address for the latter) and forming an in-group with the managers in the foreign entity. While the interviewee portrays a strong managerial identity, they do not demonstrate a strong expatriate identity. Rather than being focused on their national identity and differentiation from others based on it, they describe themselves as **an adaptive global citizen** who does not experience a sense of foreignness while abroad (also due to the non-discriminatory context of the host country and an international worker lifestyle): *"Working for an international group, I don't have to feel at home or abroad. /.../ If you move around the world /.../, the division between home and abroad disappears. /.../ I am probably more abroad when I am in my home country than in Slovenia (although I still have family there)."* (Interviewee 5b). The interviewee also does not identify as an international assignee.

During the interview, Interviewee 5b discusses several **role shifts**. They dedicate most of their attention to the shift from being an external recruit to becoming a member of the in-group in Firm B: i.e. to establishing a relationship with the management in the Firm B's headquarters and integrating into the local team in the foreign subsidiary. In reference to the former, they describe understanding (and attempting to communicate in) the Group's working language as well as regular face-to-face meetings in the headquarters as the key tools for relationship building. In reference to the latter, they similarly suggest that the key to the assignee becoming a member of the in-group in the foreign entity is their knowledge of the local language, which acts as a sign of their goodwill and results in their increased likeability among local team members. They also facilitate their own integration in the local team by being involved in operative tasks and framing organisational objectives as the common goals of all employees in the entity. As Interviewee 5b

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[185] The interviewee makes no differences in managing international assignees compared to other employees in their team – regardless of their status. In other words, they do not differentiate employees by type of contract or nationality, which is consistent with Firm B's staffing approach at the managerial level (see Interview 1b).

states: *"I am constantly saying to my colleagues that all of us are employed for common goals and targets. Our jobs and responsibilities are all intertwined."*[186]

They also stress their efforts invested in relationship building with the local staff through constant communication with the subordinates, as well as establishing a relaxed atmosphere through jokes and them adjusting to the team rather than expecting the team to adjust to them. They state that *"/.../ the team will not change for one man"* (Interviewee 5b), and thereby indicate that the majority, regardless of its position in the organisational hierarchy, has some power over the hierarchical superiority of an individual. Careful selection of new team members that fit the extant team contributes to maintaining good relations among employees and with the manager. While the manager wishes (and needs) to be a member of the in-group for better team dynamics, they are also aware that they have to keep a certain level of distance and authority in order to lead the team. From a professional perspective, they have to remain part of the managerial out-group (i.e. a group based on their profession and position within the firm). They thus maintain a certain level of distance relative to their subordinates by addressing them formally, whereas the informal address is reserved for communication with other managers in the entity, who the interviewee seems to identify with more strongly based on their professional role.

Creating an 'us-them' divide based on the employees' managerial status further supports the conclusion on the strong managerial discourse in Firm B – at both the firm and individual levels. To successfully transition to and maintain the legitimacy of their managerial role, the individual focuses on both the relationships within the team and with the firm's business partners. For instance, they pay particular attention to the new recruits' fit with the extant team as it grows. They thereby value relations over professional skills, explaining: *"I can find a person who is /.../ a perfect salesman /.../, but if they cannot /.../ be the member of this team, they cannot work here; because the team will not change for one man."* (Interviewee 5b). They also stress **relationship building** with business partners as part of assuming their role, and propose that physical presence is more effective than mediated communication in this respect. Although the interviewee mostly focuses on the role shifts they have experienced, they acknowledge that any managerial shift in an entity also results in changes (but not necessarily role shifts) for local staff. The interviewee explains that the local team experiences uncertainties with the change of management too (e.g. not knowing what type of leadership to expect) and needs time as well as convincing to accept the individual. This convincing involves providing proof of the new manager's competence (through business results), which finally suggests that role shifts are relational and occur through interactions (Interview 5b).

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[186] During the interview, the interviewee explains it could take the locals several years to accept a new manager, which is longer than it has taken the local staff in another (also emerging market) entity to accept a manager from the headquarters – despite them breaking the local norms and expectations of who could manage a firm (see also Interview 3b). This may be related to the crisis situation acting as a bonding accelerant or the relationship focus in one national culture being stronger than in the other.

4.2.3.3.5 Interviewee 6b: an internally developed local manager: trust and relationship building with the headquarters and the related role conflicts

Interviewee 6b was a local manager recruited for the managerial position in a small emerging market sales entity. They were **an internal recruit** that had acquired six years of experience as a commercialist in the firm's subsidiary before being promoted to a managing director position in the same entity upon the recommendation by their predecessor approximately three and a half years before the interview. Although the interviewee was not an international assignee, the firm representatives suggested them as a valuable informant for the study. They proposed this manager was managed similarly to any subsidiary manager by the headquarters and could thus provide a comparative perspective to that of the traditional international assignees managing foreign entities in the MNE network, as well as insights into the firm's deviations from its otherwise ethnocentric international staffing approach to key positions across the Group. The interview was thus conducted as **a supplementary interview**.

Since the interviewee had no planned visits to the parent firm during the data collection phase, the interview was conducted during a telephone conversation that lasted 55 minutes. The interviewee responded to the questions in their native language. Like other interviewees, Interviewee 6b was first presented with the focus of the study, the topics to be covered during the interview, and the research procedures followed by the researcher. The interviewee showed an interest in the research topic and was focused on the questions. They were open and direct in their responses. The interviewee agreed to the interview being audio recorded and did not seem confused, distracted, or restricted by this. While they expressed a willingness to answer any follow-up questions, all ambiguities were resolved during the interview, so additional questioning was not needed. The interviewee also did not request the summary of the interview to be sent to them for final approval. During the interview, detailed notes of both the interviewee's responses and non-verbal cues were taken. Immediately after the interview, preliminary analytical notes were also made. A verbatim transcript of the conversation and a grammatically polished and thematically rearranged summary of the interview were then prepared for further analyses. During this the summary served as the basis for content analysis and the verbatim transcript was used for critical discourse analysis. Illustrative quotes originate from the verbatim transcript, but are grammatically corrected for consistency and clarity of conclusions. The key findings from the interview are presented below.

Interviewee 6b describes the MNE as highly centralised. The interviewee considers centralisation as an advantage from the perspective of cost optimisation (e.g. through joint procurement), the MNE's negotiating power relative to its business partners, and goal clarity for its internal stakeholders (including the individual subsidiary managers). In other words, they experience centralisation as the MNE's support for the subsidiary- and individual-level performance. They furthermore explain that centralisation allows the less developed entities to benefit from the business support functions in the headquarters, stating that *"/the parent firm is/ a larger system and more or less helps /subsidiaries/ with anything they do not know how to tackle."* (Interviewee 6b). According to the interviewed individual, both operative and strategic collaboration with the headquarters are important for their performance due to the subsidiaries acting as *"the prolonged arm of /the parent firm/"* (Interviewee 6b). They explain that, as a manager of a subsidiary, they

need to understand the firm's strategic decisions and developments in Firm B's portfolio. They state that the headquarters also need to inform them about any shifts in the supplier markets and *vice versa*. The manager's collaboration with the headquarters is centred on strategic consultations and brainstorming sessions for strategy co-creation with the managers from the headquarters, who provide the manager with insights into internal developments in the firm.[187] It additionally includes conversations with sales and purchasing departments that keep the individual better informed about the relevant developments in the markets. Such sales-oriented collaborative efforts are largely initiated by the subsidiary manager and related to their past role as a commercialist that provides them with better access to professionals in the headquarters, though, and thus they are not management related.

In discussing their collaboration with the headquarters, the individual references one specific disadvantage of centralisation: **the weak relationship of local staff with the parent firm**, which results in a lack of mutual trust, greater (perceived) control over the locally developed and recruited manager by the headquarters (compared to managers assigned from the headquarters), their seclusion from other mostly headquarters-originating managers across the MNE, and a need for enhanced investments in developing the firm-employee relationship at the managerial level as well as proving themselves to the headquarters: *"/.../ one can sense a bit that I am not part of the management that originates from Slovenia, which has been acquainted with people from Slovenia at a certain managerial level for a while, and that there was a lack of trust in the beginning of my mandate."* (Interviewee 6b). According to Interviewee 6b, this mainly occurs due to the local recruit spending limited or no time in the headquarters prior to their promotion to a managerial position (also because of the subsidiary's focus on the domestic market)[188] and because any contact with the headquarters prior to their promotion to a managerial position was limited to professional staff (more specifically, the commercial department).

The distance between entities prevents the individual's good performance from being noticed by the management in the headquarters. A different approach to the local manager is thus not nationality-based, but rather stems from the lack of the headquarters' familiarity with the individual. Although the individual is an internal recruit, they also lack the headquarters-specific knowledge and embeddedness crucial to inter-entity collaboration in centralised MNEs. In response to a weak firm-employee relationship, the interviewee reports engaging in activities aimed at **relationship- and trust-building with the headquarters**, such as participating in managerial teambuilding events. This is mainly upon self-initiative, however. They also describe visits to and by the headquarters as valuable for relationship building as well as for the business performance of individual entities and the entire MNE group. As the individual states: *"Let me*

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[187] The individual stresses the importance of a common (or similar) language for enhancing inter-entity collaboration at the managerial level (Interview 6b).

[188] The subsidiary's domestic focus also limits the individual's international mobility as a manager. It also limits other employees' international mobility to the degree that it is practically non-existent (Interview 6b).

stress once more, the more we socialise, the stronger the personal relationship gets – and the related trust is always good for business." (Interviewee 6b).

While the interviewee attributes **the enhanced organisational control** mostly to the firm's unfamiliarity with them, the local manager also references youth as a potential factor in this. They were promoted to the managing director position in their early 30s – with no managerial experience and no formal education for the position. The individual furthermore implies that this organisational control is increased by their outstanding business performance, which is looked upon with some suspicion by the headquarters due to the particular macro- and mezzo-level contexts of their work. Other materials in the analytical corpus gathered for this study (e.g. Firm B's annual reports for 2012–2017; Interview 3b) suggest that the enhanced control in this market may be related to the organisational and host country contexts. More specifically, the MNE has experienced difficulties in another entity in a similar market due to poor local business practices by a local manager around the same time during which Interviewee 6b assumed their managerial position, and this may have sensitised the firm to any deviations from the usual business performance by entities managed by non-parent-country national managers and located in emerging markets (especially those in the same region).

Despite their lack of a strong relationship with the headquarters and the related risks for the subsidiary performance and inter-entity collaboration, the interviewee is on a contract with indefinite duration. They were promoted to the managerial position based on their predecessor's referral and the following criteria: (1) the individual's excellent commercial results; (2) soft skills (i.e. social intelligence and talent for managing people – the individual identifies as an intuitive manager); (3) proof of problem-solving motivation, engagement, and competence; and (4) broad subsidiary-specific knowledge gained through being operatively engaged in various tasks in the foreign entity due to its small size and limited (HR) capabilities. The interviewee illustrates their qualities with the following statement: *"When problems are being addressed, people usually distance themselves from a problem and do not wish to take responsibility. I always paid attention and was ready to tackle any problem – even if it was not necessarily related to my area of work, it was in my interest to solve it for the firm. /.../ I have thereby shown that I take responsibility, proven that, when I do take it, I also execute tasks effectively, and demonstrated that I can manage people in relation to problems within the firm /.../."* (Interviewee 6b). They thereby clearly express **a strong managerial identity** even prior to assuming the managerial position and despite not being trained or experienced in leadership.

The interviewee also expresses their managerial identity through several of their actions: (1) being a problem solver even before formally assuming a managerial position; (2) becoming an independent decision-maker as a manager (only engaging in consultations with commercialists upon need); (3) requiring no support when integrating into the headquarters and the in-group of managers (i.e. demonstrating self-initiative in this respect); (4) identifying with other managers and supporting the exchange of good practices among them (despite the differences in strategies across the MNE, market maturity, and saturation and the resulting limited realisation of suggestions); and (5) requiring long-term goal clarity (Interview 6b).

The interviewee describes their **career development** and operative work (i.e. experiential learning) in a small-sized entity, where they have been involved in tasks pertaining to multiple business functions as a professional, and thus gained holistic knowledge of business operation processes, as the most important **preparation** for assuming the managerial post in the subsidiary. The individual thereby explicitly states that experiential rather than formal learning (e.g. in official training programmes) has been the most valuable for their successful transition to a managerial role. The firm suggested the individual attend university courses prior to being promoted, which they then attended for a year, but since they assumed the managerial position they have no longer had the time to focus on finishing their education, as they have had to concentrate on the tasks at hand in the entity. When describing organisational support specifically aimed at preparing them for the managerial role, the interviewee only references a six-month **transfer of business** from their predecessor pre-retirement. They explain that the latter has been focused on a brief introduction into relations with the headquarters (without rotation in the latter) and banks, as the individual was already familiar with the foreign entity and the processes they would manage (Interview 6b).

Similar to internationally assigned managers (especially those with limited managerial experience), the local manager assuming a new position stresses the difficulties of their **role shifts**. They explain how their relations in the foreign entity have had to change from friendly and collegial to hierarchical in order for them to establish a sufficient level of authority relative to their subordinates. As Interviewee 6b says: *"My relationship with colleagues has changed. Before I became the managing director, we had been /.../ in collegial and friendly relations. After becoming a managing director, I had to slowly start detaching from the friendship-oriented relationship and maintaining only the collegial relationship."* The interviewee also suggests that their pre-established relations with the local staff inhibited their role transition as well as teamwork and team management. The interviewee attributes their lack of authority to the role shift rather than to their individual-level characteristics, such as the lack of leadership experience and an unauthoritative personality, or the team's lack of respect for hierarchy. They substantiate this with comparing the team's collaboration with the past manager, who had complete authority relative to the local staff: *"When the previous managing director made a decision, it was accepted and executed in the form it was presented to employees, because the managing director made it, whereas during my first year as a managing director people kept questioning my decisions and constantly requested explanations for them due to the friendly relationship which could not be discontinued overnight."* (Interviewee 6b).

It has taken the individual about a year to shift from being their colleagues' friend to performing the dual role of a friend and a manager, and finally to gaining full authority by systematically distancing themselves from the local staff and establishing a formal rather than an informal relationship with their subordinates. This means they have had to disintegrate from the team rather than integrate into it. The individual describes several approaches to **changing the nature of the relations** in the team. The first involves the individual no longer engaging in private conversations, celebrations, or unofficial gatherings outside of the office. This is a measure targeted primarily at the extant team. The second measure involves external recruits: by hiring additional team members who have had no prior (friendly, collegial or hierarchical) relations with the manager, the

formalisation of relations has become easier and also spilled over onto other employees. In reference to additional recruits' integration into the team, the interviewee points out the extant employees' reluctance to change: stating that the new employees recruited for middle management positions externally, as an alternative to the firm's usual practice of extant employees assuming higher positions in the hierarchy through internal promotions, have had to prove their competence before being accepted into the team and before this HR approach itself could be accepted by the team (Interview 6b).

The interviewee also reports experiencing changes in their relations with the headquarters upon promotion. There, the shift is dual: they transform from a subordinate to a colleague relative to headquarters-based managers, and from a colleague to a superior relative to colleagues in the commercial department (Interview 6b). The individual further discusses the challenges of their **dual role** as a (as perceived by the local staff) representative of the headquarters and the manager of the local team. While becoming more closely related to the headquarters provides the manager with access to more holistic and in-depth insights into (and thus a better understanding of) the decisions made by the parent firm, it at the same time further distances them from the local staff. They describe their close relations with the headquarters as *"a double-edged sword in relation to local colleagues"* (Interviewee 6b), explaining that it diminishes the local employees' trust in the individual as their representative and advocate, since they perceive the manager to be a representative of the headquarters. This is because having direct access to the headquarters creates an information asymmetry between the local manager and the local team members who have been members of the same 'in-group' with a similar understanding of the organisation's decisions prior to the individual's promotion. With the latter, the individual has gained additional insight, however, which has been a source of misunderstandings between the manager and their local subordinates. Although the manager has found having a limited perspective as a commercialist frustrating, they have not included other employees in information sharing and decision-making. The interviewee suggests this is because it would make the decision-making processes less effective and efficient (Interview 6b). However, limiting the information they share with the local staff may also be a way of preserving their managerial role and identity.

4.2.4 Multilevel cross-case comparisons of cases within Firm B: differentiation within a unified approach to managers – stressing the managerial discourse, role shifts, and legislation

The content and critical discourse analyses of the analytical corpus in Firm B (see also Appendix H for a summary table of the findings) show that, as in Firm A, **the organisational structure** significantly defines the international staffing discourses and practices at both the firm and individual levels. Being a centralised MNE with both operatively and strategically highly interconnected and functionally interdependent entities results in the firm's need for more effective and efficient inter-entity collaboration. According to the majority of interviewees (including the externally recruited parent- or third-country national managers and internally recruited parent-country national or local managers) this can best be achieved through **internally developed managers** (preferably managers developed in the MNE's headquarters), who are fluent in the

organisational and parent firm's home-country language as the MNE's working language at the managerial level, embedded in the firm's internal and external networks, and knowledgeable of firm-specific processes, standards, and portfolio (preferably in both the sending and receiving markets). Knowledge of the host country's local language additionally supports these managers' effectiveness and efficiency in managing the relations with local stakeholders.

Because of the firm's strong emphasis on inter-entity collaboration – especially collaboration of foreign subsidiaries with the headquarters – Firm B prioritises **an ethnocentric staffing approach** to filling the top managerial positions across the MNE. This means that, when possible, it employs internal recruits from the headquarters (or at least parent-country nationals from the external labour markets) to top managerial positions across the MNE network. An emphasis on filling the managerial positions across the MNE with managers developed in the firm's headquarters is evident regardless of the individual entities' focus on their respective domestic markets and their relative autonomy in pursuing location-specific opportunities, as the overall MNE strategy, goals, and principles of operation are determined in and controlled by the parent firm (Firm B's annual reports for 2012–2017; Interviews 1b–6b). The strategically crucial subsidiaries are usually managed by (internally or externally recruited) parent-country national managers. They are often given more independence than the smaller, immature, and usually 'problematic' entities – both operationally and strategically as well as through a different ownership structure. This is mainly due to their maturity and own financial resources. The smaller entities, on the other hand, can also be managed by (the usually externally recruited) third- or host-country national managers. However, when in crisis or performing well-above expectations, which signals unethical or non-standard business practices to the headquarters, they are heavily supervised from the headquarters. Any deviations from the ethnocentric staffing approach are thereby a result of internal or external labour market deficiencies rather than strategic decisions.

The analyses reveal several advantages of the ethnocentric international staffing approach at both the individual and the organisational levels. At the organisational level, such an approach gives the firm a sense of greater control over both the manager and entity abroad.[189] It also strengthens the organisation's trust in the individual to perform their tasks effectively and efficiently due to their familiarity with and understanding of the work environment, organisational culture, work principles, business practices, product portfolio, employees, team dynamics, and business partners of the MNE, as well as proven competence within the firm. It also enhances the firm's belief in the individual performing their tasks abroad responsibly and diligently based on a strong firm-employee relationship. In other words, this approach decreases the (perceived) risks because the firm and individual are familiar with one another. The individual's motivation to act in the firm's best interests is thereby reinforced by the promise of repatriation and the internationally assigned

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[189] Firm B performs control over managers of foreign affiliates (regardless of their origin) through a joint reporting system (focused on business results) and the management board member responsible for the foreign trade network (Interviews 1b–6b). Due to the operative dependence on the headquarters, managers mostly rationalise control as support rather than a threat to their autonomy.

managers expecting rewards for their work abroad later in the international assignment process (Interviews 1b–6b).

In addition, **internal recruitment** of managers in the headquarters enhances the international staffing flexibility and accelerates international staffing-related (and internationally assigned staffs') decision-making, which is especially relevant in crises. Finally, internal recruitment of candidates from the headquarters not only strengthens collaboration between the parent firm and manager, but also enhances collaboration between managers of entities across the MNE network. Having experience in a similar organisational as well as home country environment fosters a common understanding of and familiarity with the firm, its business practices, and culture. It also suggests a shared cognitive schema among managers that stems from similar socialisation and fluency in a common (organisational working) language that increases mutual understanding and communication efficiency at the managerial level. It can thus strengthen good practice transfers, promote joint actions (e.g. for cost optimisation), and alignment of otherwise disconnected local strategies (an aim not yet fully achieved by Firm B) (Interviews 1b–6b).

At the individual level, one of the benefits of the internal recruitment of employees from the headquarters includes the employees' greater negotiating power relative to the firm due to these recruits' comparative advantage in terms of firm-specific knowledge and embeddedness relative to external recruits. I argue that knowing the firm's capabilities is likely to make an individual's demands more realistic, though, and that the individual's socialisation into the firm is likely to make their demands more congruent with the organisational objectives (two additional benefits of internal recruitment for the firm, but also for the individual, as the individual's satisfaction upon fulfilment of these demands is likely). Enhanced negotiating power also results in the individual being able to determine the assignment format so that it is more in line with their personal or career-related needs and wants.

This also enhances the employee's commitment to the assignment, as it is aligned with their short-, medium-, and long-term goals (another advantage for the firm). Third, internal recruitment eases the necessary bureaucratic procedures, since individuals already have a contract with the firm, and enhances the employee's job security based on the pre-established relationship an individual has with the firm. It also facilitates prompt (work) adjustment and assumption of tasks based on pre-existing firm-specific knowledge, clear expectations, and firm embeddedness along with the related better-tailored organisational support for the individual. Regardless of the potential individual-level benefits of internal recruitment, like firm-level interviewees, individual assignees, third-country, and local managers all stress the benefits of such recruitment for the organisation more than the benefits for themselves. On the one hand, this indicates their strong managerial identity. On the other hand, it also reflects the individuals' acknowledgement of the demands that

an assignment has on them in terms of personal sacrifices for organisational success (Interviews 1b–6b).[190]

Although Firm B claims not to differentiate between managers in terms of their origin, but rather defines them based on their professional role, it demonstrates **a strong bias towards recruiting parent-country nationals** for top managerial positions across the MNE network – either as internal or external recruits. This indicates that the firm recognises some nationality-related advantages of parent-country nationals in managerial positions next to the firm-specific advantages of internal recruits. Since external recruits with the firm's parent-country nationality in particular do not have an advantage of firm-specific knowledge and embeddedness, there are several alternative explanations for the firm's parent-country national bias. First, the firm may rely on its familiarity with the parent-country business culture (assumingly adopted by these recruits) in coordinating inter-entity collaboration (based on similar sensemaking structures and processes). Second, the parent-country national bias may demonstrate the firm's desire to establish and maintain its home market (and not just parent firm) business practices across the MNE (see e.g. Interview 3b). However, parent-country nationals residing abroad may have already integrated into the foreign or a more general international business culture, developed a skewed perception of their country of origin as well as changed their sensemaking structures. The firm's 'parent-country nationals' bias may thus also be language-based or grounded in an irrational trust of members of the same cultural in-group. Another explanation for this bias may be that – based on its good employer branding domestically – Firm B is better able to attract qualified parent-country nationals to the firm than it is the equally qualified local or foreign staff (especially in light of its emerging market origin and the related lower employer attractiveness (e.g. Alkire, 2014)). Further research should look into these issues in more depth.

As indicated above, ethnocentric staffing may not always be feasible. According to Interview 1b, the firm has already exhausted its internal pool of suitable candidates willing to expatriate and is facing labour market deficiencies in both its domestic and foreign markets (internally and externally). It has thus had to turn to **alternative (often less effective and efficient) staffing approaches**, such as prolongations of managerial international assignments of parent-country nationals up until retirement,[191] recruiting such individuals residing in the host market, employing local or third-country nationals to top managerial positions in the MNE, recruiting extant junior employees for managerial assignments, and engaging former employees in international assignments as sole proprietors. While the external recruits frequently have managerial and/or international experience, both internally recruited junior and local managers are often managerially and internationally inexperienced. They moreover lack strong relationships with their colleagues

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[190] The interview with a third-country national reveals that internal recruitment has setbacks, such as myopia due to excessive integration into the firm and its culture and the related lack of experience in other organisations, too (see Interview 5b).

[191] The majority of managerial international assignments in Firm B are long-term ones introduced for control or coordination purposes. Two additional assignee roles are also identified by interviewees: (1) breaking the local norms regarding managers and (2) breaking local networks and unethical business practices.

at the managerial level, whereby especially the local recruits additionally face the challenge of establishing a strong relationship with the parent firm due to their physical distance from it throughout their career in the foreign entity and perceived outsidership based on both their foreignness and professional role shift (see e.g. Interviews 1b, 2b, and 6b). For the most part, third- and host-country nationals in managerial positions across Firm B have only been used in secondary entities within a market, for managing entities they initiate and establish (i.e. the firm is open to the local opportunities presented to it by external partners, when advocated by internal managers), or in locations with location-specific requirements that not many candidates can fulfil (see e.g. Interviews 3b and 5b).

Commuter assignments and the flexpatriation of former assignees have also been implemented by Firm B. Commuter assignments have appeared as an organisational adjustment to individuals being unwilling to move abroad permanently. However, they are also an advantage for the firm by increasing the individual's availability to the MNE while abroad and their related willingness to assume a greater workload due to the physical and psychological separation of work and private life through commuting. Flexpatriation, on the other hand, has evolved as a transitional solution for cases where the firm cannot immediately find a permanent manager. Flexpatriates (usually former managers) thus serve as 'place-holders' for their successors with limited developmental potential due to the firm's emphasis on relationships (among employees and with business partners) that require physical co-presence (see e.g. Interviews 1b and 3b). The recruitment of external managers and remote management through flexpatriation are thereby considered to be the least optimal solutions for staffing international managerial positions across the MNE, and as such considered to be the firm's last resort. In other words, the firm employs **a sequential approach to its decisions on filling managerial positions**: it starts with the solutions it considers the most optimal and continues to other options – ending with what it considers the least optimal solutions for managerial posts across the MNE. When the strategically less optimal international staffing approaches are employed for filling top managerial positions across the MNE (e.g. junior managers, external recruits, or local managers), the firm also tends to enhance its control over the selected managers during their assignments.

Because the deviations from an ethnocentric staffing approach remain rare and unstrategic, they are not considered to be an indication of a strategic shift towards a geocentric staffing approach. The firm thus demonstrates a propensity to maintain a consistent staffing approach in its individual foreign entities (in terms of managers' origin), whereby shifts in management by origin usually reflect a crisis in an entity (Interviews 1b–6b).[192] The firm's ability to uphold an ethnocentric approach to international staffing has mostly been supported by both firm- and individual-level **flexibility regarding assignment duration**, with many assignments prolonged for multiple mandates. According to the analyses, this is a result of assignees' strong managerial identity, orientation towards organisational goals, commitment and loyalty to the firm, and the organisational and national culture of especially the older generations of employees working for

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[192] Contrary to the local staff's perceptions of a shift to international assignees managing an entity as a sign of firm closure, data from Firm B's annual reports indicate that shifts to third-country or local managers are more likely to result in firm closure (Firm B's annual reports for 2012–2017).

the same firm their entire careers. This may thus change along with demography and more millennials entering the labour market (including managerial positions), as well as with the technological shifts in the sector. These developments are likely to force the firm to shift to a different staffing approach or more targeted assignee development. To guarantee the continuous and constant availability of suitable assignment candidates, a practical implication of this finding is for the firm to invest in systematic internal employee development and employer branding stressing international employee mobility in order to attract individuals who are willing and motivated to go on such assignments to the organisation and maintain their motivation while on an assignment.

In reference to international assignment management, interviews in Firm B indicate that **different selection criteria** are applied for managerial international staffing based on whether the firm is targeting internal or external recruits. While the main criterion for internal recruitment is usually an employee's willingness to expatriate (combined with a learning orientation, positive work attitudes, and a strong managerial identity) rather than their competence-based suitability for a position, external recruits need to meet additional criteria to be selected for a managerial position in the MNE network. These include the individuals having (international) managerial and professional knowledge or experience as a sign of their competence for managing an SME holistically. Due to the lack of mutual familiarity between external recruits and the MNE, the firm also tests these individuals' interest in the firm, their learning orientation, and motivation to fulfil the organisational rather than (solely) their individual objectives (e.g. by assessing their motivation for and capability of integration into the firm, estimating the adjustment potential of their extant skills to the firm, and preparing psychological profiles of new recruits). In other words, the firm selects the individuals oriented towards fulfilment of organisational goals and eliminates those candidates who are more focused on their own (personal rather than career-related) benefits at the recruitment stage. It then only reinforces this orientation through organisational discourse, which is focused on strengthening the recruits' managerial identity and role. For external recruits, proof of both competence and trustworthiness is essential. The interviews show that referrals by extant employees or business partners can be misleading in this respect, however. They also indicate that even the firm's direct experience with a candidate may not be a reliable source of information for accurate assessment of an individual's competence and personality match with the firm, a team, or an international assignment life-style or tasks. Since it is based on infrequent and often superficial interactions, this information is scarce, limited to a few (specific) situations or contexts, and as such insufficient (Interviews 1b–6b).

Despite recognising knowledgeable and experienced employees as crucial contributors of value to Firm B's international business performance, **employees' knowledge and experience** are framed **as entry resources** held by individuals upon recruitment. The individuals, for instance, reference their past experience as relevant for their work-related adjustment, professionalism, and resourcefulness (see e.g. Interview 5b). This is consistent with competence-focused external recruitment, which implies all recruits already enter the firm with certain expertise that they later only polish and deepen with the new employer. Employee development is barely mentioned by firm and individual-level sources. Instead the firm implements a 'learning by doing' approach (also described as a 'sink or swim' logic) to employee development as well as assignee preparation,

whereby it tests the individuals' competence in different situations, thereby strengthening extant skills rather than teaching them new ones. The individuals demonstrate a preference for such an approach over formal training and education, as it allows them to focus on the tasks at hand, solve real-life organisational problems, and thereby realise their managerial identities. However, by implementing a 'learning by doing' approach to employee development as well as assignee preparation and management, the firm relinquishes control over the process. It transfers responsibility for assignment results (good or bad) onto employees, who become owners of the processes – and thereby bearers of added pressure during the already demanding and complex managerial assignments. This pressure is partially alleviated by being dispersed among all employees regardless of their position: i.e. assignees' colleagues and subordinates are expected to provide support to the assignees as well.

Overall, Firm B introduces **a uniform discursive approach** to long-term managerial international mobilities. However, it acknowledges the different needs (and demands) regarding the organisational support for assignment preparation and execution between (1) junior and senior staff, (2) internal and external recruits, and (3) managerial and non-managerial (i.e. expert) employees. This is confirmed at the individual level too, as individuals report experiencing different organisational support based on their (in)experience – with the firm or managerial positions. The diversity in recruits' extant knowledge and experience (with the firm, international business, and management) as well as the different levels of entity maturity they are assigned to prevent the firm from being able to use a standardised international staffing strategy and practice (which it has also not yet developed due to international assignments being a rare event with different implications by market for both the firm and individual).[193]

As a result, **individualised *ad hoc* international assignment management practices** are most often introduced. None of the interviewees report managerial or other assignment-related training – despite the managers and the firm alike recognising a need for holistic knowledge and soft skills for managers to be able to manage an entity abroad, and some individuals considering managerial training as potentially beneficial in this respect (see e.g. Interviews 1b, 4b, and 5b). Only external and junior employees report systematic preparation for an assignment: e.g. rotations in the headquarters aimed at the individuals' integration in the firm or coaching by management board members or experienced local staff and prolonged transfer of business from their predecessors. Preparation is mainly focused on (further) integration of recruits into the MNE, relationship building, and gradual adjustment to their new roles. A well-thought-out transition can have long-term and spillover effects as gratitude motivates an individual both to perform well during their assignment and to pass the good transfer of business practice along onto their successor (see e.g.

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[193] One of the interviewees highlights the lack of internationally experienced staff in the headquarters as a hindrance to assignee support due to the poor understanding of assignees' and foreign entities' needs by the parent firm. Lack of international experience is considered especially problematic for employees in the foreign trade department in the headquarters, which indicates both that the firm acknowledges the importance of mutual understanding for its business results and that the international experience is primarily considered as beneficial for the organisation and not for the individual.

Interview 2b). Another motivator for the good performance of an assignee may be seeing their predecessors coaching them for the international assignment sitting on the management board, as this is an indication of their possible future prospects in the firm. Both the firm and individuals thereby acknowledge that long-term managerial expatriation is the choice rather than an obligation of an employee. It thus requires firm-employee negotiations for either a redefined arrangement with an extant employee or a newly determined arrangement with a new recruit.

Regardless of the type of recruitment, the level of an individual's managerial experience, and the chosen staffing approach, assignees' **managerial rather than expatriate identity** is stressed in Firm B's firm- and individual-level international staffing discourses. Both the firm and individual employees describe assignees as they would any top manager of an entity: as value creators, opportunity seekers, goal-oriented and work-focused independent problem solvers, who are motivated by challenge and new experience. Assignees (and other managers) also demonstrate a practical stance, by, for example, favouring a 'learning by doing' approach to employee development and tackling any immediate challenges that occur. They are also risk prone rather than risk averse, confident, and take full responsibility for the decision to expatriate and the execution of the assignment. Finally, they express (but not necessarily experience) limited stress related to the assignment. When they do reference stress, individual managers (i.e. assignees from the parent country, local or third-country national managers alike) link it to business results and fear of failure, rather than to expatriation-specific issues such as adjustment, which is a further indication of their focus on a managerial identity and role rather than the potential international mobility related to their position.

Individuals also seek confirmation of their managerial identity in practice, as this gives them authority, legitimacy, and confidence (self-efficacy) to execute tasks as well as enhances their power relative to the firm (e.g. with success individuals can expect immediate and long-term career-related rewards). They thus frame their managerial international assignments as fully work-related tasks for which they are willing to work overtime without compensation – but with acknowledgement of their sacrifice as the basis for managerial identity confirmation. Consistent with a managerial identity, a clear separation of work and private life is established for a better work focus and as a coping strategy. Similarly, the assignees' networking is targeted at fulfilment of organisational objectives and not at an individual's adjustment to the new environment or a higher quality of life. The interviews show that the assignees' personal needs are often strategically and systematically neglected, not only by the organisation but also by individuals on expatriation themselves, as they perceive this will support their success during an assignment and in turn improve their career options in the firm afterwards. Seeing an assignment as a sacrifice and an opportunity at the same time, they self-manage it as such: e.g. they sacrifice family time and limit it to home visits, work overtime, and network with contacts beneficial for the firm rather than their leisure after work, but also seize opportunities to develop their leadership skills, accelerate their career development, and expect returns on investment upon repatriation (e.g. by gaining direct access to top management they can better prove their value to the firm and access information on opportunities across the network) (see e.g. Interviews 2b and 3b). The individuals thereby report seeking confirmation of their managerial identity from various stakeholders: especially the top management in the parent firm, local business partners and local staff. For achieving the latter,

they clearly (and intentionally) separate from subordinates and identify and expect to be treated as superiors. They acknowledge this effect is limited to the workplace, however, as employees slow down their speech for the individual to be able to process the foreign language, whereas colleagues and friends in non-work environments do not.

A focus on a managerial discourse seems to be a cost optimisation strategy in Firm B, aimed at lowering individuals' expectations and increasing their work focus, motivation, effectiveness, and efficiency. This is confirmed by one of the pilot interviews linked to Firm B. In it, a sole proprietor collaborating with the firm as a former employee suggests that the organisation hides information regarding individual assignment arrangements not only for reasons of confidentiality, but also in order to not set a precedent for similar flexible arrangements among other employees or encourage greater employee demands from the firm and potential dissatisfaction among domestic staff based on comparing their arrangements to that of an assignee – without having a referential framework for the sacrifices accompanying expatriation.[194] The interviews also indicate that an emphasis on the managerial discourse may have detrimental effects on international assignment outcomes, however. On the one hand, it increases the pressure for results and transfers full responsibility for these onto the assignees. On the other hand, it encourages managerial identity work that might not be grounded in real-life experience and individuals' competence and skills. In other words, it may generate over-confidence, arrogance, and excessive ambition. These may result in underperformance, rejection of the organisational or collegial support and collaboration that could improve assignees' performance, and an individual's focus on personal rather than organisational objectives.

A strong managerial identity focus does not only affect managers, but also has **an impact on other employees**. While it may enhance the manager's legitimacy and power, it may also enhance the superior-subordinate divide; sometimes to a point where it does not support control, coordination or knowledge generation and sharing, but rather hinders collaboration and teamwork. In extreme cases, this divide may even spark **destructive practices**, such as active reluctance to change or discrediting and sabotaging an assigned manager (see e.g. Interview 3b). This is especially the case when a manager is a new and inexperienced one who breaks organisational or national cultural norms regarding managers, or when they are transitioning from being a colleague to becoming a superior to the same group of employees. Reluctance to change can also be enhanced by information asymmetry between superiors and subordinates regarding the decisions made in the headquarters, which may create misunderstandings and interfere with team dynamics. Since information asymmetry is status related, this is a status-related issue rather than one related to expatriation itself.

Although the firm avoids establishing a separate expatriate discourse, this is somewhat present at the level of the individual. **The expatriate identity** is reflected in some of the individuals' coping

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[194] Interview 1b implies similar effects of labour market deficiencies on the firm-employee relations and inter-entity relations, as the firm is forced to offer better conditions to new recruits to even attract them to the organisation, but thereby hinders its relations with extant employees and the newcomers' integration into the team.

mechanisms: e.g. networking domestically or with parent-country nationals in the host market and frequent visits to the home country to preserve one's identity. It is also shown in reports of feelings of homesickness, identity loss, sense of de-rootedness, an enhanced identification with the local team that evolves over time, as well as in the individuals' self-identification as global citizens or their sense of community with other international assignees (including assignees from the parent country in other firms and repatriates in the parent firm). International assignee identity thereby strengthens with the need for practical support by other assignees and/or unwanted control from the headquarters, when international assignees build an in-group separate from and in defiance of the headquarters.

Interviewee 3b, on the other hand, describes developing **identification with the local team** as a factor contributing to a more emotionally challenging repatriation (regardless of them returning to the parent firm as a successful manager with negotiating power in reference to the post of their repatriation, and good relations with colleagues in the home entity), as well as their willingness to expatriate to the same location again. This type of strong identification with the local team can be attributed to the assignment being the individual's first long-term international mobility, an opportunity for career development and as such an intense experience with high assignee engagement, as well as the crisis situation in the foreign entity acting as a connector between the local team and the foreign manager by presenting them with a joint goal (i.e. to resolve the crisis). Firms with limited pools of willing and suitable expatriates may thus wish to consider using junior assignees for the less strategically crucial locations or locations with unrealised potential and developing them into long-term career assignees as well as developing the locations through a 'learning by doing' approach with less detrimental effects for the MNE (and the individual) in the case of failure.

Since individuals already have greater negotiating power relative to the firm due to the internal and external labour market deficiencies and the related lack of suitable candidates for managerial international assignments, as well as the strategic relevance of foreign affiliates for the MNE, the organisation has to turn to alternative **'soft' approaches** to first attract employees to the organisation and then retain and motivate them for expatriation. These approaches include establishing a favourable (international) staffing discourse and employer branding (internally and externally). A focus on managerial rather than expatriate discourse may thus attract a larger pool of quality (or ambitious) employees to the firm. However, it is less likely to guarantee their willingness for expatriation if the latter is not stressed as a 'normal' part of a career path in the firm. The interviews in Firm B, for instance, show that a lack of awareness of international opportunities can be a cause of employees' unwillingness to expatriate. A greater emphasis on expatriate discourse may thus be beneficial for a firm, as it can provide a more targeted approach to international staffing, and for the individual, as it can alleviate some of the stress related to managerial identity by providing contextualised criteria for assessing one's success. However, it may also increase an individual's expectations for pre- and during-assignment support (including financial rewards) and thus the cost of an assignment, demotivate employees, strengthen the us-them divide among assignees and non-assignees, hinder inter-entity and inter-employee collaboration, as well as raise an assignee's demands for promotion upon repatriation.

Since identity work and identification are social processes, firms cannot have complete control over them. For instance, it is apparent from the interviews, that, while the firm may assign an expatriate identity onto an individual, they may not identify with the latter (see e.g. Interview 5b). A contextualised and flexible approach should thus be applied. There are several firm- and individual-level factors inhibiting the individual's **international assignee (or expatriate) identity** development that firms should pay attention to. One of the strongest factors seems to be the above mentioned organisational discourse prioritising the managerial identity of the key employees (including managerial international assignees) and not referencing international assignees' expatriate identity. The second factor inhibiting international assignee identity among assignees from the headquarters in particular is the individuals' operational connectedness to the headquarters during the assignment, which further strengthens their pre-existent identification with the parent firm. Third, pressure from both the organisation and self to achieve results (also through individuals developing a sense of ownership over and responsibility for projects abroad) result in management- rather than expatriation-related identity and stress. Fourth, the assignees' workload abroad (and sometimes in the headquarters as well) distracts the assignees from their non-work related problems as well as prevents the assignees from developing meaningful relationships with the international assignee community external to the firm, relationships that would lead to them identify as part of the international assignee in-group (and compare the benefits received by assignees in other firms).

The fifth factor pertains to the ratio between the time spent in the sending unit and that spent in the host units. Many of Firm B's assignees are internal recruits from the headquarters or external recruits from the domestic market, with a much smaller amount of their worktime spent abroad relative to the time spent working in the headquarters or other domestic firms, and thus with a stronger managerial identity compared to an expatriate identity. Expatriate identity needs time to evolve – especially in the absence of organisational framing thereof. The interview data suggests that the international assignee identity only becomes stronger (but not necessarily stronger than the managerial identity) when an assignee loses their original identity and needs to replace it. For example, due to their extremely long-term absence from the entity and country of origin, an assignee may develop a stronger identification with the foreign entity, the assignment 'project', or the expatriate community as a coping mechanism when experiencing a sense of foreignness in both their sending and receiving units. In such cases expatriate identity can be preserved even upon repatriation (e.g. by the individual engaging in flexpatriation), which may result in more limited reintegration in the sending entity. This indicates that a firm should seek a balance in framing its employees' identity depending on its long-term goals for the individual. For instance, when planning repatriation, the expatriate identity should be less emphasised or more integrated in the repatriation-related context (especially in contexts with limited expatriation and repatriation experience, in order not to spark a sense of threat to domestic staff).

Identities can change with **role shifts**. The interviewees in Firm B explicitly or implicitly reference several shifts pertaining to international assignments they have either experienced or expect to experience: (1) shifts from an expert to a managerial role; (2) shifts in roles in terms of the level of management (from middle to top management and *vice versa*); (3) shifts from a specialist role in the parent firm to a generalist in a foreign affiliate (and a reverse shift upon repatriation); (4) a

shift from being an in-group member in the domestic entity to an out-group insider in the foreign entity (and an in-group outsider in the headquarters upon repatriation); (5) a shift from a subordinate following directions given by others in the parent firm, to an autonomous (empowered) decision-maker and a holistic operative manager in the foreign entity (and the reverse shift upon repatriation described as particularly stressful due to the loss of autonomy); (6) a shift to a transitional dual role of a remote manager performing (managerial) tasks in the parent and foreign entity simultaneously; (7) various shifts relative to local and domestic staff (e.g. a shift from a friend to both a friend and a superior, although one usually lacking authority due to the prior friendship and a dual role in the foreign entity; and finally, to a superior systematically distancing themselves from their subordinates and formalising employee relations – also through additional hiring); and (8) the individual's shifts in their relationship with the headquarters (e.g. from being a representative of the headquarters to becoming a foreign entity advocate). The data shows that not all assignees (or managers in general) experience all these shifts. Moreover, each individual may experience these shifts differently – depending on the extent of the change and its importance for (or threat to) the person's identity or multiple identities, their personality and mental strength, coping mechanisms, support system, and other stressors.

The interviews additionally show that the assignees' role shifts are not isolated to individuals but can rather result in role shifts by their colleagues,[195] as well as being influenced and even sparked by the role shifts of colleagues (i.e. they are relational (see also Sluss & Ashforth, 2007)). Focusing on assignees' role shifts, I describe the latter cases as indirect role shifts, whereby a demotion, promotion, or a new role assignment to an assignee's colleague results in the assignee's identity work (i.e. their adjustment, redefinition, or re-establishment of their assignment-related identities relative to their colleagues' identities). These shifts can either be welcomed (when perceived as supportive for achieving organisational and individual-level goals) or rejected by an individual (when perceived as a threat to one's status or identity). The firm and the individuals, for instance, explicitly warn against potential 'clashes of egos' among managers, who feel threatened by the offer of support by individuals of equal status and reject it to either hide their incompetence or prove their independent problem-solving capacities to the firm, and to either establish their legitimacy relative to local staff or hide the lack thereof. They also imply that co-management can result not only in worsened inter-employee relations, but also in worsened firm-employee relations due to co-management and additional control through expanding the managerial team signalling organisational disbelief in the individual's capabilities or ethics. Moreover, it can spark confusion among local staff regarding the manager's authority.

The interviewees nevertheless describe the advantages of relational role shifts, whereby they reference reduced pressure for immediate transfer of business and gradual adjustment to the new role through prolonged coaching, co-management, or transfer of business as the main advantages of such organisational support to their redefinition of the self. The interviewees indicate that

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[195] Although interviews in both Firm A and Firm B suggest that assignees' colleagues (and not just assignees) experience role shifts, these are beyond the scope of my study and provide an opportunity for future research: especially in terms of the interactions and interdependencies of various employees' role shifts and their impact on team dynamics and business performance.

support for identity work through providing individuals with mentors, incumbents, coaches, co-managers or longer-term transferors of business is especially valuable in crises, when an individual is encountering work overload and cannot process all the business-relevant information at once or invest their own time in identity claiming and confirmation, as well as for junior recruits having to go through more drastic identity work in order to establish themselves in a new role. Furthermore, a role shift may occur intrinsically even before a formal promotion (or demotion): e.g. an individual can enact managerial tasks in a team although not assigned the formal position. A formal promotion (or demotion) by itself also does not guarantee the acceptance of a role shift by the individual, their colleagues, and business partners (see also DeRue, Ashford, & Cotton, 2009), as relational identity work is needed. Finally, a role shift can be perceived positively or negatively. In line with the managerial identity, being demoted by the firm is perceived as failure, whereas being self-demoted is considered to be a success (especially when presented as a solution to a problem and as such consistent with the assignee's managerial identity).

Individuals also report both the positive and the negative effects of their role shifts. When discussing the advantages of role shifts, individuals mainly focus on advantages for the firm: an improved comprehension of the different perspectives of doing business and good practice transfers throughout the MNE network along with enhanced mutual understanding and collaboration among entities. When discussing the negative effects of role shifts, on the other hand, assignees mostly reference the difficulties for the assignee and their colleagues, such as experiencing stress, discrimination, and feelings of outsidership. In reference to individual-level challenges, the interviewees identify several factors that can ease their role shifts during expatriation and repatriation and enhance the positive outcomes of an international assignment. First, an assignee's practical collaboration with subordinates and transparency regarding the crisis situation in an entity contributes to the local team's engagement in assignment realisation and an individual's integration in the latter. Practical work by the manager thereby helps them establish managerial legitimacy (paradoxically) by proving their expert competence (to both the local staff, superiors in the parent firm, and business partners), while close collaboration with subordinates helps them establish a relationship and shift from an individual primarily perceived as a headquarters' advocate to an individual perceived as part of the local team (i.e. an out-group insider).

Second, a focus on networking with local staff and business partners in free time rather than with parent-country nationals eases both cultural and work adjustment (especially in relationship-oriented business environments). Third, simultaneously maintaining private support networks with parent-country nationals (in sending or host environments) limits the individual's home country identity loss, whereas continuous work relations with the headquarters keep an individual informed about the developments in the parent firm and the MNE overall, and thus simplify capitalisation on business and career opportunities, promote inter-entity collaboration during an assignment, and facilitate reintegration upon repatriation. Fourth, fluency in parent- and host-country languages supports relationship establishment and maintenance in both entities – the former mainly at the intra-managerial level, whereas the latter is more valuable for intra-entity relationship building (i.e. between the manager and local subordinates) and for relationships with local business

partners, since its use is considered a sign of goodwill.[196] Success during expatriation, moreover, enhances the assignee's self-efficacy and increases their power relative to the firm when negotiating repatriation.[197]

Finally, interviewees at both firm and individual levels also reference a measure explicitly related to organisational support: i.e. the prolonged transfer of business through either parent-firm coaching, co-management or preservation of a predecessor as a consultant, or an employee subordinate to a new manager but available for continuous support in terms of any business-related information. Directly linking only one measure to the firm further supports the prevalence of a managerial discourse and an emphasis on the managerial identity at both the mezzo and micro levels of analysis. In line with this logic, the interviewees also do not reference many factors hindering role shift adjustments. Only in one case is the local culture regarding management being limited to senior male managers and the local staff's seniority relative to the assignee mentioned, whereas another assignee references the previous manager staying on as a consultant as a minor distraction, but not a hindrance. A local manager is more critical of their need to self-integrate into the parent-firm managerial team, indicating the firm's 'parent-firm nationals' bias is a hindrance to changes in the international staffing approach.

Finally, both the firm- and individual-level interviewees in Firm B (with the exception of the local manager) particularly emphasise the sending and receiving countries' **legislative frameworks** as determinants of international staffing decisions (see Interviews 1b–5b). Consistent with the quantitative analyses, legislation has its greatest influence comparatively: i.e. it determines the formal arrangement chosen by the firm not based on what is legally allowed in a specific country (this only provides the context and a set of options for further decision-making), but rather based on whether a local or an assignment contract is more favourable for an individual in terms of their immediate social rights (and not the long-term repercussions). Although the firm does not implement a standardised approach to international employee mobility, a certain level of cost optimisation and preparedness in an otherwise *ad hoc* and *laissez faire* approach to international staffing could be achieved through preparing a systematic overview of target markets with a focus on their social systems (compared to the parent firm's home country's), identifying the markets better suited for local contracts and those better suited for assignments, and preparing separate strategies with a basic package for managers sent on either of the two types of mobilities.

Legislation is thereby only a decision-making tool for Firm B and not the basis of its international staffing discourse. International assignments are thus defined based on their function rather than the type of the formal arrangement. Legislation nonetheless determines international staffing practice – both directly by setting the rules for employee mobility in specific environments and

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[196] Other relationship building tools mentioned by interviewees include jokes, identification of mutual goals and collaboration with the (local) team in their realisation.

[197] While success is described as a contributor to the individual's confidence and self-efficacy, it also enhances stress as the individual fears failure (or reduced success) upon repatriation: i.e. the individual puts greater pressure on themselves based on past results and raises the organisation's expectations at the same time (see e.g. Interview 3b).

indirectly through incorporating **mismatches within and between different levels of analysis** that organisations have to navigate: (1) a mismatch between sending and receiving countries' interests (mostly regarding taxation of labour); (2) a mismatch between the host or sending country and the organisational interests (e.g. tax- or individual-interest led limitations of assignment duration; cost-optimising limitations of individuals' social rights by the host country, and the related barriers to the firm's financial incentives for individuals on assignments); and (3) a mismatch of organisational and individual interests (an arrangement most beneficial for the individual may be more costly for the firm, and *vice versa*).

4.3 Summary of cross-case qualitative findings: theoretical, practical, and methodological implications of the two multilevel cases

4.3.1 Main findings from the qualitative analyses

The analyses of the analytical corpus from both Firm A and Firm B reveal **the impact of the organisational structure** (in terms of the MNE entities' hierarchy, interdependence, and features – individually and comparatively) on firm- and individual-level international staffing discourses, strategies, and practices. As the two studied MNEs are centralised, their international networks of entities are heavily dependent on and connected to the headquarters – both strategically and operationally. Firm-specific knowledge (including the knowledge of the firm's managerial-level working language and a common sensemaking structure) and embeddedness in the firms' internal and external social networks are thus crucial for effective and efficient inter-entity collaboration, as well as the operation of individual entities. As a result, the two firms opt for a predominantly ethnocentric international staffing approach to filling the managerial positions across their networks of entities. Both firms thereby favour internal recruitment of managerial international assignees in the headquarters, as such recruitment is based on a pre-established firm-employee relationship that fosters mutual familiarity, trust, loyalty, and commitment, and reduces the (perceived) risks of deploying an individual to a distant and as such less controllable yet highly responsible position.

The pre-established relationship also allows the firms to develop their employees according to their needs and in line with their organisational cultures as well as gradually, which lessens the individuals' adjustment-related stress (both in terms of their changing roles and environments). By gradually developing or upgrading the employees' knowledge, skills, and capabilities based on the firms' needs, the ethnocentric international staffing approach grounded in internal recruitment of managers in the headquarters also establishes greater cross- and within-level mutual understanding, staffing flexibility and responsiveness to crises or unexpected changes at the firm level as well as individuals' needs. It moreover reduces the immediate investments that are needed in assignee preparation at both levels, and accelerates the assumption of the new role and tasks due to the pre-developed skills and capabilities, as well as their testing in various situations within the firm, thus further strengthening the firms' trust in the individuals and the individuals' self-efficacy in tackling the managerial assignment-related challenges. This is because long-term

preparation can equip individuals with a more holistic knowledge and understanding of the firm and facilitate their transition to a new position and role.

Both firms try to be consistent in their international staffing approaches – across and in individual entities. This provides a steadier structure for inter-entity collaboration and assignee work, as well as communicates stability to the local staff. However, the two firms acknowledge that the preferred ethnocentric staffing approach to filling the managerial positions across the MNE is not always feasible. They attribute this to both the internal and external labour market deficiencies and introduce **a sequential approach to their international staffing-related decision-making**: i.e. they first try to implement what they consider to be the optimal solution (the internal recruitment of headquarters-developed senior employees) and then proceed to the less optimal options for managerial staffing if needed (e.g. recruitment of junior or former employees from the parent country – preferably with headquarters experience, external recruitment of parent-country nationals, internal recruitment of host-country nationals, and finally external recruitment of third-country nationals or host-country nationals).[198] They also introduce **alternative international assignment formats**, such as commuter assignments, expatriation with local contracts, multiple prolongations of individual formal assignments, and transitional flexpatriate assignments to motivate employees for international mobility, as well as to prolong the organisational possibility to seize the opportunities for optimal staffing solutions. Moreover, both firms consider multiple sequential or simultaneous assignments for individuals (mostly to geographically proximate or institutionally similar environments), whereby the first are aimed at assignees' knowledge capitalisation and the second at management cost optimisation.

Each option has different advantages and disadvantages for both the organisation and individual. **Recruitment of former employees**, for instance, results in the employees' increased negotiating power relative to the firm, lack of motivation to return to the firm, and mistrust in the firm based on past poor experience. It also potentially leads to myopia throughout the assignment due to the changes at either the organisational or the individual level (or both) during an individual's absence from the firm. The latter suggests that a sense of mutual familiarity may be based on the experience that the two parties have had with one another in the more or less distant past, and as such is misguided. If systematic, however, this approach can have an advantage over external recruitment in terms of acquiring updated firm-specific knowledge and re-establishing firm embeddedness due to the pre-existing relationships with and within the firm and firm-specific knowledge base. Former employees with experience in other organisations may also bring an additional perspective to the firm, and thus have developmental and innovation potential. **Prolongations of international assignments up until retirement**, on the other hand, may have an advantage over new assignments due to the extant assignees' familiarity with the local stakeholders, environment, and operations. They may, however, have a similar 'detachment from the headquarters' effect on an individual as their absence from the firm due to working for a different employer. This is because

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[198] Despite a recognised lack of assignment-ready and willing individuals in the internal and external labour markets (and of the need for raising awareness regarding assignment-related opportunities among employees in order to promote the willingness to go on such assignments), neither of the two firms brand themselves through international employee mobility.

over time assignees may begin to identify with the host entity and local staff more than with the parent firm, which may in turn hinder inter-entity collaboration and repatriation (if planned).

While **external parent-country national recruits** have the advantage of parent-country language and culture familiarity, they do not possess firm-specific knowledge. Parent-country nationals living in the host environment may also change their sensemaking structures and processes based on local specificities, which may hinder their match with the firm. On the other hand, they may be more likely to know the firm and be attracted to it regardless of its emerging market image (due to familiarity with domestic employer branding or a sense of belonging to the country of origin). In contrast, **third- and host-country national recruits** experience distance from the headquarters and their country of origin, yet usually possess assignment- or location-specific knowledge. They are thus used in locations with location-specific requirements that not many candidates can fulfil. However, in the two studied EMNEs, they are mostly limited to secondary entities within a market, strategically less essential entities, and the more developed markets or entities they initiate and establish (i.e. the firms are open to local opportunities presented to them by external partners, when these are advocated by internal managers) due to the absence of a pre-existing firm-employee relationship.

While traditional long-term international assignments by parent-country national recruits prevail in both studied firms, the firms demonstrate most flexibility in terms of assignment format in markets where parent-country nationals are perceived as the most needed (e.g. for breaking local networks or introducing changes), but to which they are unwilling to expatriate (e.g. emerging markets with unfavourable living conditions). Commuter or flexpatriation options are considered as alternatives to traditional assignments under such conditions. Commuter parent-country national assignees are thereby more focused on work during their absence from the home country (due to physically and mentally separating work and family life), yet may not be able to commit to such a lifestyle in the long-term, whereas parent-country national flexpatriates present a transitional solution due to their dual role and sporadic absence from the managed entity that has detrimental effects on its development. Their advantage is nonetheless in enhancing the organisational flexibility in international staffing, as they prolong the search period available for filling a managerial position more permanently, or allow for an individual to get used to an internationally mobile lifestyle and potentially shift to the traditional assignment formats in the long-term.

The main **divisions of international assignees** by both Firm A and Firm B are (1) into internal and external recruits, (2) into senior and junior recruits, and (3) into managerial and non-managerial recruits, whereby the individuals can fall in several categories at the same time and whereby the recruitment process, preparation, and management of these assignee categories during expatriation vary. Interviews in the two studied firms suggest that internal and external recruits are subjected to different selection criteria and recruitment procedures. The primary selection criteria with internal recruitment is a willingness to expatriate combined with firm-specific knowledge and embeddedness, whereas with external recruitment the selection criteria are more focused on professional expertise and managerial experience. Such an approach makes it possible to limit the number of adjustments needed for the recruits from each group: the internal recruits can focus on

the role shifts and broadening of competencies needed for holistic management of SMEs abroad, whereas external recruits can focus on acquiring firm-specific knowledge and integrating into the firm.

In terms of the **recruitment procedures**, with internal recruits only amendments to the initial employment contract are usually made – often through negotiations between the firm and employee for the best match of objectives at both levels and potentially prolonged to the expatriation phase, as an extant relationship allows for more flexibility in this respect. There is no need for additional psychological and competency tests, as these individuals are tested in various real-life situations within the firm. External recruitment, on the other hand, requires the search for suitable (competent and trustworthy) candidates that involves referrals by internal or external candidates, tests of their personality and capabilities, and negotiations of the employment contract from scratch. During the latter, the firm also needs to consider extant contracts not to damage the relationships with its existing employees, or predispose the new recruit to poor integration into the firm and inter-employee relations upon entry into the firm's internal labour market. Tenure affects the recruits' motivation for expatriation. Senior internal recruits are motivated by confirmation of their value for (and not status in) the firm. They are therefore willing to expatriate based on the pre-established relationship with the firm and its employees. As a result, adding social pressure by colleagues or top management is an essential tool in negotiating senior recruits' expatriation. Junior recruits, however, are motivated by an opportunity to prove themselves to the firm and accelerate their career advancement. Clearly communicating the contribution of an assignment to future development in the firm is thus essential when recruiting these individuals.

Finally, recruiting managerial and non-managerial individuals for managerial assignments differs in the type of awareness raising as well as self-efficacy building required to convince these candidates to expatriate. This is because the two types of assignees differ in the number and complexity of role and identity transitions they experience with a managerial assignment as well as in the additional competencies (e.g. expertise or soft skills) needed for the latter. Managerial recruits, for instance, experience smaller challenges in terms of role transitions, yet need to adjust to a redefined managerial role abroad (i.e. they need to become operative managers involved in practical rather than solely strategic tasks, which implies a certain level of role hybridisation (see also McGivern, Currie, Ferlie, Fitzgerald, & Waring, 2015)). Non-managerial recruits need to first build awareness of managerial opportunities in the firm and then also make a more dramatic role transition from a non-manager to a manager, and clear communication regarding the different transitions is needed to avoid employee disappointment, demotivation, unpreparedness, and assignment failure.

Preparation of these three pairs of recruits for an assignment also differs. Preparation of internal recruits mainly involves long-term career development in the assigning firm with upgrades of extant knowledge and (especially soft) skills adapted to the specific organisational context as well as holistic insights into firm-specific processes (the latter may need polishing pre-expatriation, though), which means these recruits are ready for expatriation at any given moment. Their expatriation (especially if they are also senior recruits) requires the transfer of business onto colleagues in the domestic entity, however, which may delay the relocation. Allowing for a

transitional period is thus crucial for senior employees. Preparation of external recruits requires a different transition: their integration into the firm and acquisition of firm-specific knowledge. However, it usually does not involve the transfer of business in the sending entity (as these individuals do not have pre-existing roles in the latter) or soft skill training (as individuals with relevant managerial experience are usually recruited from external labour markets). Senior and junior employees, on the other hand, differ not only in their competencies but also in their framing of an assignment and willingness to take on the more operative tasks.

Senior employees are often more aware of their value for the firm and the firm's capacities to compensate them for this. Based on their self-efficacy, they do not require additional preparation for an assignment or support during it: they rather consider such support to be a distraction from the international assignment-related tasks and a hindrance to the realisation of their managerial identity. They may thus even reject organisational support and perceive it as a threat to their role and identity. They also consider their dual obligations relative to the firm (i.e. connectedness to the headquarters as advisors to colleagues and management of the host entity) as confirmation of their value to the firm and managerial identity – despite it potentially resulting in work overload. While senior assignees wish to have full autonomy with limited distractions in the form of control and training, junior recruits desire more support in the form of managerial training before or during an assignment, as well as advice from senior colleagues during expatriation due to their lower self-efficacy, limited managerial experience, and thus greater results-related stress in the desire to prove themselves to the firm, its stakeholders, and themselves. The desired and needed support for junior versus senior employees is similar for non-managerial and managerial assignees, whereby support for identity work is particularly pronounced for non-managerial assignees – individually as well as relative to the local staff, local business partners, and management in the parent firm as well as across the MNE network.

Finally, the three pairs of recruits differ in terms of **repatriation**: internal recruits with past ties in the parent firm generally find repatriation easier if these ties are nurtured during expatriation, if expatriation is not too lengthy (and not accompanied by extreme changes in the parent firm), if their repatriation is not considered as a threat by their colleagues (which can occur due to the lack of international experience among the latter and poor communication regarding the complementarity of the different skills and experience), if they do not develop a too strong expatriate identity (not being given an opportunity to maintain it upon repatriation – e.g. through flexpatriation), ownership over the foreign entity, or a sense of detachment from the parent firm, and if they are provided with a challenging position that allows capitalisation on expatriation experience. External recruits without prior ties to the firm may experience repatriation as a new assignment as they need to integrate in the firm anew – or redefine their extant relations that were established from a distance. Senior (and managerial) recruits may present a greater threat to their colleagues, yet their repatriation role is usually closer to their pre-expatriation role, which eases repatriation. Junior (and non-managerial) recruits, on the other hand, often transition to a completely different role with expatriation as well as repatriation from the perspective of their home unit colleagues. Their repatriation thus requires greater role shifts and identity work by their colleagues – especially in relation to the repatriate, which makes repatriation difficult for all parties involved.

Role shifts and identity work at the various stages of managerial international assignments are emphasised as some of the greatest assignment-related challenges by all interviewees (regardless of their type and assignment status). Among these, the shift from a specialist to a generalist (and *vice versa*) and the shift from a non-manager to a (operative) manager (and the reverse loss of autonomy) are highlighted as particularly stressful and demanding in terms of identity work. While the internal senior recruits developed in the firm's headquarters as specialists with extensive support for the various individual business functions find becoming an operative and holistic manager in a foreign SME with limited support particularly challenging due to their intrinsic identity work,[199] the junior recruits with limited managerial experience typically experience the shift from being a colleague to becoming a superior as the most stressful, due to the need for both intrinsic and external identity confirmation – by colleagues in the headquarters, local staff in the host entity, and local business partners. The influence of the latter role shift is thereby different for assignees collaborating with the same or different entities and colleagues before and after the role shift, because a shift occurring in the same entity also requires relational identity work and change by colleagues, whereas a shift in the context of relocation does not.

With the promotion of junior employees relational shifts can be (perceived as) demotions for colleagues. Role shifts by senior managerial employees, on the other hand, are also relational (direct or indirect), but because they are mainly related to their colleagues in the home entity taking on the assignees' tasks with expatriation, and their successors taking on their tasks in the host unit upon repatriation, which is usually considered as a promotion for the assignees' colleagues too, they are less problematic from the perspective of individuals' role transitioning and team dynamics. In other words, colleagues are more receptive of positive rather than negative change for themselves. Each individual may experience these shifts differently – depending on the extent of the change, its importance for (or threat to) the person's identity or multiple identities, an individual's personality and mental strength, available or established coping mechanisms, support system, and other stressors. Although challenging, role shifts are described as beneficial for both the individual assignees and firms. First, they result in an improved comprehension of the different perspectives of doing business throughout the MNE network, as well as enhanced collaboration and good practice transfers across the MNE and across levels within the MNE. Second, the assignees' 'insider-outsider' status shifts result in the individual gaining (1) a network breaking power and change introduction capacity when they assume the role of an outsider; (2) a team dynamics enhancing power when they assume the role of an insider; and (3) the power of rational rather than emotional (relationship-based) decision-making due to an emotional detachment from the colleagues in the out-group (or defining the assignee as a member of the out-group).

Based on a review of past identity work research, Caza et al. (2018) group various identity work activities into **four modes**. Cognitive identity work refers to conscious and subconscious mental processes aimed at self-reflectively forming, construing, interpreting, comprehending, evaluating, maintaining, strengthening, revising, repairing, or rejecting an identity. On the other hand,

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[199] This role shift from a generalist to a specialist requires the otherwise expert-oriented or strategic-thinking-focused individuals to transform into operative managers, willing to perform even the less prestigious tasks in SMEs with less business support functions.

discursive identity work denotes the use of narratives, stories, dialogues, and conversations, physical identity work the use of one's own body or materials and objects in physical environments (e.g. clothing or office décor), and behavioural identity work the actions and identity-related interactions with others for reflecting, claiming, granting, constructing, and merging identities. Cognitive identity work is thus primarily concerned with justifying an identity and the related actions or behaviours to oneself and only contemplating the arguments and actions relative to others for relational identity claiming, whereas discursive, physical, and behavioural identity work can be aimed either at strengthening a (collectively or individually) desired self-meaning to oneself or aligning others' impressions with a desired self-meaning – or both.

Individuals and collectives can use multiple modes of identity work alternately or simultaneously (Caza et al., 2018). Although my study is not primarily aimed at differentiating between the types of identity work by assignees and identifying the factors that determine the choice of a specific mode or a combination of modes as well as its outcomes for an international assignee, their colleagues or the organisation, the combined findings from the pilot and case study interviews show that international assignees engage in all four types of identity work – relative to their colleagues in the sending and receiving entities, the organisation, and themselves. While the research design of the study does not allow drawing conclusions regarding the patterns of identity work by mode(s) (e.g. at different stages of an international assignment, individual's career, organisational development or internationalisation, and in different collectives or locations), it nonetheless implies they exist.

Cognitive identity work is reported by assignees as part of them establishing a managerial identity by questioning their own decisions and contemplating possible improvements to managerial work and relations with their managerial colleagues across the MNE, subordinates, and business partners. This activity is present among both the more and less experienced managers and the senior and junior employees, whereby the managerially less experienced junior assignees require external support (e.g. from coaches or mentors) for such self-reflection. Internal and external recruits also indicate some differences in their cognitive work related to a managerial international assignment. On the one hand, internal recruits report having to rethink their identity relationally. For instance, they may need to transition from a collegial to a superior managerial role relative to other employees they already have established relationships with, which is described as psychologically rather than solely socially challenging. When interviewees are first-time managers or first-time assignees, they also need to rethink and reframe their identity with respect to the work-role transition, lifestyle change (e.g. becoming a commuter), and relocation (e.g. becoming a foreigner). On the other hand, external recruits mainly need to reframe their identity so that it fits the organisational culture, as they are often managerially (and sometimes also internationally) experienced due to specific organisational selection criteria employed for recruiting managerial assignees externally.

Overall, cognitive identity work seems to be most pronounced among first-time managers and assignees (i.e. individuals experiencing dramatic role and identity changes) or individuals breaking the norms related to a specific role as established in an organisation or pertaining to national cultures of the sending and host countries. For the most part, assignees limit their reports of

cognitive identity work to transitioning to managerial rather than expatriate identities, though. Their identity work related to the latter is mostly discursive and behavioural, as assignees face difficulties in establishing an understanding for assignment-specific needs relative to the headquarters and colleagues lacking experience in international mobility. This in turn requires extensive explanations and demonstration of the features of international employee mobility. Assignees also shy away from reporting cognitive identity work related to their private lives. I argue that this is a coping strategy aimed at strengthening their primary managerial identity rather than an indication of the lack of such identity work.

Discursive identity work, on the other hand, seems to be stronger among senior, experienced managers and external recruits trying to establish rapport and a positive working atmosphere through jokes and storytelling that reduce (but not nullify) the hierarchical distance between managers and local staff. It is also emphasised among flexpatriates, as it allows them to maintain their pre-established relational identity as a manager who is still present from a distance. Discursive identity work is also the only type of identity work feasible for these assignees relative to the team operating abroad and as such their only influential tool in terms of promoting teamwork and establishing morale in the foreign entity. Flexpatriates do not seem to engage in similar identity work in their home entity: they either use intermediaries for this purpose or ignore the issue completely. Further research on identity work related to flexpatriates' dual roles is needed, however, since this result may be related to the focus of the study on international assignments that redirected the interviewees' attention away from the issues they encounter in the domestic entities during their mobility. These were nonetheless reported by several of the interviewees, but not sufficiently in-depth to make identity work-relevant conclusions.

The only type of discursive identity work reported as used by all managerial assignees interviewed for this study is their switching between languages and jargons: i.e. managerial assignees use local languages (and to some extent technical jargon) for communication with local staff and the language of the headquarters for communication across the MNE network at the managerial level. Such language switching confirms the assignees' dual (i.e. headquarters and subsidiary-based) as well as managerial and assignee identities. Junior managers transitioning from a collegial to a managerial role seem to avoid discursive identity work, as they probably do not wish to engage in confrontation regarding their identity prior to proving their competence as managers. They mostly engage in behavioural identity work combined with cognitive identity work instead.

Behavioural identity work is especially pronounced for individuals who are experiencing more dramatic role shifts and are sent to (organisational or national) environments where they break cultural norms with their newly acquired roles and identities. It mainly involves proof of competence and is typical for first-time and non-prototypical managers. This holds even in crisis situations and is inconsistent with the findings by Rast, Gaffney, Hogg, and Crisp (2012), who discover that employees are willing to accept non-prototypical leaders, such as internationally assigned, first-time, junior, or female managers, in situations with high levels of uncertainty. They argue that individuals grant non-prototypical leaders managerial identities to reduce uncertainty and preserve their own positive identity by transferring the responsibility for potential failure onto

a member of an out-group.[200] My findings, on the other hand, show that the 'norm-breaking' role and identity transitions under uncertainty nonetheless require substantial – mostly behavioural – identity work, which is further encouraged by (some of the) local staff actively trying to disprove the assignees' managerial competence. Finally, **physical identity work** seems to be strongest among individuals who experience great cultural shock and wish to integrate into the local culture through assuming its symbols (e.g. clothing) or individuals who try to compensate for their lack of competence with status symbols such as having a company car.

Identity work is also used by assignees to **distance themselves from specific (undesired) identities**, such as that of being an emerging market economy representative, a spy for the headquarters, or an inexperienced and as such perceived as incompetent manager. All four modes of identity work can be used for this purpose. Further research is needed on their effectiveness and efficiency in specific contexts and situations. Whereas identity work is particularly emphasised (and organisationally supported) upon role shifts in extant relationships, my study also shows that identity work can be overlooked even if it is needed due to the same prior relationships. This can be detrimental to the success of an assignment and assignee repatriation. For example, cases of recruiting former employees for assignments or repatriation of assignees to an entity after longer-term absence or a major restructuring all necessitate substantial identity work, which is often disregarded by both the organisation and individuals due to their myopia stemming from an outdated sense of mutual familiarity that in turn leads to undesirable behaviours and unfavourable outcomes for the firm-employee, inter-employee, and inter-entity relations as well as in terms of poor firm and individual performance. These are only preliminary findings, however. They are based on rare instances of a specific identity work-related activity and thus provide a basis for further enquiry.

From the perspective of international assignment-related discourses, both Firm A and Firm B (as well as their employees) express **a preference for a managerial rather than expatriate discourse** at the firm and individual levels. This allows the two firms to optimise the costs of international assignment management.[201] This is because recruits with strong managerial identities expect less organisational support for their assignment preparation and execution – irrespective of their previous experience, and demonstrate greater independence in problem solving. Combined with a learning organisational culture (particularly stressed in Firm A), they also take full responsibility for their development (often through practical learning that tackles real-time and real-life organisational issues). This approach also enhances assignee effectiveness and efficiency by focusing their attention on work rather than private life. A managerial rather than expatriate

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[200] Unlike Rast et al. (2012), I describe such leaders as members of the out-group. This is because my findings clearly indicate employee diversification and segmentation into managers and non-managers (and to a certain extent to non-assigned and assigned managers) – regardless of them belonging to the same organisation's in-group.

[201] Excluding short-term international mobilities from the organisational international staffing discourses or separating such mobilities from the firms' employment contracts by introducing assignment contracts with sole proprietors that are less obstructive to internal firm-employee relations is another cost reduction strategy in reference to organisational international staffing.

discourse further frames an assignment collaboratively (inter-entities and between the assignee and their subordinates – by easing the recognition of common goals)[202] and does not deepen the subordinate-superior divide by emphasising additional differences between the 'local' in-group and the 'foreigner' out-group. From the perspective of the individual, the emphasis on the managerial discourse acts as a coping mechanism providing clear separation of work from private life, establishing their legitimacy and authority in a new role, as well as building their self-efficacy not only for the current assignment but also in the long-term – regarding their future prospects in the firm (i.e. it acts as an employee retention tool). It is also consistent with the idea of individuals and collectives pursuing two basic identity needs in developing a social identity: (1) inclusion/assimilation and (2) differentiation/distinctiveness. According to **the optimal distinctiveness model**, they continuously seek optimal identities that satisfy both these needs (in different situations, contexts, and points in time). Usually, this criterion is satisfied in salient numerical minorities (Ashforth et al., 2011; Brewer, 1991; Leonardelli, Pickett, & Brewer, 2010). In the case of international assignments in emerging market firms, these seem to be managerial rather than assignee groups that are too small to provide sufficient sense of inclusion and assimilation (i.e. they increase differentiation to the point where an individual finds it difficult to cope or establish collaboration with out-group members). Viewed from the perspective of nested identities, individual differentiation within a collective (being an assignee within the group of managers) provides the sense of exclusiveness, whereas the collective itself (i.e. the group of managers) supplies the sense of inclusiveness (Ashforth et al., 2011).

Similarities in firm- and individual-level discourses show that individuals are organisationally socialised into their self-perceptions and identifications, which in turn effect their assignment-related expectations and behaviours. They also reflect the individuals' impact on the organisational international staffing discourses through their feedback based on real-life experience, and thus the two firms' goal-oriented rather than institutionally determined international staffing decisions. The studied firms base their staffing decisions on their potential effects on individual entities' as well as overall MNE's business performance, rather than based on the sending and receiving countries' legislations, which only serve as a framework within which optimal or alternative solutions (also with regard to the individuals for their motivation and commitment to an assignment) are implemented.[203] A focus on managerial identity reflects this stance as it emphasises resourcefulness – at the organisational and individual levels.

An emphasis on the managerial discourse can have some detrimental effects on assignment execution as well. It increases the pressure for results and transfers full responsibility for the latter

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[202] Had assignees been identified as expatriates, the match would not be as apparent and the individuals would be more focused on their personal rather than the organisational needs. Their colleagues would probably also experience more difficulties in identifying with them as foreigners rather than their colleagues (although superiors).

[203] This finding is similar to that of Giddens (1984), who proposes that there is an ongoing, reciprocal interaction between system and individual, structure and process, context and interaction, and macro and micro (and in my case also mezzo).

onto the assignees.[204] It sometimes also encourages managerial identity work by individuals that might not have the real-life experience, competence, and skills needed for managing an entity, which can generate over-confidence, arrogance, and excessive ambition as well as rejection of collaboration to hide one's incompetence. This may in turn result in underperformance and an individual's focus on personal rather than organisational objectives due to a sense of defeat. In addition, a strong managerial identity focus does not only affect managers, but also has an impact on other employees. While it may enhance the manager's legitimacy and power, it may also highlight the superior-subordinate divide (i.e. the in-group versus out-group division can be status- and profession-based even without the division by employees' origin) – sometimes to a point where it does not support control, coordination, or knowledge generation and sharing, but rather hinders collaboration and teamwork. In extreme cases, this divide may even spark destructive practices, such as active reluctance to change or discrediting and sabotaging an assigned manager. This is especially the case when a manager is new and inexperienced, breaking organisational or national cultural norms regarding managers or when they are transitioning from being a colleague to becoming a superior in relation to the same group of employees. Reluctance to change can also be enhanced by information asymmetry between superiors and subordinates regarding the decisions made in the headquarters, which create additional misunderstandings and problems in team dynamics. Therefore, while an emphasis on a managerial identity may foster inter-managerial collaboration, it can also hinder collaboration across hierarchical levels in the firm and result in assignee isolation in the foreign entity (see also the pilot interviews).

Finally, a stronger emphasis on an expatriate identity might prompt an individual to network both with the local stakeholders and other assignees, as well as develop ownership over the foreign entity or the assignment project, thus further committing them to the assignment. However, the firms should be cautious not to delineate the individual from the parent firm – especially when inter-entity collaboration is crucial for the MNE's operation or when repatriation with expected assignment spillover effects to the parent firm is planned. According to the interviews in both studied firms, the assignee delineation and grouping based on the 'outsidership' criterion is strengthened by duration of expatriation, assignee's physical distance from the headquarters, their belonging to a non-core (or marginalised) business activity, the intensity of expatriation experience (e.g. establishing an entity from scratch or resolving a crisis), and excessive control by the parent firm that can result in the individual's rebellion and distancing from the headquarters. Promoting a dual identity may be particularly valuable in such cases to guarantee the assignees' collaboration with the parent firm, as well as ease their potential repatriation to the latter.

The analyses in the two studied EMNEs reveal different **factors inhibiting the individuals' international assignee (or expatriate) identity development** in particular. These include (1) the organisational discourse prioritising the managerial identity of the key employees and not referencing their international assignee identity; (2) the individuals' operational connectedness to

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[204] Co-management and prolonged coaching can reduce the pressure for an immediate transfer of business, enable gradual adjustment to the new role, and disperse responsibility for assignment implementation in this respect. It is best received by junior recruits, though, as it challenges senior recruits' extant managerial identity.

the headquarters during the assignment that strengthens their identification with the parent firm; (3) organisational and self-imposed pressure to achieve excellent business results; (4) the assignees' workload abroad (and sometimes in the headquarters as well) that distracts them from their non-work related problems as well as prevents assignees from developing meaningful relationships with the international assignee community that would lead to them identifying as part of the international assignee in-group; and (5) the ratio between the time spent in the sending unit and the time spent in the host units. In short, expatriate identity needs time to evolve – especially in the absence of organisational framing and support thereof.

All in all, the qualitative analyses demonstrate that the prevalence of a managerial discourse limits (the perceived) assignment-related issues among managerial assignees (or other employees in managerial positions across the MNEs) and focuses their attention on work-related objectives. Despite the many similarities between the two studied large EMNEs, the two cases also demonstrate some **differences at the intersections of analytical levels**, though. At the country-firm context dyad, Firm A follows legislation to the letter to limit its expatriates' assignment support- and compensation-related expectations, and to frame as many types of mobilities within the organisational context as regular work tasks, whereas Firm B deviates from legislation to accommodate the individuals' wants and needs and thereby increase their expatriation willingness. It limits assignees' expectations regarding compensation and expatriation by framing mobilities as opportunities for employee development, and limits their colleagues' expectations by hiding information and making special arrangements outside the usual employment contract context (e.g. by making contracts with sole proprietors).

At the firm-individual dyad level, both firms stress the firm-employee relationship building, yet only Firm A stresses organisational investments in employees' career development. An absence of this emphasis from Firm B's international staffing discourse may be due to many of the Firm B's assignees being external recruits – despite a preference for internal recruits, and the firm's cost optimisation through recruiting knowledgeable individuals who already have broad skill sets at their entry to the firm. It may also reflect the firm's desire to limit extant employees' expectations regarding its investments in them and establish their independence as part of a managerial identity from the outset of employment. Firm A, on the other hand, demonstrates the use of employee development for firm-employee and inter-employee relationship building (as stressed by Firm B, but invested in differently: e.g. though practical learning such as project-based developmental opportunities and promoting positive team dynamics).

At the individual-firm-country level triad, the results imply that shared national backgrounds, organisational culture as conveyed through the different organisational discourses, as well as a common professional background, are crucial for shared cognitive schema among managers or inter-hierarchical levels in the firm that facilitate effective and efficient collaboration within and across levels in centralised work environments. Institutional contexts do not appear to have an important effect on the lower level discourses, but are rather used by the organisation (in the case of Firm A) or the individual (in the case of Firm B) to legitimise their own international staffing discourses for fulfilling their objectives.

My research offers several **emerging market specific findings**. At the macro (i.e. country) level, it demonstrates that the labour market deficiencies characteristic for emerging markets and emerging market firms are a crucial factor in international staffing for firms operating in such environments. The scarcity of skilled and internationally experienced employees in internal and external domestic labour markets (see e.g. Khanna & Palepu, 2000; Meyer & Xin, 2018; Tung, 2007) combined with an unfavourable country of origin image that discourages individuals (especially those from developed markets) from working for these firms (see e.g. Alkire, 2014; Leung & Morris, 2015; Tung, 2007, 2016) increases their parent-country national bias and the propensity to implement an ethnocentric international staffing approach. It also triggers a need for organisations to actively engage in narrative work and employer branding to increase their attractiveness and be able to compete for the best talent in domestic and international markets.

While the emerging market firms' 'single employer for life' culture may strengthen firm-employee relations and facilitate employees' international assignment willingness through social pressure from colleagues or management, the lack of international assignment history (see also Jaklič, 2007; Jaklič & Svetličič, 2008a, 2011; Meyer & Xin, 2018; Svetličič, 2006; Tung, 2007) and frame of reference in these firms nonetheless necessitates narrative work that explicitly promotes employees' willingness for and creates awareness of international mobility. My study shows that alternative international assignment serve as an amplifier of employees' willingness to expatriate and in the long run also transition from short-term to traditional long-term assignment formats in this respect. This is a specific role that alternative assignments perform in EMNEs.

At the mezzo (i.e. firm) level, the limited resources of emerging market firms (especially the lack of international assignment-willing employees and resources for their development) trigger cost optimisation strategies, such as framing only long-term mobilities as international assignments, building strong firm-employee relationships and thus prompting employees to expatriate (and remain expatriated until retirement) out of a sense of obligation to their colleagues and the organisation rather than due to expected personal gains, and promoting an operative managerial rather than expatriate identity, so that assignees can make **anticipatory adjustments** (i.e. adjustments pre-assignment (see also Black et al., 1991)) to their new roles and identities as well as reduce their expectations and demands regarding organisational support for their mobilities. Through promoting a managerial identity the organisation transfers responsibility for the outcome and outputs of an assignment onto the assignees. This in turn increases assignment-related stress, the pressure that an individual puts on themselves to succeed, and their engagement in an assignment – as well as reduces organisational control over the process. The limited pool of international assignees in emerging market firms also results in a more individualised, flexible, and experimental approach to assignment management, joint learning about the assignment process by both the firm and the employees, employee engagement in co-creating the organisational international staffing strategies and practices, and a need for broadening the pool of potential candidates for managerial international assignments. The latter includes junior, managerially inexperienced, and external recruits – even if the assignment is not aimed at management development and despite the potentially hindered managerial identity claiming, worsened inter-employee or business partner relations, risk of failure, and increased need for support.

Another characteristic of emerging market firms that I uncover as a crucial factor in their international staffing strategies and approaches is these firms' centralised and prevalently SME organisational structure that necessitates ethnocentric international staffing of key positions across the MNE network with operative managers, who are not motivated by status, but instead willing to collaborate closely with the local staff and perform diverse tasks in their new position as generalists rather than specialists. This has important implications for assignee preparation and support as well as identity work since it requires assignees to possess a broad skill set, identify both with managers as a high-status group and local staff as a low-status group for them to establish inter-employee collaboration, and develop dual identification at the organisational level (i.e. identification with the headquarters and the host entity) for them to be able to facilitate inter-entity collaboration. I argue that such identification also acts as a coping mechanism for assignees in emerging market firms, who cannot identify with international assignees as their subsidiary- or firm-level in-group, since this group is too small to provide sufficient inclusion. The small size of the group together with the 'special status' of the individual in the firm enhances differentiation to the extent that collaboration with an individual is avoided instead. My study furthermore shows that this 'multi-identification' strategy (whereby the managerial identity remains prioritised) is enhanced by (1) the assignees' work overload that does not allow for much networking outside their entities and (2) the assignees' objectives being set at the level of individual entities rather than the MNE network as a whole.

At the micro level, an emphasis on a managerial identity, the related focus on organisational objectives, and tremendous loyalty to the firm (even when organisational promises to an employee are not fulfilled) stand out as specific features of assignees from emerging market firms. My study shows that these are related to organisational international staffing discourses, investments in firm-employee relations, employees' awareness of the limited organisational resources and capacities, and the 'single employer for life' culture in Slovenia.[205] Among the individuals' characteristics, the managerial identity of international assignees from emerging market firms differs from that of international assignees from developed market firms, however: it is operative, focused on proving one's competence and worth to the firm, and collaborative both horizontally and vertically. It is thus not status-oriented or strict in following hierarchies. Another feature of Slovenian assignees is their fluency in many languages (see also Jaklič et al., 2017). While this is more likely a reflection of Slovenian not being spoken by a large group of people or globally rather than a reflection of the emerging market context, it is nonetheless a crucial factor in understanding the international staffing decisions by Slovenian firms. This is because switching between languages and jargons simultaneously facilitates assignees' integration into the local team and environment (also relative to local business partners) as well as their effective and efficient collaboration with managers across the MNE network.

Finally, I uncover several **additional international assignment roles**: network breaking, change introduction, advocacy of external proposals by third parties in the headquarters for local opportunity-taking, and country of origin branding and firm differentiation through parent-country national managers. Further comparative studies are encouraged to investigate whether and how

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[205] This may change with dominance of millennials and centennials in organisations.

the use of assignments for these purposes differ for emerging market firms and developed market firms. The qualitative analyses do not indicate the strong presence of a commercial diplomat role among emerging market assignees. This may be a reflection of the discursive focus on a managerial role and identity that triggers stronger reporting of management-related tasks and achievements rather than tasks and achievements related to assignees' other (perceived as less valued) roles and identities. Further research is also needed on the presence, potential, (determinants of) expression, and outcomes of the assignees' commercial diplomacy role in firms.

In the following sections, I explain the practical implications of my findings (see section 4.3.2), list the limitations of the qualitative part of the study and provide suggestions for future research (see section 4.3.3), and finally elaborate on the theoretical implications of the qualitative part of the study (see section 4.3.4). I summarise the mixed methods findings and the methodological implications of the study in the conclusion.

4.3.2 Practical implications of the qualitative analyses

The results of the multilevel cross-case qualitative analyses have several practical implications. First, they suggest that EMNEs with limited internal and external pools of managerial international assignment-ready and willing candidates, as well as diminished employer attractiveness (especially in the more developed host markets) based on their unfavourable country of origin image, need to invest more of an effort into **international employee mobility promotion** among potential assignment candidates. The data from Firm A and Firm B indicates that their communication efforts in this respect should include (1) raising awareness regarding the existence of international assignment mobility options within an individual MNE; (2) definition of assignment-related value for the firm; and (3) identification of assignment-related (immediate as well as medium- and long-term) opportunities for the individuals within the firm to establish common international employee mobility-related goals, for both the organisation and individual. The communication efforts should thereby target both internal and external stakeholders (e.g. through employer branding that includes international mobility to attract international mobility-motivated and oriented individuals to the firm).

Other steps toward the firm establishing the continuous and constant availability of suitable candidates who are willing and ready to go on such assignments in order to meet its needs involve (4) combining internal and external recruitment for international assignments; (5) recruiting junior and senior as well as expert (i.e. non-managerial) and managerial recruits for assignments; and (6) introducing alternative assignment formats to expand the pool of potential assignees (considering the difference in the sending and receiving countries' social systems is thereby crucial to establish an arrangement favourable for the individual). They also encompass (7) introducing systematic and gradual employee development for international assignments; or (8) implementing gradual progression from the less demanding (e.g. shorter-term, expert, or directed at the less strategic and smaller entities) assignments to the more challenging (long-term, directed at demanding markets or strategic entities, and managerial) international mobilities to ease the individuals' transition to their new roles and/or identities by limiting the number of necessary simultaneous adjustments. This approach also gets individuals accustomed to the 'assignee lifestyle' and the related (often

higher) living standards – thereby prompting them to prolong their expatriation further. Finally, (9) building a strong firm-employee relationship with extant employees and (10) promoting past assignee achievements as proof of assignment-based career advancement and a signal of future assignees' prospects in the firm can further motivate employees to expatriate (and remain expatriated – i.e. it acts as a retention mechanism) based on their loyalty to the firm and focus on organisational rather than personal objectives in the former case, or personal goals in the latter. Part of firm-employee relationship building should thus be transparency about the assignment-related challenges, so that the assignees can prepare for them in advance and not resent the firm for hiding information or deception, as this can result in demotivation, assignment failure, employee turnover or damaging practices during expatriation.

Once a firm raises awareness of the existence of international assignments, identifies the assignment-related goals and opportunities within the organisational context, establishes a match between the organisational and individuals' objectives related to an assignment, and persuade suitable candidates to engage in expatriation, it needs to ensure **the commitment of the selected assignees** to their specific international assignments in order to achieve their (successful) realisation. The results of the qualitative part of the study suggest that firms can achieve this through firm-employee relationship building that fosters mutual familiarity, trust, and loyalty. They can also foster commitment through organisational investments in employee development that signal organisational commitment to the individuals, as well as result in individuals developing a sense of increased self-efficacy based on acquired, upgraded or situationally tested skills, knowledge, and capabilities. Organisational investments can also result in added social pressure on the individuals to reciprocate the firm for its investments – e.g. through expatriation. A firm can also adjust the assignment format and (initial) duration to the individuals' needs and wants to demonstrate its appreciation of the assignees' sacrifices and investments in the firm, and in turn increase their commitment to the firm and its (assignment-related) objectives.

Presenting international mobility as part of one's global career development (to direct the individuals towards fulfilling organisational expatriation-related objectives as part of their own career-based objectives) can further enhance assignees' commitment to successful assignment realisation. An organisation can moreover capitalise on the assignees' greater engagement and commitment by helping them to develop a sense of ownership over the assignment project (or present the latter as a continuation of a project the individual already feels ownership of).[206] Facilitation of identity work that supports the individuals' motivation for the realisation of organisational objectives through international employee mobility (e.g. establishing a structure that promotes hybrid identification as a manager, a professional, and an expatriate as well as dual identification with the sending and receiving entity that motivates individuals to engage in operative tasks with local staff, collaborate with other managers and assignees, and maintain inter-entity collaboration and an expatriate lifestyle – even upon repatriation) is another approach to enhancing assignee commitment to the assignment. Commitment can also be formalised: e.g. firms

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[206] Commitment to the host entity is often increased through assignment complexity, intensity of the experience (e.g. crisis resolution, first assignment, or establishment of a new entity), and close collaboration with local staff based on joint goals.

can recruit individuals with a clear purpose and contractual obligation of their either immediate or delayed expatriation (to frame their employment contract as international mobility-based). Finally, firms can increase employees' commitment by the promise (and proof of) a return on the individual's investment sometime in the future (e.g. upon repatriation), based on the reciprocity of the relationship. However, if such promises are made, then they need to be fulfilled in order to achieve the goals of employee retention and maintenance of their effectiveness and efficiency. My findings also suggest that firms should consider the specificities of individual recruits in motivating them for an assignment and during assignment execution. At the same time, they should also take the effect of individual assignment arrangements on the firms' relations with their other employees into account, as well as the effects of any new arrangements on inter-employee relations, team dynamics, and inter-entity collaboration.

The results from the analyses of international staffing discourses and practices in the two large emerging market firms with limited internal assignee pools reveal the advantage of these firms having an overview of their high potential employees, and thus the opportunity for a more individualised and targeted assignee or assignment management approach – also relative to assignees' colleagues. However, the mapping of potential assignment candidates and their supporters (e.g. mentors, coaches, or transferors of business) based on their expertise, managerial and international experience (especially in terms of the individuals' past host markets' maturity and development), and tenure in the firm could be particularly beneficial with regard to enabling the firms to develop more systematic approaches to **managing international assignments by these basic groups**. The firms should also pay attention to the mix of incumbents, coaches, mentors, and transferors of business with specific knowledge and skills available to assignees at different stages of their assignments, so that the appropriate support can be activated for a specific purpose upon need. Duviver, Peeters, and Harzing (2019), for example, show that different types of international assignments facilitate the transfer of different types of knowledge in different directions and at different times, whereby both the mix and sequence of assignments matter. I argue that the different purposes of assignments similarly require different knowledge inputs – not only by assignees but also their support system.

Presenting an international assignment as a challenge or an opportunity to add value to the firm may, for example, additionally motivate recruits with a pronounced managerial identity (including former employees frustrated by the lack thereof in the past), whereas referencing past relations and promising empowerment and autonomy during an assignment might work best with senior recruits, who are motivated by confirmation of their value for (and not status in) the firm and extant firm-employee relationship. Promising and providing proof of (individuals' engagement in introducing) change may best motivate former employees to return to the firm for the purpose of an assignment, while presenting an assignment as a developmental opportunity for the individual (with the promise of support) may work better with junior recruits motivated by an opportunity to prove themselves to the firm and accelerate their career advancement.

A further step to the mapping of assignees and their colleagues informing international assignment management practices would be clarity regarding the role-related expectations in different relationships. Valcour (2002), for instance, highlights the importance of managers developing

personal relationships with subordinates to detect discrepancies and promote adaptive self-regulation, as well as focus the subordinates' attention on the desired role for task performance, without violating the expectations of other roles in multiplex role systems. Another practical implication of my study is thus that in order to manage the multiplex role systems of their employees, firms should clearly identify the different roles of individuals (assignees and their colleagues alike) and define how they interact not only at the level of that person but also relative to their colleagues and the firm as a whole. By defining these roles, firms could plan their employee development and management practices more strategically and holistically – creating synergies between individual employees and enhancing employee engagement in identity work by themselves and others. Firms are thus advised to take dynamics of role transitions and relocations into account.

When possible, managerial international assignees in centralised MNEs should be selected from the internal employee database, due to the many advantages of the mutual familiarity and the pre-established relationship between the firm and the individual for the employees' successful managerial role and task assumption, goal realisation, and facilitation of inter-entity collaboration. With external recruits (including former employees), centralised firms need to pay particular attention to in-depth (re)integration into and (re)familiarisation with the firm to avoid myopia, dissatisfaction, and firm-employee misalignment – regardless of the individuals' expertise, managerial and international experience. In assignee selection, these firms also need to **adjust selection criteria and recruitment procedures** to each of the two recruitment approaches. While the primary selection criterion with internal recruitment can be expatriation willingness due to these recruits inherent advantages of firm-specific knowledge and embeddedness, external recruits have to possess professional expertise and managerial experience upon firm entry to be able to focus on acquiring firm-specific knowledge and integration into the firm as their main preparation for the assignment. External recruitment also necessitates more comprehensive personality, motivation, and competence testing for assignment candidates to establish whether a favourable firm-employee relationship can be built. Third party referrals and the firm's own situational experience with a candidate are insufficient for reliable assessment of the individual's suitability for an assignment or the firm-employee fit. This is because they only reduce the perception of risk rather than the real risk related to recruiting a less familiar individual to key positions in the MNE. Intensive, frequent, and contextualised interactions are needed in this regard for employee evaluation and testing as well as integration into the firm. There is no need for additional psychological and competency tests or integration into the MNE (except for integration into the host entity and market, which can be eased by past relations with an entity or a market, as well as through selecting senior managers with immediate authority relative to local staff)[207] for internal recruits, as these individuals are tested in various real-life situations within the firm through their career development in the organisation.

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[207] However, junior recruits can be at an integration advantage in relationship-oriented markets with low power distance or in SME entities where operative engagement of a manager with the staff is required. Firms thus need to also consider the macro and mezzo contexts in their international staffing decisions.

The negotiation of the contract is also more complex with external recruits, as it requires contract drafting from scratch. Another factor that adds to the complexity of the process is its potential impact on extant firm-employee relations and the new recruit's integration in the firm. If a new contractual arrangement is perceived as unfair and suggests a sense of unequal treatment among employees, it can result in the extant employees' disengagement from the firm and reluctance to collaborate with the new recruit, who is perceived as unjustly better positioned. Firms negotiating assignment arrangements with external recruits thus need to consider their relational effects at firm-employee and inter-employee levels, whereas firms negotiating assignment arrangements with extant employees can focus more on redefining their relationship with the individual assignment candidate. Although the latter may impact inter-employee relations and the firm's relationships with other employees, this effect is less likely to be detrimental, since an assignee's colleagues usually have better insights into the assignee's past investments in the firm relative to theirs. If they are also made aware of the sacrifices an assignee needs to make for their assignment-related rewards and provided with similar opportunities themselves, they are less prone to experience a sense of unfairness. This does not preclude a sense of jealousy, however, which is why some firms hide assignment arrangements from non-assignees to prevent firm-employee and inter-employee conflicts, too. Regardless of the relational effects of the two recruitment approaches, internal recruitment affords firms more flexibility in terms of duration of firm-employee negotiations, as the relationship only needs to be redefined rather than defined from scratch. Amendments to the extant employment contracts can thus be made once an individual is already expatriated.[208] However, internal recruits are also better equipped with information about the firm compared to external recruits and may thus have greater (yet more realistic) demands to be willing to expatriate. Moreover, based on a pre-existing relationship with these recruits, the firm can counter the individuals' information-based power with good firm-employee relations and social pressure to motivate their further investments in the firm.

After successful recruitment of candidates for an assignment, the firm needs to establish whether these recruits are fully **assignment-ready**. This is easier for internal recruits, whose skills, capabilities, knowledge, and personality traits the firm is already familiar with – especially when these individuals have been with the firm for long periods of time and occupied different positions within it. For these recruits, career development in the firm often suffices as preparation for taking on a managerial position abroad in terms of content.[209] Senior external recruits, on the other hand,

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[208] While this allows for immediate international staffing decisions by the firm, internal recruits with longer tenure in the MNE may require a longer transitional period for transfer of business to their colleagues in the sending entity. External recruits, on the other hand, can be sent abroad almost immediately (after the initial rotation in the firm for MNE familiarisation purposes).

[209] Long-term career development (characteristic of the internal recruitment of senior employees) is considered as the least intrusive and disruptive, most gradual, and holistic approach to employee development (it also fosters relevant networking and firm embeddedness). As such, it is described as the optimal approach to employee preparation for managerial international assignments by both the studied firms and the individual-level interviewees. However, this is a lengthy process and requires great organisational investment in the individual, as well as detailed staffing plans. It may thus not always be feasible – especially in *ad hoc* (HR) crises.

need to be familiarised with the firm-specific knowledge and networks to be able to manage or introduce firm-specific processes and coordinate inter-entity collaboration. In both cases, the firms need to be cautious in communicating what tasks and role or identity features the managerial position will entail, though. This is because EMNEs have a network that is mostly comprised of SME entities with limited support functions, and managerial positions across these EMNEs are thus not the traditional strategy-focused managerial positions. Instead, they involve a broad spectrum of both strategic and operational tasks that require the otherwise specialist managers from the large headquarters or domestic firms to redesign their managerial role and identity into that of an operative manager. In other words, the positions are less status- and more challenge-based in terms of the managerial identity. If senior managers, used to clear hierarchies and a strategic focus, are unprepared for close operational collaboration with their subordinates and practical problem solving, they are likely to fail as managerial assignees. Preparation of senior managers for a redefined managerial identity is thus crucial. While my research does not include many inpatriates or assignees shifting between foreign entities, consideration of the use of these managers (especially those sent from subsidiaries to similar subsidiaries) may reduce the role adaptations needed (i.e. these managers are already generalists with holistic knowledge and skill sets), and as such optimise the organisational investments in assignee preparation and support during expatriation. Further research is needed on this issue, however.

My research findings show that the **preparation of various international assignment recruits** differs for managerial or non-managerial, senior or junior, and internally or externally recruited individuals. Each individual category requires different investments in the employees' self-efficacy and competence building. This is because these pairs of assignee categories differ in the number and complexity of role and identity transitions they experience with a managerial assignment, as well as in the entry resources they possess to better cope with these transitions. As described above, experienced managerial recruits (internal or external), for instance, experience smaller challenges in terms of role transitions, yet need to adjust to a redefined managerial role abroad (i.e. they need to become operative managers involved in practical rather than solely strategic tasks). Non-managerial recruits need to first build awareness of managerial opportunities in the firm and then also make a more dramatic role transition from a non-manager to a manager. External recruits additionally need to integrate into the firm and acquire firm-specific knowledge.

Junior recruits are most often internal recruits, as building both firm-specific and professional skills, while at the same time engaged in intense identity work related to their shift to management, would be too challenging (or time consuming). Their preparation already requires a prolonged transfer of business (to avoid information overload and lack of work focus), coaching, and advice during expatriation. Confirming their managerial identity and supporting their role shifts in terms of both skills development and relative to the firms' stakeholders is also a crucial part of preparation and support for junior recruits. Clear communication regarding the different transitions by assignee categories is thereby needed to avoid disappointment and unpreparedness. Moreover, all groups seem to prefer a 'learning by doing' approach to assignment and management preparation, which can be particularly beneficial for the firm as well, as it tackles issues in real time (i.e. it has immediate rather than lagged business performance outcomes). It is less controlled and more experimental, however, so the firm needs to provide sufficient structure to limit the

potential damage by failed learning attempts (e.g. through coaching and reporting systems) and (informational) support for individuals so that they do not reinvent solutions to problems that already exist within the MNE network.

The results of the analyses in Firm A and Firm B demonstrate that assignee preparation and support should overall be centred on **individual employees' role and identity shifts** (or role and identity realisation for extant managers) and support both the assignees' and their colleagues' identity work that allows for the simultaneous realisation of organisational and individual goals (including self-realisation). The interviewees indicate that a relational approach to identity work is needed – relative to the assignees' colleagues in the domestic and host units and relative to the firm's business partners. The firms should thereby be particularly cautious about creating the different in-group versus out-group clashes that arise with (assignees', their colleagues', or relational) role and identity shifting. While organisations can use the assignees' outsidership to their advantage (e.g. for change introduction, network breaking, or rational rather than emotional decision-making in an entity), promoting an 'us-them' divide can also inhibit the individuals' as well as their teams' work effectiveness and efficiency by exposing employees to (or not protecting them from) additional psychological and social pressures (hierarchically and based on the country- and entity-of-origin).

Firms can take several steps to support the individuals in integrating into the firm, team, or host market and assuming a new role or identity: i.e. they can provide assignees with mentors, local incumbents, coaches, co-managers, or longer-term transferors of business, who can help the individual to understand and shape their new (or redesigned) role and identity (e.g. through provision of feedback on their decisions and advisory sessions, or by setting an example) as well as legitimise and confirm the latter to colleagues and business partners (see also Cooper et al., 2019; Yip et al., 2019). Such support is especially valuable when assignees (or their colleagues and business partners) are experiencing dramatic role or identity shifts (e.g. when junior non-managerial employees are promoted to managerial positions, when colleagues become the assignee's subordinates, or when the individual's role shift breaks organisational and national cultural norms) and when they are overwhelmed with work (e.g. in crises) and cannot invest time and other resources into their new role or identity development, claiming or confirmation.

The assignees can also contribute to establishing their managerial (or expatriate) role and identity in the host entity themselves, as this allows them to successfully fulfil their assignments. Practical collaboration with subordinates and transparency regarding any crisis situation can act as a tool for establishing common goals and a sense of comradery. Through collaboration, the 'outsider' can become perceived as a colleague rather than threat (or the local staff's ally rather than the parent firm's spy and agent). They also become more likeable through making an effort to connect with the local team – especially if this is done in the local language. Joint execution of practical tasks further establishes a sense of team connectedness and proves the assignee's (paradoxically expert rather than managerial) competence to their subordinates (framed as colleagues). It thereby contributes to the local team's engagement in assignment realisation based on their (slightly adjusted) managerial role acceptance as well as the individual's integration in the local environment. Networking with local business partners further supports the individual's managerial

identity by demonstrating complete work focus. To prevent detachment from the parent firm (and country),[210] individuals can engage in maintaining support networks with parent-country nationals (in sending or host environments – organisational or inter-organisational and private),[211] which can be particularly valuable for the individuals' boundary spanning role not only during an assignment, but also upon repatriation. Firms can support individuals in these steps by raising awareness of their value for team dynamics and the firm in general, as well as framing them as part of (rather than contradicting) the prevalent managerial identity – as assumed by the expatriates and accepted by their colleagues. An example of such support would be introducing collaboration with subordinates as part of an otherwise independence-centred managerial identity in the organisational context.

An emphasis on the managerial rather than expatriate discourse can somewhat limit the negative impacts of the assignees' intrinsic and relational role shifts on their own and their colleagues' performance, as it eases identification of common goals among assignees and their colleagues, has clearer implications for their relationships, establishes clarity regarding the firm-employee relationship (i.e. it reduces the individuals' expectations for assignment preparation and support), and further legitimises the assignees' managerial role relative to local staff. It also provides sufficient grounds for simultaneous assimilation and differentiation of an assignee within the firm during their international mobility. However, an emphasis on the managerial discourse alone in the absence of an expatriate discourse can also have detrimental effects on an assignment – especially in terms of inter-assignee (and thus inter-entity) collaboration, or an individual's commitment to the foreign entity and the assignment project. My study thus suggests that firms should seek a balance in framing their internationally assigned employees' identities depending on their long-term goals for the individual. For instance, when desiring enhanced inter-assignee collaboration (not only across the MNE but also with assignees from other firms – e.g. for knowledge sharing) an expatriate identity should be fostered.

For independent problem solving, however, a managerial identity should be stressed. The latter can thereby act as both the firms' cost optimisation strategy and the individuals' coping strategy. **Promoting dual identification** with the sending and the host entity and establishing both a managerial and an assignee identity can be especially beneficial for maintaining the individuals'

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[210] The interviewees also warn against assignee-related myopia with regard to the overall MNE objectives and headquarters-based changes (e.g. in culture, language, or sensemaking) due to their long absence from the parent firm, and thus stress the need for continuous information flows between the parties to the assignment contract (i.e. the individual and firm) and inter-entities in the MNE network.

[211] Firms can support such networking through arranging frequent (work) visits to the parent firm that foster intra-MNE networking as well as simultaneously facilitate private visits to friends and family for social networking outside the firm. They can also clearly communicate the value of parent-country national networking in the context of business networks in the host market as part of the assignee's managerial role and identity, rather than a merely social event that may deter assignees from engaging in such socialising and instead focus on the more immediate work tasks (see also the pilot interviews).

commitment to the parent firm and its goals, while at the same time pursuing individual entities' objectives. It can furthermore foster dual embeddedness, which is valuable upon repatriation, from the perspective of the assignees' reintegration into the domestic team and maintained collaboration with the host entity for lagged inter-entity collaboration effects. While such an approach also implies acknowledgement of the non-work rather than solely work-related challenges, it does not focus the assignees' attention on the former. The combination of identities is instead organisationally steered towards organisational goal realisation. Expatriate identity is thus only stressed for assignment commitment purposes rather than for assignees' coping with relocation-related issues, which are ignored by both the firm and individuals based on a greater emphasis on the managerial identity. **The adjusted framing of a managerial assignment** (e.g. as collaborative) nonetheless introduces more support for assignment execution in terms of work tasks and work-related role or identity transitions – if not by the firm at least by the assignees' colleagues – and thus dispersal of responsibility for an assignment success.

Both firms report substantial **repatriation issues**. Related to role shifts, these are mainly problematic due to the individuals' return to a changed environment (especially for long-term assignees who may face a misalignment between their perception of the home entity and the reality as it has evolved over time), changes in individuals that may cause their misfit with the roles and identities as defined in the domestic entity based on its past perceptions of them, and the context limiting an individual's autonomy compared to the host environment (regardless of the usual official promotion of repatriates). The organisational solutions implied by Firm A and Firm B take these issues into consideration by either coping with or avoiding them. **The coping strategy** proposed by the two firms involves the artificial introduction of change to the firm, such as through reorganisation and restructuring. The latter guarantees that a new key position adjusted to the assignee's newly upgraded or acquired skills opens, and if well planned then this can be done in a way that is not as threatening to the domestically-based employees as repatriation of an additionally skilled individual to an unchanged organisational environment would be. **The avoidance strategy**, on the other hand, encompasses the utilisation of senior recruits without future ambitions in the headquarters. This solution is especially valuable when spillover effects to the headquarters are irrelevant, and when it is known than no desirable positions will become available for a returnee upon their repatriation.

Overall, the findings from the qualitative part of the study demonstrate that emerging market firms with limited internal and external pools of international assignment-willing and ready employees cannot implement a standardised approach to international employee mobility (irrespective of their size and organisational maturity stage), as they need to consider a wider array of assignment candidates who differ in their entry skills, knowledge, experience, and roles or identities established prior to expatriation. A certain level of cost optimisation and preparedness in an otherwise *ad hoc* and *laissez faire* approach to international staffing can nonetheless be achieved through preparing a systematic overview of target markets with a focus on their social systems (compared to that in the home country of the parent firm), identifying the markets better suited for local contracts and those better suited for assignments, and mapping assignment candidates (or assignment-required features) as a basis for preparing separate strategies for managers sent on

different mobilities, to different entities and markets, and with different entry resources for assignment execution.

My research results also show that in developing support actions aimed at the different categories of managerial assignees, the firms need to consider (international) staffing holistically, relationally, contextually, and as a process. They need to take all employees and their combinations of needs and wants (as they evolve through interactions, in different contexts, and through time) into account rather than focus solely on one individual assignee at a single point in time and within the single firm-employee relational dyad. International assignments involve direct and indirect (relational) role transitions, relationship shifts (inter-employees and between the firm and employees), and identity work that all impact team dynamics, inter-entity collaboration, and the business performance of individual entities as well as MNE as a whole. The firms thus need to manage (but cannot completely control) social processes, which is only possible through **a flexible and soft approach** that empowers employees to contribute to the (assignment) management process.

4.3.3 Limitations and future research implications of the qualitative analyses

While comprehensive and insightful, the qualitative part of this study has several limitations. First, it is focused on a specific type of internationally assigning firm: large, mature EMNEs. It thus excludes **other types of organisations** that may face different issues related to international employee mobility and management thereof. Future research is thus advised to look into the similarities and differences in international employee mobility also based on firm type. Due to the limited use of international assignments by other types of emerging market entities indicated in my pilot interviews, a comparative analysis in diverse developed market firms may be particularly revelatory in this respect. Although the two case firms for this study have been selected based on the intensity and diversity of their use of international assignments also due to **the different subsidiary roles** across their MNE networks, the differences in international staffing discourses and practices based on the latter criterion have not been pronounced.

While this may be indicative of the greater **impact of entity size** rather than the different subsidiary roles on managerial international assignment management by firms, it may also be a reflection of the narrow pool of the different subsidiary types in emerging market firms, the limited number of specialised business functions in each entity and the multitude of functions they perform (by engaging in multiple business functions, assignees from EMNEs need to develop a broad spectrum of skills and may thus be more resourceful in different host environments – regardless of the roles that prevail in them), as well as the limited number of assignment candidates that prompt emerging market firms to prepare assignment-willing individuals for expatriation more holistically to be able to use them in various situations and contexts.

Developed market firms with a variety of subsidiaries in their networks (both in terms of subsidiary size and role) as well as a multitude of assignee candidates may thus be a more fruitful venue for in-depth research into the mezzo contextual factors of international staffing and individual-level identity work as determined by different contexts. Here, future research should

consider **the strategic orientation of assigning firms** as a factor in the firms' international staffing approaches, international assignment implementation and management, and individuals' experience of the latter (especially in terms of role transitions and identity work by either the assignees or their colleagues in different team compositions as well as identity work by collectives). This is because different strategies necessitate different knowledge, knowledge adaptations, and levels of collaboration of an assignee with local staff, business partners, consumers, the headquarters, and other subsidiaries in the MNE network.

For example, when a subsidiary operates in the context of global strategy, knowledge exploitation sourced from the headquarters is crucial. Multi-domestic strategy, on the other hand, requires sourcing local knowledge through close relationships with local business partners and staff (the use of expatriates may not bring the best results under such conditions). Finally, transnational strategy requires both global integration of a subsidiary in the MNC network and its local responsiveness to the unique local conditions simultaneously, and thus knowledge creation and adaptation relevant to the wider MNC strategic context as well as to the particular local context. Knowledge exchanges and collaboration between the headquarters and the subsidiaries (and thus the role of international assignees from the headquarters) is most pronounced in this context (Bartlett & Ghoshal, 1989; Ghoshal & Bartlett, 1988; Harzing, 2000; Kawai & Chung, 2019). The effect of the firms' strategic orientation may be particularly pronounced in developed market firms, as my findings in EMNEs with global and a multi-domestic strategies does not indicate deviations from an ethnocentric international staffing approach in emerging market contexts – probably due to the labour market deficiencies in such markets and the unfavourable employer image of these firms.

Another insightful area of inquiry could also include research into why certain types of (internationalised and internationalising) **firms do not engage in international assignments**, which could further shed light on the firms' international staffing not only in terms of international assignment needs and capacities at the firm level (which can be uncovered through quantitative analyses), but also in terms of the decision-making mechanisms preventing engagement in international employee mobility. Such research could also help identify supplementary and complementary tools that could be used with or instead of international assignments,[212] as well as mobilities that firms (or official statistics) do not define as assignments, although they may still be classified as such.

Second, while I do address **the different modes of identity work** used by assignees, my findings regarding these are only preliminary and limited by the research design. I thus especially encourage future research on identity work (or lack thereof) and the mode(s) of identity work (not) used at different stages of international assignments, individuals' career development, and organisations'

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[212] Mawdsley and Somaya (2016), for instance, identify three main competing channels to employee mobility: (business) networks and geographic spillovers, acquisitions, and alliances. They do not provide comparative insights into the value of these channels for business internationalisation relative to international assignments, or in the potential combined effects of the different combinations of their use, though.

growth and internationalisation. Additional methods, such as brain imaging, behavioural experiments, and observation should be used for this purpose. Researchers are also advised to consider the impact of assignment type and the assignee-sending and receiving country contexts on the choice of identity work modes.

Third, my study reveals the importance of identity work at the level of individuals (both assignees and their colleagues), yet does not provide detailed insights into the **role shifts and identity work by assignees' colleagues** in sending and receiving entities, or the related impact on the assignees' role transitions and identity work. It also does not offer an in-depth analysis of **identity work at other levels**, such as the team and organisational identity work or country and supranational identity work, their interactions and their impact on assignees' identity work – although it implies the interactions of roles, identities, and discourses across these levels.

This is related to the fourth limitation of the study: it does not cover **the influence of external voices** on international assignment-related identity work (e.g. through co-shaping perceptions of international employee mobility) as well as assignment execution and management at the firm, team, and individual levels. For example, the impact of business partners on the role transitions and identity work of assignees and their colleagues is implied, yet not researched, as the research design including all these dimensions would be too complex to be feasible for a single study. Future studies could thus explore these aspects of assignment implementation and management further. More specifically, they could provide complementary insights into the relevance of assignment-related discourses shaped by government agencies (including legislators), (HRM) consultancies, the media, the firms' business partners and consumers for assignees', their colleagues', teams' and employers' identity work during the international assignment process (see also Mellahi, Frynas, & Collings, 2016; Pratt & Foreman, 2000), as well as the effects in the reverse direction (e.g. through commercial diplomacy) – in both emerging and developed markets, as well as in both emerging and developed market firms.

Fifth, my study mainly provides insights into long-term managerial international assignments by individuals (with different contractual arrangements and including some alternative international assignment formats, but predominantly traditional and expatriation mobilities). In the future, researchers could add to theory as well as practice by considering (1) **short-term mobilities** (these are likely to cause either the assignees or their colleagues in sending and host entities to engage in resocialisation, role shifts, and identity work more frequently due to the often multiple or more frequent relocations of short-term assignees and the related sporadic changes to team compositions (see e.g. Shay & Baack, 2004), although the employees' relational identity work may be less intensive due to the lack of time for team integration and collaboration);[213] (2) **team assignments** (these are likely to have different effects on in- and out-group formation, as well as their interactions and outcomes (see e.g. O'Leary & Mortensen, 2010)); (3) **inpatriation and assignments between subsidiaries** (these may require different adjustment in terms of assignee specialisation or broadening of skills for an assignment); and (4) **non-managerial assignments across organisational levels and job roles** that may perform a boundary spanning and inter-entity

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[213] See, for example, the findings from the pilot interviews described in section 1.4.3.1.

collaboration enhancing role (see e.g. Barner-Rasmussen et al., 2014), but also realise other assignee type-specific objectives that may impact these assignees' (their colleagues' and other stakeholders') identity work and decision-making regarding assignment implementation or management.

Sixth, one of the main limitations of my work is its analytical focus on multiple identities as sets of separate identities – despite acknowledging (as well as empirically confirming) their intra- and inter-level interconnectedness. In the future, researchers are thus advised to approach identity work through **the intersectionality lens** and consider how the multiple identities within the individual's self-system (including their gender, age, racial, sexual, linguistic, national, and other non-work identities) as well as at the level of collectives this self-system is nested in (e.g. team or organisational identity systems further nested in national and supranational contexts) interact and how changes in one identity (within or across levels) influence the self as a whole (see also Caza et al., 2018; Ramarajan, 2014; Rodriguez, Holvino, Fletcher, & Nkomo, 2016).[214] Such research would be particularly valuable for understanding the processes of reflecting, claiming, granting, constructing, and merging identities into an 'amended' self by individuals and collectives depending on a particular mix of identities rather than their individual aspects (such as work role-based identities, for example). This is because different compositions of the self may necessitate specific approaches to identity and selfwork and result in specific outcomes for the individual or a collective – also in the context of international assignments. I thus reiterate Caza et al.'s (2018) and Rodriguez et al.'s (2016) calls for research into how specific work-based role, collective, or personal identities are integrated into an overall self-concept and what contextual characteristics impact this process in the international employee mobility domain.

Finally, **a longitudinal research design** could show the dynamics of role transitions and identity (or self-) work along with their assignment management- and execution-related outcomes at different levels of analysis relative to contextual shifts at different levels of analysis (including individuals' career development or firm growth, maturing, and internationalisation by stages).

4.3.4   Theoretical implications of the main findings from the qualitative analyses

The qualitative findings from this study primarily contribute to role (transition), social categorisation, and social identity theories[215] by showing the particularities of role transitions, social categorisation, and identity work for international assignees (and to a limited extent their colleagues and business partners) and their implications for international assignment management

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[214] Caza et al. (2018) term the process of identity work that acknowledges the interconnectivities between multiple identities within the self as selfwork.

[215] I address international assignments mainly through a social identity theory lens because of its emphasis on describing generative socio-cognitive processes in the context of intergroup relations that allow linking society with individual social behaviour more effectively. I nonetheless draw inspiration from identity theory as well and position the concept of role and role identity it focuses on within the social identity theory's broader intergroup and socio-cognitive analysis. See Hogg, Terry, and White (1995) for delineation of the social identity theory from identity theory.

in the context of emerging market firms. I also demonstrate that the clashes in interests within and across levels of analysis and the related multilevel narratives trigger identity work at the level of the individual. I thus show that agency theory can further inform the impact of multilevel narratives on assignment outcomes for inter-employee, inter-assignee, inter-entity, and firm-employee collaboration. Since role transitions, social categorisation, and identity work are featured more prominently in the interviews, these are the focal part of my theorising and as such the primary theoretical contribution of the qualitative part of the study (see section 4.3.4.2). The connections to agency theory are not as emphasised and thus reported in this section as a secondary theoretical contribution and an introduction to the primary theoretical contribution (see section 4.3.4.1).

The theoretical implications of the qualitative part of the study have an important methodological implication as well. While I started the qualitative part of the study as a theory-building exercise due to an international assignment management theory, I ended with theory elaboration and development results. I uncovered that the mechanisms driving international assignment (management) decision-making processes can be explained with theories from other disciplines: i.e. role (transition), social categorisation, and social identity theories, and to a limited extent also agency theory. I thereby support Ridder's (2017) claim that case study research designs generate different contributions to theory (i.e. theory-building, theory development, and theory testing) on a theory continuum. However, I show that a research design aimed at theory-building can result in (mostly) data-driven theory elaboration (i.e. the categories are not as clear-cut as suggested). I argue that this is an advantage rather than deficiency of qualitative research, as it discourages generation of superfluous theories and aims for theoretical parsimony – also across disciplines.

I outline the main theoretical contributions of my research below (see sections 4.3.4.1 and 4.3.4.2).

4.3.4.1 Managerial international assignments through the lens of agency theory

Alignment of interests within the MNE is a social process that takes place at a single level or across levels (Ahlvik, Smale, & Sumelius, 2016). My study suggests that the following **discrepancies in interests across or within levels** spark identity work: (1) between the MNE and the employees, (2) between entities within the MNE, and (3) between superiors and subordinates (in the headquarters or the foreign entity – or both), (4) between peers, and (5) between professions.[216] The first two categories are best addressed through agency theory, whereas the final three can be better explained by the role transition, social categorisation, and social identity theories presented in the next section (i.e. section 4.3.4.2). In reference to **firm-employee discrepancies**, Andresen and Göbel (2011) suggest that, while international assignees are mainly focused on opportunities to advance their career development, financial incentives, and benefits for their personal lifestyle compensating for their 'sacrifice' for the firm (see also Stahl, Miller, Einfalt, & Tung, 2000), MNEs perceive and treat expatriation as a tool to control their entities, develop their personnel,

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[216] Due to a focus on the firm-individual relationship, I neglect any discrepancies that occur between assignee-sending and receiving countries, between the country and the firm, or between the country and the individual. However, these are implied in my findings and thus present potential for future research.

and address organisational staffing or developmental needs (see also Edström & Galbraith, 1977; Fischlmayr, 2004; Stahl et al., 2000). Andresen and Göbel (2011) thereby propose that mutual expectations by both the firm and employees often exceed the formal agreement between them: i.e. they exist in the form of a psychological contract, which implies that the formal arrangements, strategies, policies, and actions are subject to relational interpretation. This is consistent with my discursive view of identity work as a mechanism determining and determined by the firm-employee relationship and actions.

Discrepancies in firm-employee expectations regarding international assignments are addressed in detail by Yan et al. (2002). The authors present a theoretical model with four proposed configurations of firm-employee relations based on **agency theory**. They suggest that either party in the employment relationship can act opportunistically or frame the assignment into a relational and transactional contract (depending on the extent of strategic stakes they have in an assignment and the individual's potential for advancement and value creation for the firm). The configurations proposed include:

– **Mutual loyalty**: both parties are committed to a long-term relationship;
– **Agent opportunism**: the organisation considers the international assignment as a relational contract, while the individual sees it as transactional and focuses solely on their career;
– **Principal opportunism**: the organisation sees an international assignment as a transactional contract, but the individual perceives it as relational – due to either honest perceptual disparity or strategic manipulation; and
– **Mutual transaction**: both parties frame the relationship as transactional.

The authors recognise that transitions from one configuration to another are possible at any point in time, and that stability can never be guaranteed (see Yan et al., 2002).[217] This can be attributed not only to the organisational decision-making autonomy (within legislative contexts of the MNE's sending and receiving environments), but also to employees' (in this case expatriates') decision-making autonomy in accepting or rejecting an assignment (see also Stahl, Miller, & Tung, 2002), and influencing its format within the context of organisational objectives that determine the length and direction of expatriation. My study reveals that the individuals' **negotiating power** in the firm-employee relationship increases with labour market deficiencies, an individual's success and proven added value within an organisation, their familiarity with the firm (as an internal or former employee recruit), and the particular skills needed during expatriation. It also suggests, however, that employees in firms with good firm-employee relations and positive working atmospheres tend not to act opportunistically or shift between configurations (even if the firm fails to fulfil their expectations, individuals still seem to shift between configurations due to changes in their private lives rather than based on better career offers by competitors). Individuals can also lose their negotiation power with failure, when firms usually initiate repatriation or termination of the employment contract. This could be an additional factor in organisational promotion of a strong

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[217] Yan et al.'s (2002) view can be described as consistent with the dynamic view of multilevel relational identity work during international assignments presented in my dissertation.

managerial identity that legitimises such sanctions in the context of an experimental international staffing approach.

There are also **multiple interests within the MNE** (Foss, 2019; Hoenen & Kostova, 2015; Lunnan, Tomassen, Andersson, & Benito, 2019; Menz, Kunisch, & Collis, 2015). Several authors attribute these to the different objectives, motivations, and roles of entities within the MNE network (Björkman et al., 2004; Nohria & Ghoshal, 1994), and even transfer the conflict of interests to a conflict between the MNE headquarters and subsidiary managers as subsidiary representatives (Roth & O'Donnell, 1996). They propose that, while subsidiaries (and their managers) are interested in both obtaining resources from the headquarters and maintaining their strategic autonomy within the MNE (Dörrenbächer & Geppert, 2013; Edwards & Bélanger, 2009), the headquarters wish to enhance the subsidiaries' inputs to the MNE's business performance and control over the MNE network. In this process, the different entities in the MNE engage in **micro-political confrontations**, which can be defined as identity struggles and identity work in establishing power relations within the MNE (Dörrenbächer & Geppert, 2006, 2011). Lunnan et al. (2019), for instance, explicitly highlight the costs inherent to the headquarters-subsidiary relationship and interactions in an MNE. They show that firms can reduce information costs through centralisation and formalisation, while distance and social integration increase bargaining costs. My study additionally shows that, even when firms encourage the different perspectives throughout the MNE network for developmental purposes, the costs of aligning the individual subsidiaries' value creating activities with the overall MNE's goals may be too high and derail the MNE's developmental activities (see also Lunnan et al., 2019). It also supports extant findings regarding the diversified MNE networks facing difficulties in knowledge sharing and transfers (see e.g. Noorderhaven & Harzing, 2009). An ethnocentric international staffing strategy with the firm employing individuals with common cognitive schema in managerial positions can act as a countermeasure to the disconnect within the MNE network.

Overall, my findings indicate that individuals' role affiliation and identity explain their behaviours during expatriation and repatriation better than their interests possibly clashing with those of the firm do.[218] They also suggest that emerging market firms can use this to their advantage through 'soft' international assignment management practices such as narrative work influencing identity work at the level of individuals. For example, despite their greater negotiating power relative to the firm based on familiarity with the firm, the internal recruits' socialisation into the firm is likely to make their demands congruent with the organisational objectives and not opportunistic. I explain the implications of my findings from the perspective of role (transition), social categorisation, and social identity theories in more depth below (see section 4.3.4.2).

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[218] The organisation, on the other hand, tends to be more flexible in its relationship with an employee, as it triggers shifts in configurations in response to either internal or external contexts.

4.3.4.2 Managerial international assignments through the lens of role (transition), social categorisation, and social identity theories

The qualitative research findings presented in this dissertation reveal that the multiple levels of analysis focused on long-term managerial international assignments (i.e. the macro/country-level; the mezzo/organisational level; and the micro/individual level) are interrelated through the concepts of discourse and identity. **Discourse** thereby refers to *"a connected set of statements, concepts, terms and expressions which constitutes a way of talking or writing about a particular issue, thus framing the way people understand and act with respect to that issue"* (Watson, 2001, pp. 113). The concept is thus closely linked to the concept of **identity**, which refers to the conscious efforts of individuals, collectives, or entities to respond to the question 'Who am I?' or 'Who are we?' as delimited by the given circumstances and the different contexts (Sveningsson & Alvesson, 2003). Various discourses thereby serve as a basis for **identity work** (Alvesson & Willmott, 2002; Clarke et al., 2009; Hay, 2014; Knights & Willmott, 1989; Mumby & Chair, 1997; Sveningsson & Alvesson, 2003; Thomas & Linstead, 2002; Watson, 2008): i.e. the process of active reflecting, claiming, granting, constructing, and merging a new identity with other valued identities already held by an individual, a collective, or an entity (DeRue & Ashford, 2010; Ibarra & Barbulescu, 2010; Kraimer, Shaffer, Harrison, & Ren, 2012; Kreiner, Hollensbe, & Sheep, 2006; Nicholson & Carroll, 2013; Petriglieri & Petriglieri, 2010; Pratt, Rockman, & Kaufmann, 2006; Sinclair, 2011) to construct a new self (Creary, Caza, & Roberts, 2015; Iyer, Jetten, Tsivrikos, Postmes, & Haslam, 2009; Pratt & Foreman, 2000).

In other words, identity work manages tensions between the multiple identities held or to be held by an individual or a collective at various (also multiple) levels (Kreiner et al., 2006). Since these identities heavily affect how individuals enact their different roles (including work roles such as that of a managerial assignee),[219] identity work is a crucial mechanism in international assignment implementation and management as experienced and enacted at employee and organisational levels. My comparative case study thereby lends support to past findings about the processual, relational (also multiplex), and situational nature of roles and identities at multiple levels (see also Andersson, 2008; Ashforth et al., 2011; Valcour, 2002; Yip et al., 2019). Intrinsic (i.e. self-narrative and sensemaking of managerial assignee becoming) and internal (i.e. site-dependent) rather than just external causalities in relation to identity work thus need to be considered in international assignment research, implementation, and management (see also Andersson, 2010; Bourdieu, 1990; Ibarra & Barbulescu, 2010; Schatzki, 2005). It also supports Caza et al.'s (2018) classification of identity work activities into cognitive, discursive, behavioural, and physical modes by showing that these are used by international assignees either alternately or simultaneously and either self-reflectively or relative to other employees, business partners, and the organisation. I expand on Caza et al.'s (2018) work by demonstrating that the choice of identity work mode(s) used by international assignees differs for each individual based on their tenure, managerial (in)experience, competence and self-efficacy, pre-established relations with and in the

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[219] An identity differs from a role in that it centres on the prescriptions for self-understanding rather than on the generalised expectations of typical behaviours conveyed in a specific environment (Kahn, Wolfe, Quinn, Snoek, & Rosenthal, 1964; Sveningsson & Alvesson, 2003).

firm, type of recruitment, type of international assignment, extent of change, and organisational and national cultures (especially in terms of the primary identity-related norms). I also demonstrate that identity work can be intentionally or unintentionally avoided, which can lead to either enhanced or hindered inter-employee and firm-employee relations or collaboration.

The findings from two multilevel cases presented in this chapter demonstrate that identity is **a dynamic multilevel construct** (Cole, 1996; Valsiner, 2007), comprised of the individual and collective (group or organisational) identities that evolve in specific contexts. Identity at the level of an individual is guided by psychological motives, such as learning about the self, self-expression, self-coherence, self-continuity, self-distinctiveness, and self-enhancement (Ashforth 2001), whereas at the group level it is a tool differentiating the group from relevant 'out-groups' (e.g. Haslam & Ellemers, 2006). At the organisational level, for instance, identity has been argued to provide coherence between subunits (Barney, 1998), differentiate the organisation within an industry context and relative to competition, and determine the firm's strategic decisions (Livengood & Reger, 2010). Regardless of the focal level of identity, identity is aimed at defining and locating the individual, group or an entity in a network of related individuals, groups, or entities, providing a basis for action and (when applicable) commitment to the collective (Ashforth et al., 2011).

Identities at different levels (e.g. individual, dyad, group, organisation, industry or supranational) are interrelated and influence one another through cross- and intra-level interactions (see e.g. Ashforth et al., 2011; Hogg & Abrams, 1988; Scott & Lane, 2000; Sluss & Ashforth, 2007). Ashforth et al. (2011) describe this phenomenon as **nested identities**,[220] and thereby introduce a multilevel definition of identity. They delimit identity as a set of vital, distinctive, and relatively stable features of an individual or a collective, that describe its essence by reflecting either an objective reality (i.e. a role and the related tasks) or a subjective construction (i.e. values, goals, beliefs, stereotypic traits, knowledge, skills, abilities, and the narratives invoked to articulate the identity) (see also Ashforth, Harrison, & Corley, 2008; Corley et al., 2006; Gioia, 1998; Whetten, 2006). Work on nested identities suggests that enactment of a given collective or individual identity is likely to have its largest effect on identities at proximal (especially adjacent) rather than distal levels (Kozlowski & Klein, 2000). Meyer and Xin (2018), for instance, discover that the organisational culture of a firm's headquarters often reflects the national culture of the organisation's country of origin.

In addition, once identities at different levels are relatively established, the downward effects of enactment are usually stronger than the upward effects due to the frequent dependence of power on hierarchy (Pfeffer, 1981). However, the effects of identity enactment can occur in any direction. Powerful individuals (e.g. influencers and top managers) in particular can shape higher-order identities: by providing narratives informing and framing higher-order identities, and by granting or denying access to their co-creation to different stakeholders (see also Haslam & Reicher, 2007;

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[220] Ashforth et al. (2011) suggest that within the nested identities, individual differentiation provides people with a sense of exclusiveness, whereas the collective identity furnishes a sense of inclusiveness.

Pratt & Foreman, 2000; Scott & Lane, 2000). As identities at various levels interact, they become more **isomorphic** (see also Ashforth et al. 2011; Morgeson & Hofmann, 1999; Pratt & Foreman, 2000).[221] Ashforth et al. (2011) propose that the 'discursive resources' used to frame and convey identity, in particular, often reinforce identity isomorphism. There are several factors that challenge isomorphism as well, however (for an overview see Ashforth et al., 2011).

Similar to these findings, my research results show that identities at adjacent rather than distal levels influence one another through narratives or discourses throughout the international assignment process. This is especially evident in the individual-organisation dyad, whereby both levels strongly influence one another's (assignment- and international staffing-related) identities in both directions. While the downward effects are stronger, the elite status and power position of expatriate managers allows them to have a reverse effect on the organisation and its other employees as well. The assignees and organisations only draw on the discursive resources from a wider context (e.g. the sending and receiving countries' institutional discourses) to assert their interests relative to one another. My findings nonetheless suggest that the primary assignees' (managerial) identities become fairly isomorphic within and across similar (emerging market) MNEs due to their similar internal (e.g. centralised organisational structure and SME size of MNE entities) and external settings (e.g. limited assignment management resources and labour market deficiencies). Differences in identities occur due to individuals (or organisations) being at different (specific identity) developmental stages.

Although I incorporate macro (country), mezzo (firm), and micro (individual) levels of analysis in my overall research design, the qualitative part of the study focuses on firm and individual levels and the corresponding firm- and individual-level identities (I separate the two for analytical purposes only). Further research is thus needed on the macro-level discourses impacting the international staffing strategies and practices in emerging (as well as developed) market firms and the related identity work by (international assigning and non-assigning) businesses, international assignees, and assignees' colleagues. At the firm level, I centre on organisational identity due to its focus on the firm-employee relationship. Unlike the corporate identity, **the organisational identity** is concerned with an entity's identification and identity work relative to its internal rather than external stakeholders (Balmer, 2008).

In reference to **individual-level identities**, I focus on managerial international assignees' (and selected managers') identities rather than the identities of their colleagues (these present potential for future research). I nevertheless acknowledge their impact on the assignees' identities (e.g. through social pressures or assignees' perceptions thereof). In other words, I consider individual level identities as relational identities. Past research on managerial identity construction, for

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[221] Isomorphism of nested identities differs from isomorphism as defined in institutional theory. It namely refers to *"the degree to which the constituent components of a phenomenon and the relationships among the components are similar across levels of analysis"* (House, Rousseau, & Thomas-Hunt, 1995, pp. 87). In institutional theory, on the other hand, isomorphism refers to the processes of homogenisation through institutionalisation and diffusion of organisational models that cause the organisational structures to grow more and more alike (DiMaggio & Powell, 1983).

instance, suggests that managers modify the way they conceptualise and enact their supervisory role based on how they view a given subordinate (Sparrowe & Liden, 1997), as well as based on the subordinates' upward influence on their superiors (Farmer & Maslyn, 1999). My study demonstrates that individuals may thereby also shape their roles and identities depending on the generic (managerial or expatriate) roles and identities within an organisation, a sending or receiving country, or a professional group. Sluss and Ashforth (2007) define relational identities as those reflecting how identity holders occupying specific roles construct and enact their respective identities (also related to their different roles) relative to one another. The construct thereby integrates the individual (person-based), interpersonal, and collective (role-based) levels of the self, which is consistent with a multilevel contextual view of identity work by assignees, their colleagues, business partners or other stakeholders, and employers proposed in my dissertation.

Koveshnikov, Vaara, and Ehrnrooth (2016) also discuss identity work in terms of **power and positioning**. They argue that by either continuously confirming or challenging the employees', collectives', or organisations' notions of the self relative and in contrast to others, identity work can act as a positioning and power distribution mechanism (see also Harré & van Langenhove, 1999; Ybema et al., 2009). My study adds to this notion by showing that identity work in terms of power and positioning is not necessarily limited to a single level of analysis, but can rather also act across levels (e.g. in the individual-firm, firm-country, or individual-country dyads or in multiple relations at multiple levels at the same time). It also demonstrates that such hierarchical identity work at single or multiple levels can be used for change introduction and (process) innovation through the network and habit-breaking effects of redefining intra-organisational relationships upon both expatriation and repatriation. Usually, individuals are hired into organisations to occupy and enact certain roles (Sluss & Ashforth, 2007). With that, they are also assigned specific positions within the extant team(s) and the firm, as well as relative to the firm's business partners and other external stakeholders. However, firms and individuals rarely consider the relationships the new recruits (or repositioned extant employees) will enter, and how these will affect their role and identity enactment as well as extant employees' and other stakeholders' role and identity enactment. My study suggests that this is also the case in international assignee recruitment and selection – especially due to the internal and external labour market deficiencies encountered by and limited resources for (international) staffing in emerging market firms.

However, the studied firms demonstrate that not considering **the relational aspect** of international employee mobility can have detrimental effects on both the firm-employee relationship and inter-employee relations. They thus do not lack awareness of the importance of a relational component for the desired role performance and identity enactment by individuals or collectives within the firm, but rather lack the resources needed to address such relational issues of (internal or external) assignee recruitment – especially at the assignee selection stage. In turn, they have to engage in relational identity work more intensively during an assignment, which is reflected in the firm-level interviewees' reports of great investments in building relationships with their staff to establish the assignees' managerial identity (regardless of their managerial tenure, as relocation may impair an individual's legitimacy just as much as their managerial inexperience). This is because relationships are dynamic: as individuals evolve in their respective roles and identities and gain

experience with one another, the nature of their relationships (and the related identities) is likely to change as well (Sluss & Ashforth, 2007). This lends further support for the necessity of a process view, not only in managing international assignments but also in (international) staffing in general, to account for the relational effects of individual or combined staffing changes.

Although all assignees experience role transitions and relational identity work with expatriation and repatriation that expose them to new situations (see also Black et al., 1991; Kraimer et al., 2012), their role transitions and identity work differ depending on the assignees' as well as their colleagues' past work and non-work experience (including their experience with different international staffing approaches or their general socialisation). My study, for instance, reveals the importance of consistency in a firm's international staffing approach in order to ease local staff's acceptance of an international assignee's managerial role and identity. It also demonstrates the need for enhanced identity work during the more dramatic role transitions from a professional to a managerial role, which have a direct impact on the individuals' extant relationships and necessitate their drastic redefining (such as redefining collegial relations to strictly hierarchical ones). This is because these shifts are both psychologically and socially or relationally more challenging for employees (assignees and their colleagues alike) than the role and identity transitions from status- and strategy-centred managerial identities within the parent firm to the host entity-adjusted managerial identities assumed by assignees that require operational professional work by a manager in collaboration with the local team due to the limited local support options and small host-firm size.[222]

Lepak and Snell (1999) propose that organisations use different employment modes (i.e. internal employee development, external acquisition of the readily productive human capital, contracting of temporary workers, or forming alliances) based on the anticipated strategic value and uniqueness of specific human capital. My study suggests that the choice of an employment mode is particularly important for international assignment implementation and management. It has implications for employee development by the firm (e.g. investing in organisational socialisation or in the development of the expertise of an assignee and (by) their colleagues), employee commitment to the firm (and commitment to the international assignment in an expatriation context), as well as the type and extent of identity work required for the designated role assumption by an assignee and their colleagues. For example, while an internal recruit may need to build a managerial identity (anew or relative to new colleagues), an external recruit might be required to focus on building an organisational identity (see also Becker, 1964; Lee & Bruvold, 2003).

External acquisition suggests that the firm hires employees who are already trained for a particular position by other organisations (e.g. prior employers and the educational system). In the case of recruiting managerial international assignees in labour markets external to the firm, the employee's position is usually that of a managing (or deputy) director in a foreign entity. The firm thus searches for individuals with prior managerial experience, so that it does not need to invest in developing their managerial skills, but can rather focus on their firm-specific knowledge

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[222] See also McGivern et al. (2015) for a discussion on hybrid manager-professionals' identity work.

acquisition and socialisation into the firm (see also Munyon, Summers, & Ferris, 2011). When role transitions occur internally, on the other hand, new duties and procedures, organisational power relations, norms, and expectations are the focal part of the provision of information to an assignee and their colleagues, as an internal recruit (unlike a newcomer) is already familiar with the organisation (Kramer & Nolan, 1999). My study shows that organisations may not always have the decision-making power regarding the type of employment mode applied, but rather need to adjust their (international) staffing to internal and external labour markets in a given situation (e.g. during a crisis at an entity or in an economy). Irrespective of whether the choice of employment mode by a firm is strategic or situational, identity work by individuals varies as expected for internal or external, managerial or non-managerial, and junior or senior recruits. The required organisational support for identity work thus depends on these recruits' features as well (see section 4.3.2 for more in-depth practical insights into the organisational support for identity work recommended for each type of assignee recruits).

My study furthermore shows that the various assignee needs with regard to identity work also have implications for their **colleagues' engagement in either the assignees' or their own identity work**. When managerially or organisationally less experienced managers are sent to work abroad and manage an established team, their colleagues in the host entity may need to act as the assignees' incumbents and coaches rather than assume a fully subordinate role. When senior managers are recruited for an assignment, on the other hand, their sending unit colleagues may need to assume some of their old tasks and thereby redefine their own roles and identities in the home unit (intrinsically and relative to their colleagues there), as well as relative to the assignee and their host unit. In addition, I discover that the relational role or identity shifts during expatriation or repatriation can considerably impact the way the individuals experience not only the respective relationships, but also the organisational support for an international assignment. Senior managerial interviewees, for example, report disappointment with the organisational support due to the changed nature of their relationships with their colleagues from the domestic entity stemming from the physical distance that reduces the employees' accountability to the assignee, as well as the visibility and tangibility of non-support outcomes for the assignee among their colleagues.[223] The assignees' disappointment is particularly highlighted when their colleagues in the home entity have been perceived as friends prior to expatriation and acted as a factor in the individuals' decision to expatriate (e.g. through social pressure for expatriation as a sign of collegiality and a tool for good firm-employee or inter-employee relations preservation). Their consequent lack of support is thus experienced more emotionally (see also the pilot interviews).

Another factor enhancing assignees' dissatisfaction with the former colleagues' (especially peers') lack of support involves the assignees' investments in supporting the domestically located colleagues during the transfer of business before and upon the assignees' expatriation in the

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[223] The individuals prioritise tasks and relationships in the entity they are physically present in over the tasks related to a disconnected individual (i.e. assignee) and entity, as they can reap the benefits (as well as are likely to suffer the consequences of poor performance) of the former immediately.

assignee-sending entity, and continuous advice being provided during their international mobility. In other words, the frustration stems from the relationship being redefined from reciprocal to a one-sided relationship. The junior or non-managerial assignees, on the other hand, report difficulties related to (1) their own need to redefine their relations with former peers (especially in the host entity) through establishing distance and a strictly hierarchical relationship in order to gain authority and legitimacy in their new role; and (2) experiencing opposition to change (of roles, identities, and behaviours) by former peers – especially when the assignees are breaking the organisational or national cultural norms regarding what a manager is supposed to be like, and when their colleagues feel a sense of ownership over the practices targeted to be changed.[224] In such situations, my study highlights a paradoxical situation of managers having to prove their professional competence – to their superiors, peers, subordinates, and business partners alike – in order to be granted a managerial identity as an assignee.

The nested, relational, and constantly emergent nature of identities introduces complexity to studying their determinants, evolution, dynamics, and outcomes for international assignment implementation and management. Possession of multiple identities at each level of analysis adds to this complexity. **Multiple identities** are *"two or more meanings that individuals /or collectives/ attach to themselves as a function of their multiple social group memberships /.../ and roles /.../."* (Creary et al., 2015, pp. 5). In organisations, multiple identities can be associated either with different collectives that exist in different parts of the organisation as its subgroups (ideographic multiplicity of identities), or held by all organisational members and inherent to the firm (holographic multiplicity of identities) (Albert & Whetten, 1985). Both individuals and collectives (including organisations) can hold multiple identities to access knowledge and other resources or capabilities related to their current role in order to be able to successfully fulfil it (Creary et al., 2015; Pratt & Foreman, 2000; Iyer et al., 2009). Multiple identities thus act as a resource for role fulfilment and identity work.

Pratt and Foreman (2000) identify several advantages of multiple identities for either individuals or collectives. For individuals, these include greater resourcefulness[225] and responsiveness in a variety of situations due to possessing a broader set of self-referential frames supporting one's decision-making regarding a specific behaviour in a particular context (see e.g. Hoelter, 1985; Sieber, 1974; Thoits, 1983). For organisations, on the other hand, multiple identities contribute to (1) a (perceived) greater capacity to meet a wider range of expectations and demands by diverse internal stakeholders and increased employee retention (Ashforth & Mael, 1996; Eccles, Nohria, & Berkley, 1992; Fiol, 1994; Nkomo & Cox, 1996); (2) a (perceived) greater capacity to respond to a variety of situations and adjust to complex business environments by drawing on different

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[224] Past research similarly suggests that socialisation into existing teams with their established unique norms and values (see e.g. Barker, 1993) as well as practices, (relational) roles, and identities can be particularly challenging (Reagans, Zuckerman, & McEvily, 2004).

[225] Resourcefulness stemming from drawing on multiple work identities can be developed through an individual experiencing multiple roles in a single context (e.g. in a single firm or market) or in multiple contexts (e.g. by working for multiple employers or in various countries). A similar argument can be made for the development of resourcefulness of an organisation.

response strategies (see e.g. Albert & Whetten, 1985); (3) enhanced response flexibility (Pratt & Foreman, 2000); (4) increased employer attractiveness for new (external) recruits from diverse subgroups rather than only one by incorporating the multiple identities in employer branding to attract and retain the desired mix of employees (Albert & Whetten, 1985); and (5) increased learning, creativity and innovation capability through guaranteeing a diverse supply of employees with value creating capabilities that can enhance firm competitiveness (Ashforth & Mael, 1996; Fiol, 1994).

Pratt and Foreman (2000) also recognise the potential negative outcomes of multiple identities, including (1) role conflict and overload, (2) indecisiveness and inaction, or (3) inconsistent action (see also Biddle, 1986; Coser, 1979; Merton, 1976; Weigert & Franks, 1989). At the firm level, they further identify the potential of (4) intraorganisational conflict and additional costs related to intergroup negotiations regarding the conflicting aspects of the diverse identities (Allison, 1971; Cyert & March, 1963; Golden-Biddle & Rao, 1997; Pratt & Rafaeli, 1997); (5) hindered strategic decision-making and strategy implementation due to internal ambiguities (Fiol & Huff, 1992; Prahalad & Bettis, 1986); and (6) loss of legitimacy and external or internal stakeholder loyalty due to conflicting interests.

As the multiple identities interact, they may complement, supplement, strengthen, weaken, or oppose one another. To prevent the negative outcomes of multiple identities and enhance their positive results, both individuals and organisations need to engage in managing identities (Cheney, 1991) – their own and those held by their stakeholders (especially employees). There are two main strategies that individuals and firms can apply to **managing multiple identities**. First, they can pursue identity plurality. This strategy is often followed when the different identities are all critical or when their distinctiveness needs to be preserved. Second, they can aim for identity synergy. This approach is usually pursued when individuals holding diverse conceptualisations of the organisation or self need to work together in order to maintain organisational functioning (Pratt & Foreman, 2000). My study shows the former strategy can reduce the costs associated with international assignment management for an organisation (focusing roles on individual identities can introduce task and relationship clarity, as well as lower expectations for support by reducing (perceived) identity work complexity). It also demonstrates that this strategy can act as a coping mechanism for assignees, who mentally and physically separate their work and non-work identities or roles (e.g. through commuter assignments) to establish a work focus in the office and family focus at home. The latter strategy, on the other hand, is introduced by the organisation and individual at the level of work identities to facilitate team and inter-entity collaboration as well as complex problem solving necessitating resourcefulness and flexibility. Once an individual or organisation decides on either of the two main approaches, they can respond to managing multiple identities by compartmentalisation (preserving all identities without seeking synergies between them), aggregation (preserving multiple identities and seeking synergies between them), deletion (removing some of the identities from the 'identity mix'), and integration (fusing multiple identities into a distinctive new whole).[226] Each tactic has both advantages and disadvantages, such

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[226] According to the intersectionality lens on identities, the separate identities are interconnected into a self-system in a way that a change in one identity inevitably results in a need for adjustments

as enhancing or distracting from the focus on the primary mission of an entity, broadened or narrowed resourcefulness, eased or hindered collaboration, reduced or increased negotiation costs, and the strengthened identification and loyalty or alienation of stakeholders (for a detailed explanation of the advantages and disadvantages of each tactic, see Pratt & Foreman, 2000). Studying the outcomes of the different approaches or tactics is beyond the scope of my study, and thus presents potential for future research.

A view that integrates the multitude of identities and roles, their relational and nested nature is that of **multiplex role systems**. The latter refer to settings in which a specific relationship (e.g. the superior-supervisor relationship) is based on more than one set of roles that shape an individual's (or a collective's) various identities. Sets of roles in multiplex role systems overlap in time and space and thus tend to be relatively integrated. While this eases the transition between roles, it also intensifies 'role blurring' and any inadvertent role disturbances (Valcour, 2002). Parties to a relationship usually hold multiple roles and identities, with potentially conflicting sets of expectations each. These can cause either inter-role conflict or intra-role conflict (Ashforth, Kreiner, & Fugate, 2000).[227] The former relates to an individual's or the organisation's different roles relative to their different stakeholder groups (e.g. an individual managerial assignee to a top management position in a subsidiary being a subordinate to the management board in the headquarters, but a superior to local staff in the foreign entity). The latter emerges due to pressures associated with each of the different roles that an individual or a collective occupies within a single role set. While individuals may wish to be agreeable and perceived as friends to their subordinates (thereby limiting intergroup conflict (see also Huang, Chi, & Lawler, 2005)), their blurring of any in-group out-group division based on hierarchies may pose problems for leadership by diminishing their authority as well as legitimacy due to conflicting multiple roles at the individual level. This conflict may force the individuals (e.g. managerial assignees) to gradually renounce one or more of their roles (e.g. that of a friend or a peer). Understanding the (complementary or discrepant) role expectations by different stakeholder groups is thus crucial for an assignee and the firm to be able to manage their multiplex role systems productively (see also Valcour, 2002).

My study demonstrates that managerial international assignees experience both types of role conflicts simultaneously, whereby the conflicts are fluid due to the numerous individual and relational role transitions experienced throughout the international assignment process and with relocation, which makes identity work during expatriation and repatriation even more pressing. The findings from my multilevel comparative case study also highlight that conflicts related to multiplex role systems are especially pronounced with promotions or demotions and relocations in the workplace that occur within the same team, as they require adaptations and redefinitions of extant relationships, along with the related multiple and nested identities or roles. Transitioning to a new role within the same team takes time and certain adjustments by all parties in a relationship,

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in the entire self-system (see e.g. Caza et al., 2018; Ramarajan, 2014). The effects of individual identity changes on the self are beyond the scope of this study and present an opportunity for future research.

[227] For a detailed typology of intra- (i.e. shifts to a new orientation toward an old role) and inter-role transitions (i.e. shifts to new and different roles) see Louis (1980a, 1980b).

whereas assumption of a new role in a different team or collective is more standardised and primarily determined by professional roles, which makes it less complex. My study furthermore shows that multiplex role systems are particularly pronounced in international staffing by emerging market firms, where assignees are shifting not only between domestic and international roles (without shifting in professions), but also between non-managerial and managerial roles as well as the same profession roles adjusted to large and SME entities. This is because the latter require the integration of managerial and expert roles for the successful execution of managerial assignments.

Several interviews in my study show the effects of assignees' multiplex roles that emerge with or during the international assignment process (see e.g. Interviews 3a, 6a, and 6b). While junior assignees mainly relate these shifts to a change in their status, assignees in general attribute them to relocation. However, they do not discuss relocation to a different market as a relevant factor in role transitioning (with the exception of the individual breaking the local norms of what a manager should be), but rather the relocation to a different entity in terms of its size, maturity, and support capacities, that noticeably impact the approach to and expectations of a specific role. Senior interviewees in particular feel the need to redefine their traditional conceptualisations of a managerial role and identity by accepting the more operational and professional tasks to achieve acceptance and collaboration by the local team and business partners. Junior interviewees, on the other hand, feel pressured to relinquish their roles of friends and peers to their colleagues in either the sending or host units in order to establish managerial legitimacy and authority in their new role.

This is consistent with Bass's (1981) findings on superiors often needing to distance themselves from their former peers in order to establish a boundary around their new role and successfully manage their subordinates. The junior and senior assignees' need for an identity shift during a role transition can also be explained with **social identity theory**, according to which individuals and (sub)groups pursue a positive social identity (as perceived by themselves and others (see also Baumeister, 1998)). They do so through social competition, social mobility, or social creativity. Assignees to managerial positions predominantly use **the social mobility approach**. In this, team members detach from a low-status subgroup to gain membership in a higher status subgroup (as in the case of junior interviewed assignees and the local manager). It thus requires the high-status subgroup members to accept the low-status subgroup members as equals, and the low-status members to acquire the norms and values of the high-status subgroup. In the case of managerial international assignments, it also requires the low-status subgroup members to accept the individual as a superior out-group representative. This strategy thus necessitates porous boundaries between social categories (Carton & Cummings, 2012; Chattopadhyay, Tluchowska, & George, 2004; Tajfel & Turner, 1986).

However, my study shows that assignees to SMEs tend to seek a closer bond with a low-status group of local staff as well. I argue that this is the case not only for the purpose of claiming a new role and identity, but also for obtaining (coping and operational) support from colleagues in real time. The high-status group of managers and managerial assignees within the firm is remote and dispersed, which is why an assignee only has sporadic access to it. As such, the high-status group

cannot provide a stable in-group for an assignee. This effect is most likely specific to EMNEs (or firms at the beginning stages of development and internationalisation), as it is related to the smaller size of assignees' host entities and a limited pool of assignees across the MNE. My study also indicates that the managers and assignees from other firms cannot act as substitutes for the high-status in-group of an assignee, as these individuals operate in different contexts and do not share the same experience, priorities, or cognitive schema as the assignee.

Membership in multiple teams or entities can further enhance the need for identity work (Valcour, 2002). The interviewees in my study, for example, report that multiplex roles present a trust issue across levels: i.e. (perceived) **dual identification**[228] with and commitment to both the parent firm and subsidiary results in subordinates' or superiors' mistrust in an assigned manager regarding their loyalties within the MNE network. Since dual identification can inhibit an assignee's team integration, confuse their loyalties, and reduce their commitment to the parent firm's objectives, as well as make local (i.e. host-country) or domestic (i.e. sending entity-based) staff question the dual allegiance of expatriates and discard the assignee's (or organisational) calls and efforts for cognitive and affective learning (see Gregersen & Black, 1992), it necessitates a clear delimitation of roles relative to the entities within the MNE (see e.g. Interviews 6a and 6b). This is supported by my study, which implies that renouncing identification with either the parent firm or local entity (especially in centralised MNEs) would result in reduced commitment to an assignment and inter-entity collaboration, as well as (re)integration issues (during an assignment or upon repatriation). This is because dual organisational identification can be advantageous for both the firm and the individual, as it broadens the assignees' and their colleagues' perspectives (Bartlett & Ghoshal, 1990), limits role conflict (Vora, Kostova, & Roth, 2007), and allows individuals to operate more effectively in complex roles (Gregersen & Black, 1992), serves as a coping mechanism (Ishii, 2012; Sanchez et al., 2000), enhances cognitive social capital across units (Nahapiet & Ghoshal, 1998), facilitates the development of a global mind-set among managers (Evans, Pucik, & Björkman, 2011; Levy, Beechler, Taylor, & Boyacigiller, 2007; Stahl et al. 2012), helps foster affinity to both entities, and reduces information asymmetry and ambiguity (Smale et al., 2015).

Dual identification is enhanced through (as well as enhances) cross-entity interaction. The latter vertically increases and diversifies (i.e. includes various representatives of the headquarters rather than only the top management) with the strategic relevance of an entity and its size measured in the number of subordinates (Smale et al., 2015). My research nuances this finding, as it shows that collaboration between subsidiary and parent firm management strengthens based on the strategic relevance of an entity for the MNE only in the case of Firm A, which has a larger and more dispersed network of entities (but not necessarily also an unmanageable number of assignees), whereas Firm B with a smaller number of entities abroad establishes more intense and frequent interaction with all its managers and entities (with enhanced control over individuals situationally).

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[228] Dual organisational identification refers to an individual's identification with both their sending and receiving entities without having to relinquish their identification with the values of either of the two identities (Smale et al., 2015). For research on the different patterns of assignees' allegiance and the advantages and disadvantages of each pattern, see Black et al. (1999).

Assignees in neither of the two studied MNEs express substantial dual identification, but rather reference their relationship with the parent firm as crucial. This is related to the both firms' centralised organisational structure as well as an emphasis on a managerial identity that focuses individuals on problem solving and the realisation of organisational objectives regardless of the entities they pertain to (i.e. their host or sending entity and the MNE network overall). Consistent with their managerial identity, assignees nonetheless desire autonomy in the inter-entity and firm-employee relationships (to confirm their managerial identity in the context of their other identities and roles), perceive control as disruptive (to their work and managerial identity), but consider support provided by the parent firm upon assignee-initiative as valuable (and consistent with their managerial identity).

Identification with the host unit is more pronounced only among managers of marginalised entities (or from marginalised or minority groups, such as inpatriates), managers on longer assignments or establishing an entity, and thereby developing a sense of ownership over the processes in the latter, and managers managing foreign entities in crises that intensify their experience and the need for collaborating closely with the local staff.[229] The negative effect of a hierarchy among entities in the MNE networks on the individuals' identification with the parent firm is particularly pronounced in Firm A, where it generates assignees' resentment towards the parent firm, but also provides a basis for employee motivation. This is because reinterpretation of **marginalisation as confirmation of managerial identity** further motivates assignees to solve local organisational problems, collaborate with local staff, and perform their boundary spanning role. This is contrary to Hohman, Gaffney, and Hogg's (2017) research, that demonstrates how (1) feeling near-peripheral (like an out-group) and self-uncertain within an in-group increases the individuals' identity work aimed at identification with the in-group, whereas (2) the feeling of far-periphery (away from the out-group) gives clarity to one's role and standing in the group and thus does not have the same effect in terms of identity work. In my study, the internationally assigned manager whose entity is marginalised by the headquarters disidentifies with the sending entity, however (despite feeling near-peripheral to this entity). Against what Hohman et al. (2017) suggest, it is the individual's identification with the host entity that strengthens instead. I argue that this is because the individual can experience near-periphery on multiple identities that construct the self. The individual's self-uncertainty reduction strategy is thus focused on the identity that allows the individual to realise their primary role: in the case of the interviewee from my study this is the role of a manager.

My study also shows that an absence or lack of cross-entity interaction combined with (perceived) entity marginalisation enhances an individual's identification with either the parent or the host entity: with the parent to avoid being attributed the undesirable marginal identity, and with the marginalised entity to distance oneself from the 'hostile' parent firm. Moreover, my study shows a prevalence of the latter coping strategy among internationally assigned managers, as it allows them to achieve good business results in the host market, something that might be unexpected by a manager acting 'in defiance of' the parent firm, and thereby supports their managerial identity.

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[229] Crises, however, also only allow for self-reflection in retrospect and can thus hinder the individual's identity work.

The study also shows that identification with the host entity or an assignment project enhances assignees' commitment to the international assignment, their integration into the local team, and favourable local team dynamics. However, it limits collaboration with the parent firm and deteriorates the assignee's relations with employees in it, which may be problematic for repatriation (if planned). A primary commitment to the parent firm, on the other hand, could be detrimental to assignees' performance abroad due to the opposite effects on the integration into, collaboration with and role and identity claiming in the host environment and relative to the local stakeholders (see also Gregersen & Black, 1992).

It is therefore crucial for firms (especially firms operating in emerging markets) to understand and strategically address the advantages and disadvantages of single or dual identification. Since the balance between the two types of identification (and the related roles and identities of assignees – also relative to different stakeholders and their shifting roles and identities) changes throughout the international assignment process, the firms also need to consider the dynamics of identity work (at both the individual and organisational levels) through different stages of an assignment, firm development, and in different contexts. Ibarra and Barbulescu (2010) conceptualise identities as continuously emergent narratives, triggered especially by macro work role transitions (i.e. passages between sequentially held organisational, occupational, or professional roles (Louis, 1980a)). These role transitions are more clearly codified and standardised passages with formalised organisational expectations and greater social pressures for their realisation, due to the counterparts' dependence on their fulfilment for tangible rewards (e.g. wage, promotions, etc.). The dynamics of identity work have also been suggested to be particularly pronounced and continuous in complex, fragmented, and turbulent contexts, such as emerging markets, whereas they have been argued to occur more sporadically in environments of high stability (e.g. during crises or transitions) (Sveningsson & Alvesson, 2003). However, my study suggests that the work-related identities of individuals and collectives from emerging markets are rather stable – regardless of the assignment environments they operate in and the roles their host entities perform. It is the individuals' (or collectives') roles that change, whereas identities are often (tacitly or explicitly) present in an individual or a collective even prior to an official role change, and are only activated with the role transition (in their extant or situationally or contextually adjusted form).

According to Kraimer et al. (2012), individuals and collectives draw on their old identities during role transitions and carry these over to their new roles and contexts. Ibarra and Barbulescu (2010) further propose that individuals and collectives engage in **narrative identity work**, which they define as the social efforts aimed at designing self-narratives that coincide and support an individual's (or a collective's and organisation's) identity goals. They propose that individuals and collectives co-create their narrative repertoires by selecting and adding the narratives that validate their identities to represent themselves with, and by subtracting, revising, or creating alternative stories to the unsuccessful stories that challenge their identities. In role transitions, individuals and collectives reference their narrative repertoire in support of new role internalisation and the external granting of the role and related identities, whereby they activate and merge the stories that support the process. When individuals or collectives encounter incoherent or divergent repertoires

relative to their new role or identity, the transition is hindered and prolonged.[230] In my study the latter case occurs especially (1) when individuals have preconceived ideas about the managerial assignment based on the conceptualisation of the managerial role in the parent firm and face a different managerial reality in the host entity, (2) when they wish to preserve the conflicting parts of their old and new identities (e.g. friendship and leadership), or (3) when they break the organisational or national expectations regarding the prototypical role holder (but not necessarily role behaviour too). These findings are consistent with **role theory**, which suggests that role clarity (i.e. the exact understanding of the requirements of a specific role), role discretion (i.e. the decision-making autonomy bestowed upon the role holder), role novelty (i.e. the differences between host and home country work roles), and role conflict (i.e. the incompatible cues regarding job expectations) influence expatriates' success in role transitions (Black et al., 1991).

They also confirm the findings by Ibarra and Barbulescu (2010), who argue that depending on (1) the magnitude or radicalness of a specific role change, (2) the extent to which the change is institutionalised, novel, or idiosyncratic, and (3) whether a role change is desirable or not, the individuals and organisations are required to invest **different levels of justification to both the self and other** in order to establish a new identity. Role transitions by individuals who do not fit a dominant narrative or type established in a particular organisation or society regarding a specific role (e.g. the role of a manager), or role transitions that deviate from the established conventions necessitate greater justification and are thus particularly difficult (Eagly & Karau, 2002; Ely, Ibarra, Kolb, 2011; Ibarra & Barbulescu, 2010; Nyberg & Sveningsson, 2014; Offermann & Coats, 2018; Petriglieri & Petriglieri, 2010; Yip et al., 2019). The highly routine, institutionalised, and desirable career changes, on the other hand, are normative and necessitate little if any justification and legitimisation through narration and identity work (Ibarra & Barbulescu, 2010).

My study corroborates this conclusion and shows that systematic, long-term, and frequent organisational support in particular is needed, as well as intense individual-level investments in new identity establishment, when a role change is not merely hierarchy- or relocation-based, but also involves a professional shift (e.g. from an expert to a manager). It is furthermore crucial when a role (or the related transitioning process) is not yet institutionalised or codified (e.g. when there is no precedent for a specific international staffing practice). Finally, narration and identity work are essential when a role change is perceived as undesirable. If it is considered undesirable by the assignee, the decision to expatriate is rare and perceived as a huge sacrifice for the firm, which is why individuals expect much greater returns in the long run.

Firm B provides an example of the relocation of an assignee to an entity in crisis and in an undesirable location (based on the assignee's past and new host entities' similarity, and the related

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[230] According to Ibarra and Barbulescu (2010) individuals experience emotional discomfort when they are unable to draw a continuous link between their old and new selves (see also Ebaugh, 1988; Ibarra, 1999). They also describe the occurrence of emotive dissonance arising from discrepancies between what people really feel and the images they feel compelled to convey in social interactions (Ibarra & Barbulescu, 2010; Rafaeli & Sutton, 1989). This phenomenon is particularly pronounced in managerial roles, as individuals are expected to hide any stress they experience.

individual's expertise and familiarity with a specific business environment), confirming the managerial identity of a hero, one who is capable of saving an entity in crisis. Moreover, in Firm A, expatriation of a senior employee upon the firm's third request as a final sacrifice for the firm based on a prior good firm-employee relationship is another example of an assignment perceived as a great personal sacrifice. However, the latter case reveals that the expected long-term benefits of expatriation can be diminished by the selection of individuals pre-retirement for an assignment. It also demonstrates that assignees' motivation is not solely status- or money-related, but can rather be socially-based. In other words, it can be based on the relationships that have been developed over a person's career. Finally, my study shows that a role transition can also be considered undesirable by an assignee's colleagues or business partners (e.g. due to doubt in the assignee's capabilities – based on inexperience, youth, gender or other characteristics, and prejudice). As suggested by interviewees from both firms, this also requires additional efforts in role and identity claiming – and organisational support for the latter.

Role transition theory explicitly addresses the dynamics in international staffing through explaining the role shifts that emerge from expatriation. There are three approaches to role theory. The structuralist approach argues that a role is determined by behavioural expectations resulting from the position of the individual within a specific social structure (i.e. it assumes a structural determinism stance and proposes that individuals or collectives are 'role takers'). The activist approach views roles as culturally constructed objects and highlights the power of individual agency (i.e. it proposes that individuals or collectives are 'role makers' (see e.g. Callero, 1994)). I assume the third perspective, which combines the two views: i.e. the interactionist perspective. This stance suggests that multiple categories of an individual's or a collective's single role emerge from the interaction between the individual's or a collective's use of the role as a resource and the organisationally promoted role types (see e.g. Baker & Faulkner, 1991). The interactionist perspective thereby allows for the possibility of individuals or collectives to either enact their roles according to administrative rules (i.e. a role is seen as a set of expectations) or co-design their role based on their capabilities (i.e. a role is seen as a set of resources). Novicevic and Harvey (2004) propose that corporate human resources management can influence the context of expatriate role configuration, but that this is done based on the different past positions and roles of expatriates in the firm. I add to this by showing that expatriates' past positions in other organisations and identity work may also play an important part in the different approaches to managing their role transitions.

In my dissertation, I focus on **work roles** (i.e. the prescribed task-oriented behaviours that employees are expected to enact in the hierarchical organisational context – individually or collectively (Biddle, 1986; Katz & Kahn, 1966)) and the related work role transitions and identity work (Ibarra & Barbulescu, 2010). **Work role transitions** are any shifts in employment status, moves between jobs, or substantial alterations to the content of existing work tasks and activities (e.g. due to work reorganisation) (Nicholson, 1984; Nicholson & West, 1988). They encompass cognitive changes, such as establishing new thinking patterns, attitudes, and ways of strategic thinking. They also involve behavioural modifications and the acquisition of new skills, such as time management and communication. They moreover include interpersonal adjustments, such as inclusion in new networks or changed patterns of interpersonal interactions. Psychological change related to work role transitions furthermore comprises enhanced self-awareness and development

of emotional intelligence. Finally, these transitions also incorporate systemic change, such as the acquisition of a global perspective or a specific organisational culture (Avolio & Hannah, 2008; Bebb, 2009; Becker & Carper, 1956; Freedman, 2011; Hall, 1976; Hill, 1992; Kaiser, Craig, Overfield, & Yarborough, 2011; Martin, 2015; Van Maanen & Schein, 1979). However, they do not necessarily relate only to personal change (i.e. alterations in the frame of reference, values and other identity-related features (Nicholson, 1984)). Instead, they can be comprised of role innovation, and thus the manipulation of role requirements to match an individual's or a collective's needs, abilities, and identity (Nicholson, 1984).

Regardless of who or what changes, the aim of these shifts is for individuals or collectives to be able to fulfil the role requirements of a new work environment (e.g. Black, 1988, 1992). Role transitions can thereby be (1) internal (i.e. with the same employer) or external (when an employee changes the employer), (2) voluntary or involuntary, (3) vertical, horizontal, away from, or toward the organisational centre, and can (4) either involve a change in residence or no physical movement between jobs (Ashforth, 2001; Nicholson & West, 1988; West et al., 1987). Like identity work, they occur in a context: in interaction with other individuals and collectives – relative to others' roles and role shifts. **Expatriate and repatriate work role transitions** are thereby different from domestic work role transitions. This is because they require simultaneous adjustments to both the new work role and the new work and living environment. The often numerous and dramatic new situations that occur due to expatriation, drastically different to those that individuals and collectives already have experience with, are thus also likely to promote reflection on extant identities and individuals' or collectives' identity work (Kraimer et al., 2012). My findings lend support to the latter claim, as assignees report change in their identities, yet show that this complexity is not so much related to the change in location, but to the need for a redefined firm-employee relationship and inter-employee relations based on a role change or adjustment. This is further supported by supplementary interviews with local and third-country national managers, who both encounter similar identity work challenges in assuming top managerial roles in entities within the MNEs' networks as managers assigned to foreign affiliates from the parent firm.

The role transition process can be described as **a four-stage role transition cycle** (Nicholson, 1994; Nicholson & West, 1988). During preparation, individuals or collectives anticipate the coming changes and speculate about the related changes in tasks and successful approaches to fulfilling them (Isopahkala-Bouret, 2008). At this stage, possessing information about a new situation in advance can support an individual's or a collective's anticipatory adjustments by focusing their adjustment process on the most important aspects of a new role, making mental adjustments in advance, and polishing anticipatory adjustments so that they are accurate and allow effective behaviour once an assignment is implemented (Black et al., 1991). My study suggests that although being fully informed about all assignment-related challenges can demotivate and deter employees from international employee mobility (regardless of their adventurous and risk-taking managerial identity), from the perspective of assignment execution, hiding information can have even more detrimental effects on the assignees' willingness to remain on an assignment. It can also demotivate assignees from continuing to contribute to the MNE's performance during expatriation, as it builds resentment toward the organisation for deceiving an individual into accepting the position. Firms thus need to disclose the relevant information without frightening or

overwhelming the individuals prior to their expatriation, not only for them to be able to make anticipatory adjustments, but also for maintaining a positive firm-employee relationship. Clarity regarding available organisational support and compensation for employees' sacrifice during expatriation can thereby reduce fear of change and uncertainties, as well as enhance risk-proneness, while the prolonged introduction to and transfer of business through mentors, coaches or incumbents can act as a mitigation tool for information overload.

The second stage involves 'shock', during which individuals or collectives experience unexpected dissimilarities between their old and new jobs (Isopahkala-Bouret, 2008). In the case of interviewees in both Firm A and Firm B, this shock is most often related to a shift from a specialist to an operative generalist in a foreign SME (despite a managerial position). The firm can reduce this shock by establishing clear manager profiles for foreign affiliates differing from those in the parent firm. An adjustment stage follows, where individuals or collectives change themselves to match the role, change the role requirements to match their needs, or both (Isopahkala-Bouret, 2008). Among the various mechanisms that can enable this adjustment, my study identifies (1) redefining the hierarchical (status-based) managerial role into an operative managerial role; (2) providing proof of competence through assuming additional tasks and collaborating with team members in an expert role as part of the managerial role; (3) distancing oneself from the former role to establish legitimacy and authority relative to former peers; (4) engaging in teambuilding events and networking with other managers to enhance managerial identity; and (5) using the formal powers of a specific position. Firms can facilitate these adjustments through making clear that the definitions of roles are fluid and context-based, as well as through providing (role claiming) support for collaboration between assignees and local stakeholders. Finally, stabilisation occurs, when learning stops and everyday routines are established (Isopahkala-Bouret, 2008). In expatriation, this stage may be rather short or even absent – especially in crises or turbulent environments, which assignees often expect and assume as part of their role and identity confirmation.

In discussing role transitions, Kraimer et al. (2012), explicitly focus on individuals shifting to international assignee and repatriate roles. They describe both these shifts as a sensemaking process (Louis, 1980a), during which individuals revise their own role identities, or cognitive models of who they are, to operate effectively in a foreign environment (Hermans & Dimaggio, 2007; Kohonen, 2004). Like any identity work, expatriates' identity construction and development is a contextualised social process that occurs in relationships and comparatively – relative to peers and other relevant stakeholders, through interactions of in-group and out-group members (see also Coupland & Brown, 2004; Kraimer et al., 2012); and across levels. My study shows that, during expatriation, the counterparts presenting a vantage point for comparisons in the assignees' role (re)definitions and identity work usually include other international assignees across the MNE or assignees from other organisations – in the same or other markets and on an assignment or already repatriated.

The current assignees signal the more immediate (potential) organisational support and challenges to the individual, whereas the assignees who have already finished their international employee mobilities signal the prospective future of an individual in the firm. Other (non-assigned) managers

(e.g. local predecessors in the host unit or coaches from the sending unit) can also present a vantage point for assignees in defining how they wish to enact their roles and identities. Interviews with external recruits furthermore suggest that prior employers (or interim employers for former employees) and business partners also provide inputs for how individuals structure their managerial assignment roles and formulate their identities. More in-depth and longitudinal research into these stakeholders' impacts on assignment implementation and management is thus encouraged. My study also reveals the stakeholders crucial for assignees' role and identity transitions upon repatriation. These mainly include other repatriates as well as peers without international experience. The latter group allow a repatriate to evaluate the return on their investment by indicating whether a domestic or an international career path would be more rewarding for an individual within a specific MNE (see also Boies & Rothstein, 2002; Feldman, Leana, & Turnley, 1997). My research findings thereby also suggest that assignees' colleagues in the domestic entity similarly use comparisons with assignees (especially repatriates) for defining their roles in the domestic entity and their (domestic or international) career-related decision-making.

Koveshnikov et al. (2016) identify two ways in which identities are built based on relational forces: reactive and self-reflexive identity talk. **Reactive identity talk** occurs when an identity is challenged or resisted by 'the other'. Extant research proposes that hierarchical authority, resource control, and network centrality empower managerial international assignees (especially those from headquarters in centralised MNEs) for role claiming and to reduce role challenging by 'the other' (Astley & Sachdeva, 1984). However, my study suggests that role and identity challenging can also happen to managerial assignees – regardless of their institutionalised power positions. I show that, when challenged, managerial assignees tend to assume operative tasks and enhance operational collaboration with subordinates to prove their expertise and competence in a particular professional area. In other words, they affirm the legitimacy of their managerial role and identity among local staff through relationship building and (counterintuitively) through proof of professional rather than managerial competence. An official position thus does not guarantee successful identity claiming and granting in sending and receiving entities or relative to external stakeholders. Relative to business partners, assignees invest time in building relationships to establish trust (also with support from the already trusted managers from the headquarters, their predecessors, or the local staff). Finally, in relation to colleagues in the sending entity, assignees (and other managers) either tend to prove their competence through business results, distance themselves from the entity or collective rejecting them (e.g. to avoid a sense of marginalisation or foreignness) and invest resources in building relationships with the entity or collective accepting them (e.g. to gain a sense of in-group membership), prove 'allegiance' to both entities by claiming dual identities, or invest resources in building relationships with the entity or collective rejecting them (to diminish or eliminate marginalisation).

The self-reflexive identity talk implies intrinsic reflection on the self when building a specific self-image (Koveshnikov et al., 2016). This process often coincides with the reactive identity talk and may even counter it. My study suggests that when managers engage in self-reflection while being externally pressured to operatively collaborate with subordinates to prove their professional competence, the clash between their expectations regarding the managerial role and identity and

their enactment of this role may become visibly contradictory. Reconciling the two aspects is particularly challenging, as relinquishing either conceptualisation results in a changed (potentially worsened) self-image or changed team relations, employee disengagement, and unfavourable team dynamics. The persistence of the clash, however, may also result in an assignee's dissatisfaction and demotivation to continue an assignment in a 'non-managerial' (i.e. operative) managerial role. One of the approaches to preventing the internally experienced identity clash for assignees could be the managers' information seeking and networking with past assignees, so that they can gain more accurate expectations about their future role (i.e. for anticipatory adjustment). This can be supported by the firm as well, which can work to systematically prepare an individual for what the role would entail (e.g. through establishing links with relevant incumbents, coaching, mentoring, providing an assignee with a well-structured introduction to and transfer of business, role descriptions, and promoting information sharing with a newcomer among local staff).[231] My study demonstrates that both the self-reflection and reactive narration regarding one's identity may be influenced by international staffing or employee relations and development discourses at the organisational level. If the latter are management-centred, yet stress professionalism, expertise, and practical experience as the organisational values that present the basis for employee promotion, individuals may view these features as part of a managerial identity and thus experience less of a clash between the two relational forces (i.e. intrinsic and external) when it comes to identity work. As suggested by Andersson (2010, pp. 169) *"/w/hat a manager is, or becomes, might be /.../ a combination of what the context requires, what individual managers feel they should be and, what other organizational members want them to be."*

Researchers have described managerial identities in particular as fragmented, dynamic, and emergent in a changing organisational context (Alvesson & Willmott, 2002; Andersson, 2010; McKenna, 1999, 2004; Watson, 2001). They have thus proposed that these identities are not teachable through management training (Hay, 2014; Watson & Harris, 1999), but rather continuously developed through **a long-term process of becoming a manager** (e.g. Gergen, 1995; Gergen & Thatchenkery, 1996; Ruth, 2006; Tsoukas & Chia, 2002; Watson, 2001; Watson & Harris, 1999). As such, researchers have suggested that career development, practical learning, and narrative training result in the emergence of a managerial identity (Hill, 1992; Mintzberg, 2004; Watson, 2001). My study confirms the dominance of this process during managerial international assignments as well, whereby expatriation and repatriation both present stages in an individual's development of a managerial rather than an international identity. The latter, if developed, comes second to the managerial identity at best – most likely due to organisational discourse promoting other more general discourses and identities and the assignees' colleagues

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[231] See also Yip et al. (2019) for a discussion of organisational support for identity work through narrative coaching, which involves promoting the coexistence of multiple identities through containment (i.e. calming one's anxiety in relation to identity separation and establishing a sense of appreciation, understanding, and support rather than evaluation or judgement (Kahn, 2001)), affirmation (i.e. recognising the value of an individual's existing identities (Cohen & Sherman, 2014)), and enabling (i.e. coaching new managers to make sense of their ongoing experience through reflection, reframing and redesign (see also Argyris, 2002) or enabling the possible manager selves).

feeling threatened by expatriates or repatriates with international identities, defining them as out-groups and thus inhibiting their (re)integration into the team. An emphasis on a managerial identity at the individual level thus acts as a coping mechanism for expatriates and repatriates alike, as it diminishes their out-group status and enhances the individuals' self-efficacy (the latter being skill- and competence- rather than context- and support-based).

While managerial identity is not generic, some of its **prototypical features** have been identified. The dominant managerial discourse constructs management as an expertise-based task, involving rational analysis and decision-making, as well as control over organisational activities aimed at the realisation of organisational goals (Hay, 2014; Rosen, 1987; Sims, 2003; Watson, 2001). Managers are often (expected to be) extroverts and open to new experience (also risk prone), which facilitates their adjustment to new environments and integration into teams (either based on status or likability, and depending on the host culture's characteristics, such as power distance and relational-focus) (see also Burke, Watkins, & Buzman, 2009; Caligiuri 2000; Farh, Bartol, Shapiro, & Shin, 2010; Huang et al., 2005).[232] The individuals assuming the social identity of a 'manager' thus typically present themselves as confident, independent, knowledgeable, expert, professional, analytical and rational actors, who are motivated by realisation of organisational objectives and strategies, in control, and (expected to be) always right (Fineman, 1993; Gabriel, 1999; Hay, 2014; Hill, 1992; Ogbonna & Harris, 2004; Parker, 2004; Parkin, 1993; Sims, 2003; Sturdy, Brocklehurst, Winstanley, & Littlejohns, 2006; Watson, 2001, 2002). The assumption of all-knowing managers is also the basis for managers' authority and legitimacy (Goffman, 1967).

However, these characteristics imply the suppression of emotion that often requires managers to engage in significant **emotional labour** (Costas & Fleming, 2009; Hoschild, 1983). To confirm their managerial identity, managers must hide their emotions and experience of stress (see also Clarke et al., 2009; Costas & Fleming, 2009; Hill, 1992; Hoschild, 1983). According to my study, the managerial assignees' suppression of emotion can be even greater compared to that of domestic managers. This is because the individuals' decision to expatriate is voluntary and often occurs after extensive firm-employee negotiations, during which an individual can identify at least some of the potential stressors and adjustments needed in relation to expatriation, define the tasks and identities related to their new role, and establish whether they will be able to cope and fulfil the set (organisational and individual) goals. Individuals are thus expected (and expect) to take full responsibility for the outcomes of the assignment – for the firm and assignee.

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[232] The effect of managers' personality traits on their integration in the new team and assumption of managerial tasks abroad may be context-dependent: i.e. it may differ in emerging markets and emerging market firms compared to developed markets and developed market firms. This is because of the specific aspects of the national cultures of sending and receiving countries, such as power distance, that determine the acceptance of a manager or a managerial approach among local staff. Huang et al. (2005), for instance, propose that introvert individuals may be better accepted in reserved and conservative cultures, whereas Chatman and Barsade (1995) argue that an expatriate's success depends on their personality traits demonstrating strengths related to the host culture's most relevant aspects. More research is needed on this issue, however.

Jackall (1988), Vince (2001), and Mischenko (2005) highlight the significant anxiety and frustration associated with measuring up to the expectations of success and continuous control over the situation associated with the managerial identity. Similar pressures are indicated by the interviewees in both my case study firms, as they report experiencing only work- and business results-related stress, while they ignore any stressors related to their private life or the psychological effects of expatriation on themselves. Work overload thereby operates as a coping mechanism: it distracts individuals from the issues related to their private life and affirms their managerial identity. Managerial international assignees also tend to separate their work and private life physically (e.g. by leaving their families at home and periodically visiting them) and mentally. This is consistent with past research on how managers deal with their multiple identities, whereby they separate distinct (sub)groups they belong to and identify with both physically and temporally (Albert & Whetten, 1985; Pratt & Rafaeli, 1997).

Interviewees from my study also report relationship management as the second most stressful issue related to their expatriation. This is another issue not determined by relocation but rather related to one's managerial position. Watson (2001) describes this stressor as **a 'double control problem'**, suggesting that managers experience additional stress because they have to simultaneously manage their own and their colleagues' thinking and behaviour. Managers thus often feel allegiance to their subordinates and establish strong and dense ties with them (Jackall, 1988; Willmott, 1997), which further complicates their identity work. As a result, they are often torn between the discourses of control, self-aggrandisement, and caring (see Humphreys & Brown, 2002a, 2002b; Watson & Watson, 1999). Coping mechanisms are also crucial for managers because of their rather unforgiving social identities, as a single mistake can break a career (see also Jackall, 1988). The visibility of the managers' results, which often increases with expatriation, also amplifies their fear of failure. The latter is reported by the interviewees in my study as being increased with promotion to a more visible position in the MNE network, as well as upon repatriation after a successful assignment, due to heightened expectations by past success and intensified collaboration with the management board in the headquarters, which raises the visibility of an individual's actions rather than their results alone. Overall, the managerial identity frames an individual's role as focused on both the firm-employee and inter-employee relations – as well as makes an individual accountable to both their superiors and subordinates.

According to Hay (2014), organisations often ignore the emergence of managerial identities and the process of managerial becoming.[233] This is corroborated for expatriation to managerial positions in emerging market firms by both sample firms in my study. Once chosen for an assignment (although sometimes based on an extant latent or enacted managerial identity), individuals are for the most part left to their own resources in transitioning to their new role and identity. In other words, the management of (the internationally assigned) managers is largely left to the managers themselves. Although this *'laissez faire'* approach results in individuals' enhanced inputs into actions confirming their managerial identity (to cope with the pressures for results from the headquarters and the pressures for proof of competence by subordinates and business partners), which indirectly results in fulfilment of organisational objectives, it also reduces the efficiency

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[233] Firms do employ career development and managerial training, however.

(but not necessarily effectiveness) of the process. This is because it distracts an assignee from their work tasks, precludes efficient organisational knowledge transfers onto an assignee (by not establishing a common cognitive schema for all managers), as well as limits organisational control over the individual's managerial-related assignment inputs and outputs.[234] It also increases individuals' investments in certain activities, where these would not be needed if clear communication regarding (relational) role and identity expectations were established. An exception to the rule of 'non-investment' in managerial identity development are the junior individuals breaking organisational and national cultures in reference to a managerial identity. External recruits with no prior links to the firm, on the other hand, receive support for their identity transition in terms of adjusting their extant managerial identity by internalising the organisational culture and firm-specific knowledge. Firm integration and socialisation thus also act as indirect facilitators of managerial identity claiming and granting for external recruits among extant employees and relative to business partners.

Yip et al. (2019) claim that **transitioning to a first-time manager role** is particularly challenging in terms of identity work for several reasons. They describe managerial identity development as a three-stage social process (see also DeRue & Ashford, 2010; Van Gennep, 1960) comprising of (1) an individual anticipating the need to undertake a new managerial identity and experiencing tension related to separation from the current identity, (2) an individual being subjected to the liminality of claiming (and being designated) a new managerial identity, and (3) the individual integrating multiple identities into a new managerial identity (whereby they may experience identity loss (see Nicholson & Carroll, 2013)). Similar to the relational conceptualisation of role transitions and identity work, the authors stress that, in order to come into effect, the claimed managerial identity also needs to be granted by relevant others (e.g. peers, senior managers, or subordinates) (DeRue & Ashford, 2010).[235] In other words, a formally assigned managerial role does not guarantee that a managerial identity will be internalised or granted (see e.g. DeRue et al., 2009; Hannah, Jennings, & Ben-Yoav Nobel, 2010). My research adds to this notion by showing that an individual may act as a manager even before becoming one formally. Interviewee 6b, for instance, clearly already portrays an internalised managerial identity as a professional.

Yip et al. (2019) claim that first-time transitions to new roles involve more uncertainties due to the individuals not having referential frameworks that would allow them to tackle the new situations of being a manager, and being a manager abroad (see also Hogg, 2001). My study shows that this factor can be particularly inhibiting in firms with limited international employee mobility experience and poorly established knowledge-sharing practices and mentoring schemes, as the managers are left to themselves in discovering the requirements and the essence of their new roles, whereby the firm loses (or relinquishes) control over the process. Yip et al. (2019) also argue that

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[234] The main control mechanism used by the firm is its decision for early assignee repatriation or termination of the employment contract with the assignee in case of their poor performance as reflected in business results of the host entity.

[235] Identity granting is defined as *"the /verbal or non-verbal/ actions that a person takes to bestow a /specific/ identity onto another person."* (DeRue & Ashford, 2010, pp. 631). These actions can either validate or invalidate a specific identity (DeRue et al., 2009).

developing close relationships with members of the new social group is very challenging. Consistent with this claim, my study, for instance, reveals that making a connection with other managers is particularly difficult for recruits with no prior managerial experience. This especially holds for internal recruits, who need to establish connections with managers with whom they have previously either not connected or had a different 'subordinate-superior' relationship, as well as redefine their extant relational roles and identities relative to their former peers in the process. Relinquishing or redefining relations with one's former peers may be emotionally straining not only on the manager but also on their colleagues, and thus even more damaging to the new role and identity assumption. The junior assignees in my study, for instance, find it particularly difficult to shift from their collegial or friendship role to becoming a superior to their former peers – not due to the challenges of work-related tasks, but due to the relational changes in the team.[236] Bridges (1986, pp. 31) suggests that the challenge of transition *"comes not from a difficulty with beginnings per se, but from a difficulty with endings and neutral zones"*. Yip et al. (2019) describe this phenomenon as the individual experiencing **a sense of belongingness to their former social group** upon role and identity transition, and encountering emotional distress when having to detach from it. I observe the same phenomenon both during expatriation and repatriation – due to fear of losing autonomy in the parent firm or fearing loss of the international identity developed through long-term or intense international assignment experience. The latter can also cause individuals to start identifying with their host entity, which adds to the emotional distress of detaching from the host team and entity upon repatriation and enhances the need for identity work to resocialise the individual into their home entity role and identity conceptualisations.

While encouraging dual identification relative to an assignee's host and home entities can be productive, dual identification based on profession or hierarchy is less common and often not feasible, as one cannot be both a subordinate and a superior relative to the same individuals or collectives (it is possible to perform both roles for different subgroups, however). The contrast between (what seems to be) incompatible old and new identities thus puts pressure on an individual to relinquish or supress one of them (Yip et al., 2019). My study shows that although the old role may have been mentally and relationally rewarding for an individual or the collective, the new 'power position' is usually pursued, as it is more rewarding for the individual's career. According to the interviewees, the decision to move on from an old identity stems from their goal-orientation and value adding focus, which support their managerial identity (dormant in several interviewees prior to being assigned the official managerial role). It is also consistent with the managerial assignees separating their work and private lives as a coping strategy, which is indicative of their greater adaptability to losing work friendships, as they associate this outcome with the managerial role and identity and thus anticipate a need for adjustments in their networking for emotional support during expatriation. As a result, they develop support systems outside their work environment either prior to an assignment or during expatriation.

Since identity work is continuous (see e.g. Hay, 2014), it does not pertain solely to junior staff, but also to those employees with longer tenure in single or multiple organisations (see also Ashforth,

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[236] The shift is likely to be similarly challenging for their colleagues – although their tasks remain the same. Future research on this issue is needed, though.

1998; Ellis & Ybema, 2010; Hay, 2014). This is frequently ignored by both practitioners and academics, who limit their studies to first-time managers (see e.g. Yip et al., 2019) or newcomers to a collective (see e.g. Cooper et al., 2019). A positive manager development trajectory is one towards an increasingly complex identity, however. By integrating multiple identities, managers can increase their access to diverse knowledge, resources, and capabilities, as well as enhance their resourcefulness and flexibility (both in terms of their career prospects and adjusting to diverse situations or changing environments) (Day & Lance, 2004; Yip et al., 2019). Tenure may thus enhance identity work aimed at resourcefulness and individual or organisational goal realisation – not only immediately, but also in the longer term. Experienced assignees may wish to maintain multiple identities to keep their future career options open (internally or externally). My study shows that the more experienced employees (either internal or external recruits) also focus their identity work on their managerial identities during expatriation – especially with expatriation to SME host entities, which requires them to reframe the managerial role into one that involves practical tasks as well as close collaboration with (rather than coordination of) local staff. Only with long-term expatriation, entity establishment, or crisis resolution and close collaboration with local staff do the assignees also develop an expatriate identity – usually complementing rather than contradicting their managerial identity.

Cooper et al. (2019) propose that newcomers to organisations, groups or subgroups (e.g. new recruits or extant employees transferred to a different unit in the same firm) can form **identity partnerships** to facilitate their team integration and new identity establishment. The authors thereby define identity partnerships as relationships between a newcomer and an incumbent (i.e. an individual with resources relevant to the newcomer's organisational or group and subgroup integration) aimed at the exchange of resources that address the identity needs of both parties to the relationship (e.g. integration into a team, a sense of identity in a new team, or dissociation from the team and an identity shift). Individuals can form multiple identity partnerships (Cooper et al., 2019), whereby incumbents can be subordinates, superiors, or peers to the newcomer. Prior links and (direct or indirect) experience with team members reduce the need for such partnerships, as individuals have access to knowledge about team members' expectations and resources (including knowledge, skills, and relevant connections), inter-member relationships, team norms and other relevant information prior to entering a team (e.g. Burgoon, 1993; Liang, Moreland, & Argote, 1995; Reagans, 2011; Rink, Kane, Ellemers, & Van der Vegt, 2013; Wegner, 1987).

My study suggests that international assignees as newcomers to foreign entities form identity partnerships with all three types of incumbents not based on their prior experience with the team, but rather based on their (in)experience with managing any team. The type of incumbents sought thus depends on the purpose of their assignment, the focal role of the subsidiary, and each individual's tenure, as well as contextual factors such as presence of the predecessor in the foreign entity. For example, junior recruits are likely to form identity partnerships with several types of incumbents. They use superiors from the parent firm to integrate them in the group of managers. They rely on local staff (including their managerial predecessors as business transferors) to integrate them into the local business environment and team. Finally, they engage with peers (other assignees) to provide them with emotional and practical support in fulfilling their managerial

identity. This is consistent with past research on the varying effects of different supportive agents on international assignees.

While peers and mentors in the home country and other international assignees (internal or external to the firm) provide emotional support, host country agents provide cross-cultural adjustment-oriented support (Caligiuri, 2000; Johnson, Kristof-Brown, Van Vianen, De Pater, & Klein, 2003), socialise the individual into the host entity, enhance their commitment and performance, and contribute to employee retention in the host entity (Byrne, 1972; Littrell, 2007). My research shows that comparisons with other assignees can be a source of dissatisfaction, however: comparisons within the firm may trigger a sense of unfair treatment due to possible hierarchies among managers and the subsidiaries they manage, whereas comparisons with assignees in other firms may raise expectations and demands due to competitors' potentially more beneficial packages for individuals expatriated to the same market and position (see also van der Laken, van Engen, van Veldhoven, & Paauwe, 2019). Firms thus need to consider the different types of incumbents and their potential advantages as well as disadvantages depending on the individual's needs and organisational objectives related to an international assignment. They can then facilitate relationship building with suitable incumbents. They should thereby also consider whether they wish for an assignee to integrate into the team, or the team to accept change introduced by the assignee. In the latter case, facilitating assignees' identity partnerships with gremlins (i.e. incumbents actively disassociating themselves from the perceived attributes of the team (Elsbach, 1999)) rather than integrators who might limit development and cause organisational myopia could be more beneficial.

Since my interviews show a dominance of the managerial identity and the related lack of assignees' expression of the need for support, organisations engaging in international staffing aimed at change or coordination requiring collaboration with local staff may need to raise awareness about the value of collaboration and support for the firm, so that it would not challenge the assignees' managerial identity. A similar form of incumbent support may be valuable for repatriates and repatriation, and future research should look into this issue in more depth. My study indicates some possible negative effects of prior links to the sending and host team members, however. Pre-established relationships with team members can have detrimental effects on team integration, due to a need to reframe relationships based on the changed roles and identities. They can also result in disappointment due to a reduced quality of relations based on distance as well as emotional reactions to unfulfilled expectations by 'friends'. Moreover, my findings show that individuals can serve as incumbents, but change this role over time, such as by becoming coaches (the reverse shift is also possible). Also in line with past research, my study demonstrates that the more experienced individuals – especially those with prior contacts with the host market and entity; demonstrate a limited need for incumbents when integrating into the team, but nonetheless need to engage in identity work.

Although the managerial international assignees in my study (and managers in general) seem to prioritise a managerial identity, their shift to an expatriate role can (but does not necessarily) result in **the development of an international role identity** as well. While the latter may be marginalised by the firm for cost-optimisation purposes and the individual for coping with the

many adjustments needed upon expatriation or repatriation, my findings also demonstrate that complete avoidance of developing or enacting an international role identity may result in employees' unawareness of international assignment-related opportunities for the individual, as well as the value of assignments for the firm, and thus an unwillingness to expatriate or poor realisation of expatriation in terms of the organisational objectives (mainly due to a lack of inter-assignee collaboration and hindered inter-entity knowledge sharing, and not due to an absence of a coping mechanism). Point and Dickmann (2012) suggest that firms can address the difficulties in ensuring a continuous supply (i.e. inflow and retention) of appropriate talent across the MNE through **employer branding** promoting international careers as a normal part of a career path within an MNE, and an opportunity not just for fulfilling organisational objectives but also individual ones – thereby enhancing the attractiveness of the firm for employees. However, they discover that developed market MNEs rarely reference global or international careers (as a long-term implication) on their corporate websites, and when they do they do so by promoting mobility from the perspective of benefits to the organisation rather than the individual. Developed market MNEs also tend to refer to international work-related relocations as mobility rather than international mobility, to convey and strengthen the message of international assignments being a regular part of a manger's career journey (see also Cerdin, 2003), and I also find this for EMNEs.

Peltonen (1998) similarly finds **no evidence of an autonomous expatriate discourse** in organisations in his analysis of career stories by Finnish engineers and managers, and discovers that the expatriate career cycle is narrated with the use of other available organisational repertoires of development and career. My findings are consistent with this, as they suggest that the managerial rather than expatriate discourse is particularly emphasised in emerging market firms for cost-optimisation purposes at the organisational level, and as an 'optimal distinctiveness-centred' and uncertainty reduction coping mechanism in the context of limited organisational support at the individual level. Organisations thereby already select individuals with a strong managerial identity at the recruitment stage of assignments (or employment to the firm in general), and have a tendency of further enhancing their recruits' extant identities for (and during) an assignment. This may be related to these individuals' high self-efficacy evaluations, based on which such assignees are less likely to abide by rules or need strictly determined rules, which are difficult to set for the dynamic and contextually determined international assignment process. Individuals with low self-efficacy and confidence, on the other hand, are much more likely to need and strictly follow the rules (see also D'Amato & Zijlstra, 2007).

At the individual level, the lack of emphasis on the international identity is counterintuitive. Past research shows that individuals working for a multinational firm are likely to nurture an international identity even prior to (or regardless of) expatriation (see e.g. Bourdieu, 1984; Sutton & Hargadon, 1996). MNE sampling should thus create a bias towards firms employing individuals with international identities. While this bias is corroborated by some of my (also pilot) interviewees, they mostly attribute the characteristic to the general staff in these MNEs, and describe it as a factor in their eased integration in internationally oriented local teams, and not to themselves as part of their self-realisation. I propose that they prioritise their managerial identity over the international identity, because the former contributes to a sense of achievement, which a relocation without prior investment into mobility as an individual-level goal or prior to it

generating results usually does not. As suggested above, an international identity also focuses an individual on the psychological and relational difficulties of relocation – i.e. it highlights one's outsidership and causes distress; whereas a managerial identity focuses the person on the tasks at hand and distracts them from any personal issues related to expatriation.

Despite the lack of organisational framing of managerial assignees as expatriates and its potential for enhancing distress, some managers do develop **an international employee identity** as well:[237] either with time spent abroad, with affiliate marginalisation, or based on close collaboration with local staff in crises that present both managers and subordinates with a common goal (i.e. entity preservation). This identity can also be preserved or can emerge upon repatriation (e.g. as a differentiator of an individual within the domestic unit). Kraimer et al. (2012) discover that individuals who are highly embedded in expatriate communities during an assignment are more likely to preserve international employee identity upon repatriation. My study does not confirm this finding, though. For the most part, the interviewed assignees do not network with other international assignees (also because they represent a relatively small group in EMNEs), but rather focus their efforts at building social capital on local staff and business partners or other managers in the MNE (regardless of their expatriate status). Identification with the foreign entity (e.g. due to ownership over the process of establishing it), being used to a privileged expatriate lifestyle (see also Jassawalla & Sashittal, 2011), and a continuation of international tasks in the domestic unit upon repatriation may thus be more relevant with respect to preservation of an international employee identity.

My study shows that the international employee identity usually complements the managerial identity. An important outcome of an established or preserved international employee identity is **the power of network breaking and change introduction** it bestows upon an assignee or a repatriate, based on their 'in-group out-group' identity. The latter empowers an individual by reducing the social restraint of action based on emotional relationships within a team, as well as by giving legitimacy and authority to their actions, which is more likely to happen if an individual is perceived to have a mandate to represent the entity higher in the MNE hierarchy (i.e. the parent firm). This finding is similar to that of Arp (2014), who highlights the use of inpatriates from culturally distant markets in emerging market firms for identification and resolution of organisational myopia through introducing change to the parent firm. However, I additionally show that change introducers do not need to come from a culturally distant market to possess the power to introduce change, but rather only need to represent **a powerful out-group** (defined based on an individual's or their country of origin's position in a hierarchy). I thereby identify an additional assignee role based on out-group membership rather than cultural distance: i.e. the role of breaking the performance hindering internal networks.

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[237] Kraimer et al. (2012, pp. 401) define international employee identity as *"the degree to which an individual's role as an expatriate has become central to her/his self-concept."* International employee identity is an individual-level identity, which is also relational, as it is socially derived and defined based on an individual's definition of the self in terms of a work-related role in an organisation relative to other international and non-international employees (Stryker, 1980).

Identity work is also present **upon individual's repatriation** – for both the less experienced and more experienced managers as well as for the organisation, which often needs to reorganise its processes to fit the returnee. Identity work upon repatriation is more pronounced among assignees who develop both a managerial identity (due to the loss of autonomy upon return (see also Sanchez et al., 2000) and the shift to a subordinate position) and an international employee (expatriate) identity, which separates them from other employees without similar international experience. The latter can put them in a better position in terms of career progression, but also in an unfavourable position in terms of team integration due to the lack of understanding of their potential added value for the team among colleagues in the sending unit, or fear of competition by their counterparts. Kraimer et al. (2012) additionally highlight that the international employee identity is challenged with one's repatriation, as international mobility is eliminated from one's role description – unless repatriation is an interim solution, as suggested by Dickmann, Brewster, and Sparrow (2008b), or incorporates international tasks in an alternative format for a returnee's better coping with the transition (and not for knowledge spillovers), as indicated by my study. Individuals are thereby more motivated to preserve the international employee identity as part of their subsequent identities when they expect and/or experience rewards for taking part in their previous role upon repatriation or in their later roles (Thoits, 1991). Kraimer et al. (2016) term this as **identity salience**, which they define as a function of the social and personal costs entailed if an individual or an organisation has to give up a certain role.

However, individuals wishing to either preserve or renounce their international employee identity are all required to engage in identity work upon repatriation. My study shows that those maintaining their connectedness to the host unit additionally need to engage in identity work relative to the latter to preserve their relational identity relative to the local staff and local business partners. My interviews show that several factors determine the level of identity work needed upon return to a sending unit at the individual level. These include the individuals' pre-assignment embeddedness in the sending firm, the length of absence from the parent firm, embeddedness in expatriate role, interactions with local staff (see also Bell & Harrison, 1996; Kraimer et al. 2012; McCall & Simmons, 1978; Stryker & Statham, 1985), status during expatriation (and upon repatriation), the quality of individuals' relations with internal stakeholders throughout the international assignment, similarity of tasks with those in the host entity upon repatriation, and connectedness with the host entity or other foreign units during repatriation. At the organisational level, the recognised value of a new perspective may also spark **organisational identity work**. Future research regarding these effects and their interactions is needed, though.

Jassawalla and Sashittal (2011) focus on **the status-based aspects of repatriation challenges**. They suggest that, with repatriation, individuals are subjected to a move from constant affirmation of talent and worth, to the firm not showing an interest in their newly acquired skills and post-repatriation careers. Second, they describe the repatriates' loss of power, authority, and control (see also Paik, Segaud, & Malinowski, 2002, for similar findings). Third, the authors discover that formal or informal networks and relationships that the individuals cultivate in the sending entity prior to an assignment are significantly weakened by absence (regardless of interim visits and continued communication with colleagues during expatriation). This not only results in a sense of de-rootedness, but also has consequences for an individual's career options, which are limited by

the loss of socio-political connections in the MNE. Fourth, repatriation often involves a significant decline in an individual's social visibility and stature: the individual shifts from being a valued problem solver and home office representative, leading a privileged lifestyle in the host environment, to a much less visible team member with diminished socio-emotional acknowledgement upon repatriation. Finally, the repatriate has to adjust to the changed nature of the job: the fun and excitement of an international assignment as well as the related constant challenges and opportunities for employee development disappear with the return to a routine domestic job. This may result in turnover or reduced motivation to share information and knowledge with colleagues in the domestic unit (Jassawalla & Sashittal, 2011), as assignees shift from commitment to the firm to commitment to their careers (Lazarova & Tarique 2005; Welch et al., 2009).

Individuals may also choose to search for situations that match and validate their extant international identities upon repatriation (Burke, 1991; Deaux & Martin, 2003), such as the decision to re-expatriate to either an individual's past or a completely new host entity and engagement in alternative forms of expatriation. My interviews reveal the second option is more frequent among assignees from emerging market firms. However, it is not necessarily used as the individuals' coping mechanism to preserve their international identity (more pronounced among extremely long-term expatriates), but rather the organisations' response to the lack of internationally mobile staff (especially among expatriates with experience of long-term expatriation with a single mandate). In addition, my study shows that, while the status-related issues of repatriation are also present among assigned managers in emerging market firms (they are listed as some of the most pronounced challenges among repatriates or assignees expecting to repatriate in my study), the interviewees frame them as autonomy- and work efficiency-related, rather than status-centred issues, which is consistent with an emphasis on an operative managerial identity among expatriates in the studied firms.

With respect to **organisational support and individuals' coping strategies to relational role and identity shifts**, social categorisation and social identity theory provide some useful insights. According to **social categorisation theory**, individuals have a need to categorise others into in- and out-groups (Oldmeadow, Platow, & Foddy, 2005; Stangor & Thompson, 2002). They are likely to trust and positively evaluate in-group members, but identify out-group members as less trustworthy and inferior (Haslam, Oakes, Reynolds, & Turner, 1999; Verkuyten & De Wolf, 2002).[238] Social categorisation into in-groups and out-groups is the basis for social identification: i.e. the self-perception of being psychologically connected to the fate of the group and experiencing its successes and failures as one's own (Foote, 1951; Tolman, 1943). Several factors enhance group identification: (positive or negative) distinctiveness of the group's values and practices relative to comparable groups, prestige of the group, salience of the out-group(s), awareness of out-groups and the related awareness of one's in-group, interpersonal interaction,

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[238] Tajfel and Turner (1979) propose that in-group favouritism only occurs if the out-group is perceived as being capable of challenging the status of the in-group (e.g. based on professional similarity (Chattopadhyay et al., 2010)). See also Turner (1978).

similarity, likeability of group members, proximity, shared goals, a common history, or an external threat (Ashforth & Mael, 1989).

The perceived interdependence and similarity within a group increases its members' commitment and loyalty to it, along with raising in-group collaboration, the internalisation of and adherence to group values and norms, strengthens the homogeneity in attitudes, and motivates enactment of prototypical characteristics of a collective identity (Ashforth & Mael, 1989).[239] The latter legitimates one's in-group status (Hogg, 2001), whereas refraining from enacting the prototypical characteristics of a collective identity results in the marginalisation of a group member (Badea, Jetten, Iyer, & Er-Rafiy, 2011). Social categorisation and identification are dynamic processes: as suggested above, individuals and collectives evolve in their identities and shift from one (sub)group to another. With changes in their membership structure and through member interactions (in-group or with out-groups), groups also adapt in terms of their prototypical characteristics (see also Oddou et al., 2009).

Through constructing similar cognitive schema among individuals and collectives, a shared social identity eases communication, increases goal congruence (Cyert & March, 1963; Hambrick, Davison, Hofstede, 1991; Reagans et al., 2004; Snell, & Snow, 1998; Zenger & Lawrence, 1989), promotes knowledge transfer (Kane, Argote, & Levine, 2005), motivates networking and collaboration, facilitates the provision of role information, and inspires social support towards the assignee (Toh & DeNisi, 2007). It also reduces conflict (Hinds & Mortensen, 2005). While individuals and collectives sharing an identity are likely to collaborate, individuals and collectives not sharing an identity are likely to assume a competitive stance, based, for example, on feelings of unfairness and inequality (Brewer & Miller 1996; Correll & Park, 2005; Mannix, 1993; Sachdev & Bourhis, 1991; Sherif, 1966).

My study implies that firms introduce information hiding approaches to avoid the destructive types of comparisons that can result in employee dissatisfaction, demotivation or unwillingness to collaborate in teams. They also frame specific international employee mobilities as alternative arrangements not to set a precedent for increased employee demands relative to the firm in their other arrangements (i.e. they establish a feature that renders the groups incomparable). This is because social categorisation effects are more likely to be expressed in groups with moderate heterogeneity and distinct subgroups (Earley & Mozakowski, 2000; Gibson & Vermeulen, 2003; O'Leary & Mortensen, 2010) that are perceived as capable of threatening the in-group's status (Tajfel & Turner, 1979). Majority and high-status groups as well as equally-sized subgroups and

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[239] Group socialisation introduces a level of homogeneity to the team that can enhance the effectiveness and efficiency of collaboration, on the one hand, but also limit creativity, innovation, and development by generating standardised responses to specific situations and myopia to different problem solving approaches on the other (see e.g. Bouchikhi & Kimberly, 2003; Tajfel & Turner, 1986; Turner, 1982). Employing similar individuals to the team or a specific position, such as introducing an ethnocentric approach to international staffing, can have a similar effect across the MNE (see also Stanley & Davidson, 2011).

isolates are thereby less likely to feel threatened in their identities (O'Leary & Mortensen, 2010; Petriglieri, 2011; Tajfel, 1982; van Knippenberg, 1984).[240]

As foreigners, expatriates are out-group members, clearly distinguishable from local staff (Toh & DeNisi, 2005). In an expatriation context, the bias towards in-group members may thus similarly be diminished by the wealth and status of an individual or a collective, as well as their country of origin. For example, a developed market economy origin rather than an emerging market economy one is perceived more positively even within the same MNE (Thomas & Lazarova, 2014; Verlegh & Steenkamp, 1999). Wealth and status make out-group members perceive an individual or a collective as more competent compared to individuals or collectives in their in-group (Cuddy, Norton, & Fiske, 2005). An ethnocentric staffing strategy by emerging market firms may thus necessitate more identity work from expatriates – especially when sent to developed markets. My study does not suggest differences among emerging market assignees to different markets in their identity work based on the level of the host markets' development. This may result from both case firms being mature enterprises with consistent ethnocentric staffing approaches across their networks that diminish the effects of the management's country of origin on team dynamics, and changing role or identity definitions over time. It may also be related to a uniform organisational culture across firms.

According to Evans (1986), firms select and retain employees in any given country based on their **fit with the organisational (and not national) cultural values**. Such staffing presents the lowest risk in terms of cultural frictions between the parent and subsidiary, and between the firm and individual (Erdener & Torbiorn, 1999). However, emerging market firms do not always have a sufficient internal pool of adequately skilled employees for such an approach to staffing managerial positions. One of the alternative options to expatriation from the headquarters has thus been the recruitment of host-country nationals who have previously been working in the MNE's country of origin, or hiring diaspora individuals living in the host country before their employment in the firm to make communication more effective among entities. However, these employees still need to be integrated into the firm: to understand the corporate culture of the parent company and evolve their personal networks and ties in the headquarters (Meyer & Xin, 2018).

The 'status' effect of managerial assignees on in-group out-group relations may be different for inpatriates or third-country national managers, who face a lower level of credibility and respect compared to expatriates carrying the status and influence associated with their role as representatives of headquarters, and are expected to collaborate with both the host unit management they are less familiar with and the sending unit management team (Harvey, Novicevic, Buckley, & Fung, 2005; Reiche et al., 2011). This implies that the identity work required for a shift to a managerial international assignment role depends not only on the individual's experience or status, but also on the direction of the assignment and the status of the individual's sending entity within the MNE network. The inpatriate's country of origin is also relevant in this respect. This is best portrayed in the interview with an inpatriate (see Interview 6a)

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[240] These effects may diminish with time as groups accumulate different responses to them and change their ways thinking (Dahlin, Weingart, & Hinds, 2005).

from a developed market economy, carrying over the status of the latter to the headquarters, but also having to establish a parent-firm-related status (which was at the same time somewhat detrimental to their ties in the sending unit). However, further research is needed on the differences in identity work based on assignment direction and assignee origin.

Finally, while research suggests that establishing a clear team structure with a detailed hierarchical and expert delimitation of roles reduces intra-group conflict (see e.g. Bunderson & Boumgarden, 2010; Larson, Foster-Fishman, & Franz, 1998; Lind, 1995; Stasser, Stewart, & Wittenbaum, 1995), my study suggests that such a structure is often not possible in EMNEs' SME subsidiaries, where all team members are required to be flexible in their roles. Close collaboration among diverse individuals and groups does not seem to cause conflict in smaller entities, whereas in larger entities expatriates report their experience of breaking networks in order to increase team effectiveness and efficiency and reduce the intergroup conflicts caused by extant power centres. It thus seams that **role fluidity** (for both expatriates and local staff) is crucial for team integration, collaboration and individual identity realisation.

Social identity theory builds on social categorisation theory by proposing that the (self)categorisations of individuals or collectives and their counterparts into prototypes of in-group (similar) or out-group (dissimilar) members (see e.g. Hogg & Terry, 2000) serve as the basis for individuals' and collectives' behaviours relative to out-group or in-group members (Tajfel & Turner, 1986). This theory suggests that individuals gravitate towards building **relationships with similar others** (e.g. managerial international assignees with other managerial international assignees) not only to maintain a positive self-image (Antino, Rico, & Thatcher, 2019), for uncertainty reduction or self-enhancement (Hogg, Abrams, Otten, & Hinkle, 2004), and to achieve optimal distinctiveness (Ashforth et al., 2011; Brewer, 1991; Leonardelli et al., 2010), but also for emotional support (Byrne, 1971; van der Laken et al., 2019). This is because members of an in-group possess similar experience and interests, which make them more empathetic and understanding towards other in-group members (Wellman & Wortley, 1990), share a common in-group language[241] and thus communicate more effectively with one another (Gudykunst & Nishida, 2001), and provide each other with more targeted support in a more efficient manner.

While extant research suggests that individuals are more likely to establish strong connections with other individuals from an in-group – especially based on a similar status (e.g. assignees are more likely to network with other assignees of the same rank and nationality) (Hansen, 1999; Ibarra, 1992; Tsui & O'Reilly, 1989), my study suggests that rather than focusing on expressive ties, managerial assignees predominantly seek **instrumental ties with out-group members**. The 'superior-subordinate' divide, argued to be particularly pronounced in emerging markets with the high power distance that discourages vertical collaboration (Hansen, 1999; Hofstede, 1980/1984; Ibarra, 1992; Tsui & O'Reilly, 1989), is also not particularly prominent in my study, where the subsidiary size in particular plays an important role in assignees' operative collaboration with host unit subordinates in establishing themselves as team managers and leaders. This is consistent with

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[241] Here, I do not refer only to the language of the sending and receiving country, but also to the jargon developed within the organisation, profession, and a particular team.

the findings by Manev and Stevenson (2001), who discover that individuals mainly seek strong expressive ties with peers with whom they have negligible cultural distance (organisationally or nationally) and who come from within the same status group, but tend to establish strong instrumental ties with peers of opposite background characteristics.[242]

My study also corroborates past research on the relevance of language knowledge,[243] yet nuances the findings on the type of language knowledge relevant for assignees and the knowledge holders who need to possess it. It suggests that both the sending and the receiving organisational and national languages are crucial for managerial assignees from emerging market firms. This is contrary to past studies, which have argued that fluency in a host country language is less important for managerial expatriates and only crucial for expert assignees as knowledge transferors across the MNE (see e.g. Shaffer et al., 1999). However, due to the enhanced interaction of managerial assignees with their subordinates in SME host entities, host country language knowledge (especially for managers from small language groups) may be just as relevant. My research shows that managerial knowledge of a host country language not only enhances the quality of communication, but is also crucial for establishing and maintaining collaborative relationships and preventing knowledge hiding by local staff (see also the pilot interviews). This is because it signals managers' willingness and real effort with regard to establishing communication and building relationships (irrespective of any divisions in the team based on status or country of origin).

Contrary to extant research on the poor (second-)language abilities of expatriates to emerging markets as well as local staff in emerging market firms that cause difficulties in communication among assignees and local staff in such contexts (e.g. Du-Babcock & Babcock, 1996), I discover that expatriates from Slovenia (a small emerging market) demonstrate both language fluency and flexibility, and this can be attributed to a small country of origin effect (see e.g. Jaklič et al., 2017 for similar findings on foreign investors valuing Slovenian employees' language knowledge – at all levels and not just managerial). This puts them at an advantage when integrating into and coordinating the relationships with local stakeholders. The interviewees especially stress inter-employee and business partner relations. Fluency in the host country language can also contribute to the expression of role conflict, though, and some authors argue that it establishes awareness of contradictions and differences between an assignee and the local staff (see e.g. Shaffer et al., 1999). My research does not indicate such negative aspects of language knowledge, but this may be status-related: i.e. managers expect a certain level of distance from their subordinates, as well as cultural differences between the sending and receiving environments. For example, the interviewees report their local colleagues adjusting the speed of communication to better meet the

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[242] Networking among managers, in particular, often takes place outside organisational formal structures, yet is work-relevant (see also Manev & Stevenson, 2001). Firms could thus facilitate networking with both groups and link them to an individual's (managerial) identity rather than enhance perceptions of collaboration and operative engagement in tasks as a deviation from an assignee's identity and role.

[243] For research on the role of language in identity work and team or MNE collaboration see, for example, Barner-Rasmussen et al. (2014); Bordia and Bordia (2015), Harzing, Köster, and Magner (2011), Reiche, Harzing, and Pudelko (2015), Shaffer et al. (1999).

assignees' needs, due to the assignees' higher status. Finally, my study reveals that the knowledge of the parent firm's (working) language is just as crucial for successful assignment implementation – especially in centralised MNEs, as it supports inter-entity collaboration and communication at the managerial level.

CONCLUSION

In my doctoral dissertation, I explore international assignments in emerging market and emerging market firm contexts through a multilevel mixed methods research design. In an original research design, I combine both quantitative and qualitative methods and apply them to a country-level case study (i.e. Slovenia) with nested firm- and individual-level cases. Such an approach corresponds to the aim of the study, which is to identify the multilevel determinants and mechanisms of firms' and individuals' decision-making processes and decisions regarding the implementation and management of international assignments in specific (emerging market and emerging market firm) contexts. I explore the macro-level context through desk research and population data analyses. Desk research provides an overview of the specificities of emerging markets, emerging market firms, the Slovenian market and firms, and their implications for (international) staffing in these contexts. Population data analyses, on the other hand, help me to identify the country-, firm-country-, and firm-level determinants of the firms' likelihood to expatriate their employees from a selected emerging market (Slovenia), as well as these firms' likelihood to assign their employees from an emerging market into a particular type of host market: i.e. another emerging (CEE) or a developed (non-CEE) host market location. To address the limitations of the quantitative analyses (especially their lack of insight into firm- and individual-level decision-making processes, as well the mechanisms determining assignment implementation and management), I also introduce qualitative methods to the study. These are centred on content and critical discourse analyses (combining the two approaches is another novelty of my approach) of firm- and individual-level interviews, annual reports, and corporate websites. They are also complemented with desk research and process tracing (to a limited extent) that further inform my findings from the firm- and individual-level nested case studies.

Due to the under-explored nature of the phenomenon in emerging market and emerging market firm contexts, I introduce a two-stage design to the qualitative part of the study: the first (exploratory) stage involves pilot interviews with individuals representing the organisational and (where applicable) assignee levels of analysis. It is conducted in several purposefully selected and varied organisations, whereby the organisational diversity is intended to capture the breadth of issues related to international assignment implementation and management faced in emerging markets and by emerging market firms. Sole proprietors, startups, a business accelerator, a high-tech SME, a developed market large MNE subsidiary located in the focal emerging market, and mature large EMNEs are included in the pilot sample. The questioning at this stage follows a loose interview guide with more open-ended and flexible questions that allow for reporting on the different international assignment and mobility types or formats implemented (or considered) by the pilot firms, and the related international employee mobility implementation or management issues at firm and individual levels. For larger firms, the corporate websites and annual reports are also studied as part of interview preparation and contextualisation of the findings. The loose design of the first stage of the qualitative study facilitates the emergence of less predictable themes that inform and focus the interview guide for the second stage of the qualitative part of the study (whereby this interview guide is adjusted to the individual firms and the two levels of analysis, as well as continuously amended with new themes that emerge during the data collection process). The pilot interviews also complement the preliminary quantitative findings in identifying the

organisational contexts as well as assignment types with the greatest theory-building potential for studying international assignment implementation and management. This is because the quantitative dataset that is available is limited with respect to data on certain types of organisations (e.g. sole proprietors or startups that might not be registered yet) as well as mobilities and their features. Based on the preliminary quantitative findings and insights from the pilot interviews, I conduct the second stage of the qualitative research (i.e. a comparative multilevel case study) in two large, mature, internationally assigning EMNEs, which are identified as the firms most likely to have an evolved (at least semi-) strategic approach to international assignment implementation and management in emerging markets. The cases are nested in the country-level case and thus headquartered in Slovenia. At this stage of the study, I also focus my research on long-term managerial international assignments due to their intensity and strategic relevance for the firms as well as individuals, and include managerial assignees (with supplementary home- and third-country national manager interviews) in the study design.[244] The multilevel cases in the comparative case study provide rich data, which facilitates the identification of mechanisms determining the firms' and individuals' international assignment decision-making (also based on relevant discourses and intra- and inter-level interactions among factors).

Overall, the implementation of the complex and comprehensive multilevel mixed methods research design demonstrates the complementarity of the different research methods and data sources for studying international assignments as a multilevel and highly contextualised phenomenon. While some of the findings within or between the two main research approaches (i.e. the quantitative and qualitative methods) complement one another, others are contradictory. Consistent with the critical realist philosophy, I show that the contradictions provide opportunities for reflection on the inferences made based on each approach and are as such crucial for the identification of the underlying mechanisms of the studied phenomenon. Multilevel mixed method research designs in international staffing are thus shown to be crucial, not only for a more holistic multi-perspective understanding of international assignment (management) processes, but also for a more in-depth understanding of these. Moreover, they provide a basis for evaluation of different methods (and their combinations) in the context of a specific phenomenon.[245] Although I report the main findings in the dissertation by method, since each method is intended to address a different aspect or level of the explored phenomenon, the mixing occurs in defining and focusing the purpose of the study and the research questions, sampling, and drawing conclusions and inferences from the results. As such, the mixing is more subtle: the findings at the individual stages or levels of analyses inform the steps taken and the inferences made at other stages or levels of analyses, but data collection, analyses, and reports for the quantitative and qualitative parts of the study remain separate (which also increases the methodological and interpretive transparency of the study). Put differently: the different methods add layers and pieces of the puzzle to the

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[244] A limited number of managerial international assignees are also included in the pilot interviews to uncover their theory-building potential.

[245] While such evaluations are beyond the scope of my study, they are encouraged for future research.

'international assignment comprehension' jigsaw. I summarise the main findings (and their contributions) by method, as well as explain how they complement one another, below.

The quantitative part of the study is based on data for the entire firm population in Slovenia as the selected 'expatriate-sending' emerging market country-level case. The quantitative analyses conducted on this dataset provide one of the first mappings of firms operating in emerging markets in terms of their decision to engage in international assignments lasting up to 24 months. They illuminate the determinants of the firms' decision to implement single or multiple assignments from an emerging market – in general or to a specific type of host market. The results of these analyses show that the firms' likelihood to implement single or multiple international assignments directed from an emerging market to any host location is positively associated with several factors: firm size (in terms of employment), productivity, profitability, average wage, labour intensity, capital-labour ratio, exporting status, and export share. They furthermore demonstrate that the firms' intangible assets have a non-linear effect on the organisations' decision to implement single or multiple international employee mobilities. This suggests that firms with lower tacit knowledge use international transfers to acquire knowledge from abroad through inpatriation, whereas firms with abundant intangible assets use their assignees to transfer and augment knowledge through expatriation. The likelihood and number of international postings decrease with firm age as well as inward and outward FDI (whereby the effect of the latter is insignificant for the number of assignments), which can be attributed to assigning firms being better able to progress to more complex internationalisation stages following an assignment and the mature firms not needing assignments as much (i.e. they are less likely to engage in single or multiple assignments). Overall, my analyses nonetheless confirm Hypotheses 1(a–b), stating that a firm's performance has a positive effect on the likelihood to employ international assignments (once or multiple times).

With respect to the firm's assignment location-related decisions, I demonstrate that the traditional gravity model variables perform as expected for international assignment decisions. Host market size and level of development increase, while geographic distance (a control variable) between Slovenia as the sending market and the host country decreases the odds of sending employees to a destination country. The effect of these variables on CEE and non-CEE host countries varies, however. Host country size and its distance from the assignee-sending country matter less for assignments to CEE host countries. I also discover that firms implementing international assignments from Slovenia expatriate more strongly to countries with high rather than poor institutional quality. More specifically, my results suggest that firms are more likely to use international assignments in environments with high quality economic and legal institutions, but not to those with high quality political institutions, which confirms Hypothesis 2b, but rejects Hypotheses 2a and 2c. I attribute this to the firms' experience (and thus comfort) with low quality institutional contexts reducing their need for control and coordination in similar environments, the emerging market-located firms' focus on knowledge acquisition through international assignments to and from countries with high quality economic and legal institutions, and the commercial diplomacy potential of international assignees in environments with low quality public services, a low quality civil service, and a high degree of political pressure. Like other variables, the institutional quality has a different effect for CEE and non-CEE host locations. While the quality of economic institutions has a positive effect on the firms' likelihood to employ international

assignments, regardless of the type of host market, better legal institutions have the opposite effect for each type of host location. They attract assignments to CEE countries, but deter assignments in non-CEE countries. Better political institutions, on the other hand, have a negative effect on assignment probability irrespective of the host location type, yet this effect is more pronounced in non-CEE host countries compared to CEE host countries.

Finally, the data shows that firms are more likely to send expatriates from an emerging market (Slovenia) to the dissimilar developed (non-CEE) countries, and less likely to other (CEE) emerging markets – despite the similarities and historic connections between Slovenia and other such markets in Europe. Hypothesis 3, that emerging market-based firms are more likely to implement international assignments to emerging markets compared to developed markets, is thus rejected. This may be due to the Slovenian firms' shift to expanding into the more developed markets, where they are still establishing their position and thus inclined to employ international assignments as a market entry mode, the employee- and firm-development opportunities provided by developed markets, as well as these markets being institutionally less difficult and taxing for assignees. Although international assignment decisions are likely to follow a firm's international business activities, such as the export of services or products to a specific market, these have a different effect on international assignments to CEE and non-CEE host countries. The motives for international assignments to different host locations also differ: international assignments to non-CEE markets seem to be driven by knowledge- and market-seeking motives, whereas international assignments to CEE countries are control-oriented.[246]

Overall, my quantitative analyses lend support to theories of heterogeneous firms and trade by showing that only the most productive firms can overcome the high costs related to international employee mobility – especially international employee mobility to emerging markets. My analyses, moreover, add nuance to institutional theory by providing insights into the expatriation patterns of firms embedded in low-quality institutional contexts as well as the effects of institutional distance on international staffing in the context of internationalisation (showing that consideration of the direction of institutional distance is crucial for understanding the latter as well). I also reiterate the importance of the administrative heritage of firms, the experience of enterprises handling low-quality institutional contexts, business drivers such as market seeking, knowledge acquisition, or control and coordination, and firm-level factors influencing the firms' capability to expatriate (in general or to a specific location) for the firms' expatriation decisions during their internationalisation.

The quantitative part of the study is not without limitations. One of them is that the data from the official datasets only enables research into international assignment decisions (i.e. outcomes of the decision-making) rather than the decision-making process. The official datasets also do not include detailed data on certain entities (e.g. sole proprietors and startups), individual-level data or detailed

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[246] This is not supported by qualitative analyses, which suggest a prevalence of international assignments for control and coordination purposes in emerging market firms – regardless of the assignment location. This may be related to the firms' organisational and ownership structure, though, and more research is encouraged on this.

data on assignment type (by duration, purpose, and format). For a more in-depth and holistic understanding of the international assignment implementation and management – especially the underlying mechanisms of individuals' and organisational decision-making – I thus also conduct qualitative analyses. The pilot interviews are indicative of the lack of international assignments and assignment diversity in firms operating in emerging markets, as traditional long- and short-term international assignments prevail among the generally rare cases of expatriation in firms located in Slovenia. Those firms in their initial development stages in particular report using international business travel more commonly than expatriation. Startups, for the most part, do not consider international assignments, as they are in their early developmental stages and make business decisions *ad hoc* (e.g. in response to their business partners or investors) or with cost optimisation in mind (e.g. by using their owners' network as a substitute for employee mobility). SMEs similarly report limited use of international assignments, and focus these on the establishment of foreign affiliates or individual business functions in them.

Among all the studied pilot entities, the large, mature MNEs engage in most mobilities, both in scale and scope, although such assignments are rare in these entities, too. The limited use of international mobilities enables these firms to clearly identify and map their high-potential employees and introduce an individualised (although *ad hoc*) approach to managing expatriation rather than hinders their assignment management (with the exception of assignee recruitment, which was already identified as a challenge through desk research). Regardless of their size and developmental or internationalisation stage, the emerging market firms included in the pilot study demonstrate an experimental and gradual approach to evolving their international staffing practices and strategies, which remain flexible even with firm maturity due to the labour market deficiencies and emerging market (employers') unattractiveness for employees. The traditional long-term managerial assignments prevail (with innovative exceptions such as assignments outsourced to former employees as sole proprietors). Finally, the pilot interviews also reveal several themes, further explored in the comparative case study, such as the importance of macro-contextual factors (including institutional frameworks and labour market deficiencies framing the firm-employee and inter-employee relationships), mezzo-level factors (such as organisational structure), micro-level factors (e.g. the characteristics of individuals) and multilevel interactions of discourses, roles, and identities in the international assignment implementation and management processes.

The multilevel comparative case study affirms several of the preliminary qualitative findings as well as provides more in-depth and focused insights into the different factors and mechanisms determining international assignment decision-making, implementation, and management in emerging market firms – by firms and individuals. The findings suggest that emerging market firms favour an ethnocentric international staffing approach to filling managerial positions across their networks and internal recruitment of managerial international assignees from the headquarters.[247] The qualitative part of the study thereby reveals the macro-, mezzo-, and

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[247] Firms also favour internal recruits from the headquarters for key positions based on a pre-established relationship and familiarity with them. These are the basis for mutual trust, loyalty, and commitment, and foster greater international staffing responsiveness and flexibility.

individual-level factors determining such a preference. At the macro level, my analyses highlight the unattractiveness of emerging markets and emerging market firms for key talent as a crucial determinant of these firms' parent-country national bias. Irrespective of the extent of their direct or indirect experience with a particular employer (or lack thereof) and their current country of residence, parent-country nationals from emerging markets experience a sense of belongingness to the parent country and its entities, which enhances their willingness to contribute to value creating activities (including business) in emerging market contexts. They also have greater (perceived) familiarity with the parent country (as well as similar markets), actors in the latter (including firms and individuals), and relevant modes of operation at country, firm, and individual levels, which together reduce the (perceived) risks of working for emerging market firms or in emerging market locations, and increase the individuals' self-efficacy regarding their ability to operate in the more risky and challenging contexts.

Parent-country nationals from emerging markets are also more aware of the emerging market firms and the (international employee mobility) opportunities they present due to their greater exposure or sensitivity to these firms' employer branding based on home country bias, and thus more likely to engage with emerging market firms. Firms, on the other hand, recognise these individuals' advantage of possessing knowledge of the parent country, its business practices, and language, familiarity with the overall culture in the home country, and shared cognitive schema with the parent firm and its employees based on similar socialisation. This enables parent-country nationals to integrate into the organisation faster, increase their potential for parent-country business culture dispersal even if the assignees are external recruits, and enhance the effectiveness and efficiency of employee collaboration with the parent firm, and managers and experts across the MNE who have a similar background. Also at the macro level, the analyses suggest that the legislative frameworks and labour market deficiencies significantly frame the firm-employee and inter-employee relationships during the international assignment process, as they limit the firms' options for expatriation, increase the employees' negotiating power relative to the firm, and necessitate consideration of the impact of each new firm-employee arrangement on extant and future firm-employee and inter-employee relationships.

At the mezzo level, the strategic and operative interdependence of entities in EMNEs (i.e. the organisational structure), in particular, requires their (international) managers to possess firm-specific knowledge, to be socialised into the firm (and thus develop similar cognitive schema further enhanced through a joint working language),[248] and to be embedded in the firms' internal networks for effective and efficient fulfilment of managerial tasks. This is especially emphasised in centralised EMNEs, where headquarters-specific knowledge and embeddedness are crucial for the managers' coordination and execution of inter-entity collaboration – i.e. collaboration with the parent firm and managers across the MNE network – as one of their key tasks (irrespective of their origin). The differences in entity maturity and size across the MNE (more than the intercultural

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[248] Knowledge of the host country language, on the other hand, is described as crucial for assignees' integration into and coordination of the local team and their assimilation into the local business environment: i.e. it has a relationship building or enhancing power relative to local stakeholders.

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differences), also require role and identity adjustments by assignees' and their colleagues, even if they do not transition to a dramatically different role. An organisational discourse stressing assignees' managerial identity and a continuous ethnocentric staffing approach thereby support such role transitioning and identity work through providing stable framing of the managerial posts in the firm (and the related inter-employee relations) as a basis of (relational) role perceptions and execution – among both the assignees and their colleagues in sending or host entities.

At the micro level, the firms' parent-country national bias and a preference for internal recruitment when staffing their top managerial positions (internationally) are similarly described as approaches to increasing managerial effectiveness and efficiency in inter-entity collaboration through capitalising on mutual familiarity, trust, and commitment, as well as shared cognitive schema. They are also recognised by individuals as coping strategies that support multiple role transitions and complex identity work, since familiarity with the firm or at least the business practices it favours limits the number of adjustments an individual needs to make simultaneously, whereas familiarity with the 'prototypical' other employees increases the individuals' sense of belongingness to the collective and encourages collaboration. The match with the firm's values and objectives is furthermore highlighted as supportive to an individual's (managerial) self-realisation and an important factor in team integration. For example, internal recruitment of managerial assignees from the headquarters is identified as enhancing these assignees' effective and efficient use of organisational support for assignment implementation, and thus their eased transitioning and adjustment to the new or redefined role based on firm-specific knowledge and embeddedness (i.e. pre-established inter-employee and firm-employee relationships). Recruitment of individuals with a strong managerial identity is also described as crucial for inter-managerial collaboration based on a sense of belonging to the same in-group.

The results of this study nonetheless demonstrate that emerging market firms engage in alternative international staffing approaches, target alternative (junior, non-managerial, and external parent-, home-, or third-country national) recruits for managerial assignments, and employ alternative international assignment formats (prolongations of assignments until retirement, assignments of individuals to multiple markets or entities consecutively or simultaneously, assignments with local contracts, commuter or flexpatriate assignments, and assignments outsourced to sole proprietors). These options are considered to be less effective and efficient compared to the ethnocentric staffing of key positions with internal senior managerial recruits from the headquarters, and thus only implemented when needed. This means that the firms' decisions to implement alternative approaches to international staffing of key positions across the MNE are not always strategic. They are rather situational, reactive, and context determined – mainly by emerging market firms' internal and external labour market deficiencies. My study demonstrates that each of the mentioned approaches necessitates different recruitment criteria and procedures, organisational support for individuals' role transitions and identity work (intrinsically as well as relative to internal and external stakeholders), and investments in firm-employee as well as inter-employee relations.

Role transitions and identity work are thereby identified as some of the greatest assignment-related challenges encountered by international assignees and employees in emerging market firms as well as the crucial assignment decision-making, implementation, and management mechanisms. This

is especially true for large EMNEs with a predominantly SME network, where the differences between mezzo-level contexts across the MNE (i.e. the differences between the SME foreign affiliates with limited business support functions and the large parent firm with well-developed support business functions and overall support) require redefinition of individuals' roles and identities with relocation – not due the macro-level differences, but rather due to the same roles being conceptualised differently in different entities within the same organisation. This means that individuals need to make role adjustments and engage in identity work, even if their relocation does not involve a disruptive role shift. The shifts from a specialist to a generalist, from a traditional to an operative manager, and from a manager to a colleague (especially within the same team, as this also necessitates significant relational role and identity redefinitions by assignees' colleagues) upon expatriation from the parent firm to SME host entities are stressed as the most challenging by assignees in the studied firms. Loss of autonomy and return to a changed environment after a long absence (also in terms of changed inter-employee relationships, or the changes repatriation introduces to them) are highlighted as particularly stressful parts of repatriation, on the other hand.

The two mechanisms (role transitioning and identity work) would be impossible to uncover with a single method research at the individual level of analysis. This is because role transitions and identity work are relational, situational, and contextual and differ for individuals based on their characteristics, such as past international assignment experience, tenure, managerial or expert background, internal or external recruit status, as well as personality, which determine the (perceived and experienced) extent of change, its importance for (or threat to) the person's identity or multiple identities, an individual's self-efficacy evaluations and mental strength, available or established coping mechanisms, and expected or desired organisational support. My study thereby reveals that identity work (and thus individuals' behaviours) can be influenced through discourses and narratives at macro (e.g. national or international institutional frameworks), mezzo (e.g. organisational culture-impacted communications), and micro levels (e.g. assignees' colleagues in sending and receiving entities, business partners, and assignees from other organisations). This suggests that, although it is a social process, it can be somewhat controlled. However, a 'softer' managerial approach is needed. The latter also corresponds to the EMNEs' limited resources. Some of the soft approaches to supporting role transitioning and identity work at the individual level (either recognised as relevant or implemented by the studied EMNEs) include (1) employer branding, (2) prioritisation of a managerial discourse over international and expatriate discourses, (3) promotion of assignees' dual identification with their sending and receiving entities, and (4) encouraging role hybridisation (especially during expatriation to SME entities, where assignees are required to perform expert and managerial tasks).

Employer branding is thereby aimed at addressing the lack of attractiveness of EMNEs for (quality) employees (a macro-level factor). It is at best focused on general employee development rather than international mobility, however (see also the pilot cases). This is despite the fact that raising awareness regarding international assignment opportunities and their potential benefits for both the firm and the individual are identified as crucial for employees' contemplation of expatriation as a possibility, and irrespective of an emphasis on international mobility as part of one's career advancement being recognised as key for employee commitment to international

assignments. The 'employer branding' approach to international assignment management is focused on employee (not necessarily assignee) recruitment rather than career or assignment management. It nonetheless has an indirect effect on assignment execution, though, as it draws a specific type of employees to the firm (e.g. learning-oriented, if a learning culture is stressed, or assignment-willing, if employee mobility is promoted as part of the career advancement in the firm).

The second soft approach to assignment management (i.e. framing international assignments into a prevalently managerial discourse) centres on assignment execution. Prioritising a managerial rather than an international or an expatriate discourse thereby acts as a firm's cost optimisation strategy. It lowers the employees' expectations for organisational support during expatriation and increases their engagement in independent problem solving. My study shows that it also reduces assignees' identification with (and thus commitment to) the host environment and limits inter-assignee collaboration, though. It can also act as an 'optimal distinctiveness-centred' and uncertainty reduction coping mechanism for an individual, as it provides role clarity (for assignees, their colleagues, and business partners alike), focuses an assignee on work-related tasks, and distracts them from 'adjustment overload' in light of the limited organisational support, as well as promotes both their assimilation and differentiation within the firm during their international mobility. The third and fourth approaches (i.e. facilitation of dual identification and promotion of role hybridisation) further encourage the assignees to engage in inter- and intra-entity collaboration through determining in- and out-group classifications and interactions, respectively.

Finally, my qualitative study reveals several intra- and cross-level interactions that trigger identity work (mainly by individuals, but also by organisations). At the individual level, these interactions (and at times clashes of interests) include (1) assignee-host colleague (at different hierarchical levels), (2) assignee-domestic colleague (at different hierarchical levels), (3) inter-assignee (within and outside the firm), (4) inter-managerial (within and outside the firm), (5) assignee-business partner, and (6) business partner-assignees' colleague (e.g. CEO of the parent firm for assignee identity confirmation). These interactions provide inputs for assignees' identity construction as well as identity claiming and role performance. At the country level, the main interaction occurs in the sending and receiving country dyad competing for taxes and avoiding inputs in an assignee through their differing institutional frameworks. At the level of the organisation, the strongest interaction effect seems to be the different conceptualisation of roles in the parent firm compared to its affiliates due to their different sizes, capacities, and functions.

Cross-level interactions include the interactions at the firm-employee level dyad, firm-country level dyad, employee-country level dyad, and country-firm-employee triad. Firm-employee level interactions have the strongest impact on one another, as both the firm and individual aim to realise their interests and goals relative to one another and within the firm-employee relationship. The firm is thereby mainly motivated by the desire to increase cost optimisation, effectiveness, and efficiency, whereas the individual is motivated by self-realisation and desires organisational investment in this. The firm-country dyad interactions, on the other hand, centre on the clash between the firm's wish for flexibility and profit maximisation and the country's desire for control, regulation, and taxation. This relationship is influenced by the individuals' interests (all three

levels form a triad), as the firm advocates the individuals' best interests in terms of their (social) rights in the host country to foster their expatriation willingness, whereas the host country is motivated by cost optimisation in this respect. Finally, the individual-country dyad is most emphasised through the country-level discourses determining an individual's broader socialisation and evolution of a specific cognitive schema. This is similar to organisation-level discourses shaping individuals' cognitive schema, yet in the case of the firm-employee dyad reciprocity is more emphasised.

In explaining my qualitative findings, I draw on and nuance the role (transition), social categorisation, social identity, and (to a limited extent) agency theories. I demonstrate that role transitions and identity work also occur in international staffing, whereby (consistent with extant research and theorising), I show that they are intrinsic and relational, situational, multilevel, and context-determined. I demonstrate that the clashes in interests within and across levels of analysis and the related multilevel narratives, in particular, trigger identity work by assignees, their colleagues, and business partners. Proximal levels (e.g. firm and employee) as well as interactions within a single level (i.e. between assignees, their colleagues, and business partners) have the strongest impact on international staffing perceptions, decision-making, experience, implementation, and management. The impact of lower levels on the higher levels is thereby grounded in managerial assignees' elite and power status, as well as immediate and tangible mutual dependence. The broad macro level context with institutional(ised) discourses, on the other hand, only acts as a framework that can be used at lower levels for legitimisation of their interests and a way of strengthening their soft approach to international assignment implementation and management.

I also show that identity work has tangible consequences in the form of inter-employee, inter-assignee, inter-entity, and firm-employee collaboration (or lack thereof). This is because firms and individuals promote identities (or combinations of identities) that best fit their objectives. These are thus multiplex and hybrid, and in this study I add to extant theory by demonstrating that hybridisation and multiplexity also occur (or are triggered by interactions) across levels. Finally, I show that role transitions and identity work are not solely influenced by relationships, but also influence relationships at single and multiple levels. They redefine the assignees' extant relationships with the firm and other employees, as well as determine the newly established firm-employee and inter-employee relationships. They also have indirect effects on the firms' relationships with other employees and inter-employee relationships. My findings also nuance the propositions regarding the dynamic nature of identity work. They highlight both the temporal and physical distance aspects of such work, showing that a lack of quality (i.e. intensive face-to-face) interactions also triggers role transitions and identity work – by individuals identifying and dis-identifying with a particular entity or developing dual and hybrid identities. The comparative differences in sending and receiving organisational environments, in particular, spark these identities, which can occur for several reasons, such as coping with the sense of foreignness, outsidership and task overload, facilitating inter-employee and inter-entity collaboration, and (new or adjusted) identity claiming. An individual's long-term absence from a specific entity (even if it occurs within the context of the MNE and with maintenance of regular long-distance communication) can trigger myopia because of the false sense of firm-employee familiarity, if

organisational change is introduced and as the individual evolves in their role and identity. Physical distance, on the other hand, reduces assignees colleagues' accountability to the assignee. This can have significant implications for international staffing.

Combined, the mixed methods results in my study reveal that there is an ongoing, reciprocal interaction between the organisational and individual discourses, structures, processes, and the wider macro context, that sparks multilevel role transitions and identity work as the main mechanisms determining individual- and firm-level decision-making regarding international assignments, as well as their perception, experience, implementation, and management. It is thus not only that individuals are organisationally socialised into their self-perceptions and identifications, that effect their assignment-related expectations and behaviours, but also that individuals impact the organisational international staffing discourses through their feedback on real-life assignment experience (this effect is further enhanced by the managerial assignees' elite and power status). Both levels are framed by country-level institutions. However, more work on country- and firm-level identity work relative to expatriation is needed. The multilevel mixed methods research design used in this work, and which corresponds to the complexity of the investigated phenomenon, necessitates theory triangulation. The combination of institutional theory and the theories of heterogeneous firms in my dissertation provides reasoning for inter-firm differences in international assignment implementation, as well as a macro-contextualised explanation of international assignment-related location decisions at the firm level. Role (transition), social categorisation, social identity, and agency theories, on the other hand, provide complementary insights into international assignment-related decision-making processes as determined by the interacting firm- and individual-level (as well as country-level) interests and narratives, that the firms and individuals (can) both use or draw from to enhance their long-term international assignment-related goal alignment (viewed as a social process), and strengthen a favourable firm-employee relationship throughout the international assignment process.

I also draw a number of practical implications from the mixed methods findings. These include a recognised need for:

- Organisational and analytical differentiation between international assignment (management) practices based on the assignment host location by type (i.e. emerging versus developed market) and quality of institutions (independently or relative to the sending market);
- Organisational mapping of prospective assignment candidates and their colleagues by competencies, skills, and personalities and personality traits that match a specific host country and host entity environment or a collective, and managing these accordingly;
- Factoring in the assignment roles in assignment management and capitalisation on five newly identified assignee roles: the network-breaking, change-introduction, advocacy of external proposals by third parties in the headquarters for local opportunity-taking, country of origin branding and firm differentiation through parent-country national managers, and commercial diplomacy-related roles (the latter role can also be capitalised on by policymakers);
- Investing in assignees' and their colleagues' (as well as the corresponding organisational) identity work through soft narrative- and discourse-grounded assignment management approaches that promote the individuals' self-efficacy, motivation, and commitment to an

assignment and the MNE, as well as favourable and productive inter-employee and firm-employee relationships;

– Adjusting support for identity work based on both the firms' immediate and medium-term as well as long-term objectives (e.g. triggering dual identification when inter-entity collaboration during expatriation is crucial or when repatriation is expected, fostering identification with the foreign entity when commitment to the assignment project is essential, and promoting a managerial identity when independent problem solving and assignment management cost optimisation are central – in the latter case, it is crucial that the organisation makes sure an individual is ready for the role, since the costs of a failed assignment can exceed the costs of support for its implementation);

– Investing in anticipatory adjustments (also in terms of the relational identity work necessitated by international assignments) through transparent communication regarding the assignment challenges and objectives, as well as systematic career development or transfer of business in order to equip an individual with the holistic skills and information needed for managing SME entities;

– Combining different international staffing approaches and employer branding inclusive of international assignments to generate a sufficient pool of assignment-willing and ready employees and establish a responsive and flexible international staffing system.

Although comprehensive, my research is not without limitations. I thus identify several avenues for future research, including research into the institutional determinants of expatriation and multilevel identity work related to international assignments in additional types of markets and organisations (also considering the diverse subsidiary roles and including the non-assigning firms in the study design, and thus to uncover any potential supplements and complements to international assignments). Another potential venue would be expansion of my research design to additional assignment formats (e.g. in terms of assignment duration, number of assignees engaged in a mobility, and direction of an assignment – not only within the same MNE, but also across organisations). Research into additional stakeholders is likely to be particularly insightful as well. I thus encourage more in-depth research into the roles of assignees' colleagues and external voices, such as those of the media, legislation, policymakers, and business partners, in assignees' (and related organisational) identity work, as well as the reverse effects of an assignment on these stakeholders as well as team dynamics and business performance. I also encourage more longitudinal research designs to better capture the dynamics of identity work and role transitions during expatriation and repatriation.

Overall, my study adds to theory development in international assignment research, introduces an innovative research design, and provides relevant practical implications.

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APPENDICES

Appendix A: Daljši povzetek disertacije v slovenskem jeziku (An extensive summary of the basic findings in Slovene)

Opredelitev in oris trendov mednarodnih napotitev

V doktorski disertaciji se osredotočim na napotitve na delo v tujini oziroma mednarodne napotitve v kontekstu manj razvitih držav in podjetij, ki delujejo na njihovih trgih ali izvirajo iz njih. Mednarodne napotitve opredelim kot različne oblike ureditev mobilnosti zaposlenih, v okviru katerih so posamezniki ali skupine zaposlenih poslani na delo v državo, ki ni njihova matična država, za omejeno časovno obdobje in z določenim namenom (CIPD Reward Management, 2007; Dickmann et al., 2018; Reiche & Harzing, 2014). V preteklih desetletjih sta se obseg in raznolikost tovrstne mobilnosti zaposlenih izjemno povečala (Cartus, 2014; Doz, 2011; PwC, 2012). Samo s tradicionalnimi oblikami napotitev ima izkušnje 1 % delovno aktivnega prebivalstva sveta. Če tem napotitvam prištejemo tudi novejše (alternativne) oblike napotovanja, pa napotenci predstavljajo med 7 in 8 % delovno aktivnega prebivalstva na svetu (PwC, 2012). Na ravni podjetij delež posameznikov z napotitvenimi izkušnjami dosega med 0,5 in 2,5 % celotnega osebja v organizaciji (PwC, 2006), s krepitvijo mednarodnih aktivnosti podjetij pa se lahko še poveča (Gallon et al., 2014; Gregersen & Black, 1992).

Pri tem so lahko za doseganje specifičnih organizacijskih ali posameznikovih ciljev primernejše različne oblike napotitev. Kratkoročne napotitve pogosto najbolj ustrezajo (*ad hoc*) reševanju tehničnih in inženirskih težav ter odpravljanju napak v podjetjih, prenosu specializiranega znanja posameznih poslovnih funkcij ali začasnemu 'uvozu' zaposlenih glede na potrebe podjetja (Cartus, 2016; Melone, 2005; Meyskens et al., 2009; Salleh & Koh, 2013; Tahvanainen et al., 2005). Dolgoročne napotitve pa so ustreznejše za nadzor, koordinacijo, trajnejše zapolnjevanje delovnih mest, razvoj organizacij in zaposlenih (Edström & Galbraith, 1977) ali prenos kompleksnega tacitnega znanja (Hocking et al., 2004). Ker se ti kategoriji napotitev razlikujeta v namenu in tako tudi zahtevanih veščinah za njuno uspešno izvedbo, ju običajno izvajajo različne kategorije zaposlenih. Če so bili v preteklosti napotenci predvsem člani višjega managementa, ki so v tujini delovali daljša obdobja, in sicer kot direktorji podjetij, vodje marketinga ali vodje računovodskih oddelkov (Boyacigiller, 1990), se je s povečanjem obsega in raznolikosti napotitev to spremenilo. Sodobni mednarodni napotenci tako prihajajo z različnih ravni, predstavljajo različne stroke in opravljajo različne vloge v podjetju (Beaverstock, 2004; Grainger & Nankervis, 2001; PwC, 2012). Širši in bolj raznolik nabor zaposlenih, vključenih v mednarodne mobilnosti, nakazuje potrebo po prilagoditvi managementa napotitev njihovi posamezni kategoriji.

Ne glede na vrsto in obliko napotitev imajo tovrstne mednarodne mobilnosti posebno vrednost za podjetja predvsem zaradi njihove povezovalne vloge (Reiche et al., 2009). Ta je v kontekstu globalizacije ter spremenjenih odnosov med podjetji in zaposlenimi ključna za (mednarodno) poslovanje in sodelovanje podjetij. Z globalizacijo je svetovno gospodarstvo namreč postalo bolj integrirano (Baskaran et al., 2011; Fan et al., 2014), poslovanje bolj razpršeno (Adler, 1986; Hall, 1986; Gregersen & Black, 1992; Kindleberger & Audretsch, 1983; Kobrin, 1987), odnos med podjetji in zaposlenimi pa je zaradi številnih priložnosti prešel z odnosnih pogodb, temelječih na

lojalnosti in dolgoročnem sodelovanju, na transakcijske pogodbe, ki temeljijo na projektnem sodelovanju (Hall, 1976; Hall and Associates, 1996; Herriot & Pemberton, 1995; Knoke, 2001).

Z večjo propustnostjo meja med državami in podjetji je narastla mobilnost zaposlenih znotraj in izven posameznih držav ter znotraj in izven posameznih podjetij. Posamezniki lahko namreč svoje karierne cilje uresničujejo pri različnih delodajalcih ter bodisi v domačem bodisi v mednarodnem okolju. Tovrstna mobilnost povečuje pogajalsko moč zaposlenih v odnosu s podjetjem, hkrati pa sproža aktivnosti podjetij za ohranjanje zaposlenih. Mednarodne napotitve lahko pri tem predstavljajo orodje, s katerim organizacija zagotovi zadostne izzive za svoje zaposlene, jim omogoča karierni razvoj znotraj meja podjetja ter propustnost meja podjetja in držav izkoristi za uresničitev tako posameznikovih kot tudi organizacijskih ciljev. Medtem ko z mobilnostjo posamezniki postanejo za podjetje manj dosegljivi (njihova nepretrgana povezanost s podjetjem je zaradi sporadične odsotnosti bodisi v enoti pošiljateljici bodisi v enoti sprejemnici napotenca motena), njihovi periodični premiki na raznolike in pogosto številne lokacije znotraj lastne mreže podjetju omogočajo ohranjanje vsaj delnega nadzora nad vse bolj samostojnimi in od podjetja odtujenimi posamezniki ter njihovimi posamičnimi ali skupinskimi prispevki k rezultatom podjetja. Napotitve na delo v tujino tako predstavljajo instrument za utrjevanje povezanosti podjetja ne le z eksternimi pač pa tudi internimi deležniki (tj. zaposlenimi).

Kljub prepoznani vrednosti in pomenu mednarodnih napotitev za strateško rast med podjetji (Cartus, 2014) ter njihovi razširjeni in obširni uporabi podjetja beležijo velik delež spodletelih mednarodnih napotitev. Raziskave kažejo, da se med 40 in 70 % napotitev zaključi s predčasnim povratkom zaposlenih na prvotno delovno mesto, pri čemer se večji delež spodletelih napotitev nanaša na povratnike iz manj stabilnih okolij, med katere sodijo tudi manj razvite države (Andreason, 2003; Yeaton & Hall, 2008). Poleg tega med 16 in 61 % povratnikov organizacijo zapusti v 2–4 letih po zaključku napotitve (Brookfield Global Relocation Services, 2010; Reiche et al., 2011). Stopnje predčasnih povratkov in fluktuacije zaposlenih pa niso edino merilo neuspeha napotitev. Dodatni vidiki slednjega vključujejo manjšo delovno uspešnost posameznika, težave pri (re)integraciji v podjetje in spodletel povratek (Jassawalla, & Sashittal, 2011; Thoo & Kaliannan, 2013).

Visoke stopnje neuspeha ponazarjajo, da niso vsa podjetja sposobna izvajati mednarodnih napotitev (niti jih ne potrebujejo). Te za podjetja namreč predstavljajo ogromne stroške. Prvo leto napotitve njeni stroški po nekaterih ocenah znašajo najmanj trikratnik osnovne plače zaposlenega na enakovrednem delovnem mestu v domači enoti (Wiederspahn, 1992). Poleg tega stroški napotitve vključujejo tudi nemonetarne stroške prilagajanja podjetja in posameznika novi obliki delovanja in novemu okolju (glej npr. Black et al., 1991). Navkljub številnim izzivom napotovanja in razlikam v napotitvenem (ne)uspehu med podjetji je o napotujočih podjetjih malo znanega. Prav tako so relativno neraziskani dejavniki njihovih odločitev za napotovanje (tj. verjetnosti napotitev nasploh in verjetnosti napotitev na določeno lokacijo), procesi odločanja o napotitvah (tudi glede na procese odločanja na ravni posameznikov v luči spremenjenega odnosa med podjetjem in posameznikom), in razlike v praksah, povezanih z managementom napotitev glede na vrsto podjetja ali obliko napotitve.

Vrzeli v raziskovanju mednarodnih napotitev, raziskovalni problem in fokus disertacije

Vzorci napotovanja in odločanja o napotitvah so še posebej neraziskani v kontekstu manj razvitih držav in podjetij, ki izvirajo v njih – čeprav se število napotitev s teh lokacij in nanje povečuje[249] ter kljub temu, da so nekateri avtorji že nakazali, da sta lahko izvedba in management napotitev za manj razvite države in njihova podjetja drugačni kot za razvite države in njihova podjetja (Briscoe, 2014; Caligiuri & Bonache, 2016; Dabic et al., 2015). Razlike v mednarodnem kadrovanju med obema skupinama napotovalcev lahko pripišemo omejenim mednarodnim izkušnjam in izkušnjam z mednarodnim poslovanjem med podjetji iz manj razvitih držav (in njihovimi zaposlenimi) (glej npr. Petersen et al., 2008), omejenim virom, specifičnim potrebam po znanju in manjši privlačnosti delodajalcev iz manj razvitih držav za zaposlene (glej npr. Alkire, 2014; Jaklič, 2007). Te razlike se lahko odražajo v (1) drugačnem obsegu, smereh, lokacijah, namenih in formatih mednarodnih napotitev v manj razvitih državah ter (2) specifičnih pristopih k managementu mednarodnih napotitev v teh kontekstih (npr. v večjem poudarku na znamčenju delodajalcev ali izgradnji pozitivnega diskurza, povezanega z mednarodnim kadrovanjem, za konkurenčnost podjetij iz manj razvitih držav pri pridobivanju kakovostnih (mednarodnih) kadrov) (glej npr. Williamson, 2015). V svoji raziskavi se tako osredotočim na napotovanje v kontekstu manj razvitih držav in njihovih podjetij kot kontekstu z velikim potencialom za razvoj in nadgradnjo teorij s področja (managementa) mednarodne mobilnosti zaposlenih.

Zaradi pomanjkanja raziskav in teorij o napotitvah v kontekstu manj razvitih držav in njihovih podjetij temo svoje raziskave in raziskovalni pristop uvodoma opredelim relativno široko. Kvantitativne analize so tako opravljene na podatkih za celotno populacijo podjetij v Sloveniji, ki izvajajo katero koli obliko napotitev na delo v tujino, in vključujejo identifikacijo večnivojskih dejavnikov odločitev podjetij za napotovanje (nasploh ali na določen tip trga). Prav tako pilotne intervjuje izvedem v čim bolj raznolikih podjetjih iz Slovenije, pri čemer proučujem tudi morebitne dodatne oblike mednarodne mobilnosti, ki niso zajete v uradnih statistikah, razlike v napotovanju glede na stopnjo razvoja in internacionalizacije podjetja, (vpliv na) percepcije, uokvirjenje in realizacijo različnih oblik mobilnosti, ter teme in izzive, povezane z napotovanjem v proučevanem kontekstu. Na podlagi preliminarnih ugotovitev kvantitativnega in kvalitativnega dela raziskave tudi opredelim kriterije za izbor primerov, proučevanih v okviru osrednje (prav tako večnivojske) primerjalne študije primerov in fokus le-te.

Pri proučevanju konteksta na ravni držav se osredotočim na napotitve iz manj razvitih držav, ki jih na različne lokacije izvajajo bodisi podjetja s sedežem v teh državah bodisi podružnice tujih podjetij, prisotne v teh državah. Tako naslovim tudi pomanjkanje raziskav o vplivu napotitev na podjetje, ki napotene osebe pošilja na delo v tujino (glej tudi Reiche et al., 2009). Večina obstoječih študij namreč proučuje vpliv napotitev predvsem z vidika podjetij, ki napoteno osebo sprejmejo (npr. Au & Fukuda, 2002; Bonache & Brewster, 2001; Riusala & Suutari, 2004). Tudi na podlagi pomena interakcij med enotami podjetja namreč predpostavljam, da je pristop, ki povezuje obe

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[249] Večina raziskav napotitev v kontekstu manj razvitih držav se ob tem osredotoča na napotitve iz razvitih držav in ne na napotitve iz manj razvitih držav (glej npr. Harvey et al., 1999, 2001; Horwitz & Budhwar, 2015; Stanley & Davidson, 2011; Tan & Mahoney, 2004).

perspektivi napotitev v kontekstu podjetij iz manj razvitih držav (tj. pristop, ki upošteva tako pošiljajoče okolje kot tudi okolje, ki napoteno osebo sprejme – posamično in primerjalno, pa tudi z vidika smeri institucionalne razdalje med njima) še posebej informativen za razvoj teorij.

Ker obstoječa literatura s področij napotitev in mednarodnega poslovanja ne zagotovi kontekstualizirane razlage odločitev podjetij za napotitev in lokacijskih vzorcev napotitev (Buckley et al., 2007; Cantwell, 2009), se v svoji disertaciji na ravni držav osredotočim na vpliv institucionalnega konteksta v državah pošiljateljicah in sprejemnicah napotencev na napotitvene odločitve podjetij (glej tudi Moreira & Ogasavara, 2018). Ko podjetja delujejo mednarodno, se morajo namreč tako sama kot tudi njihovi mednarodno mobilni zaposleni prilagoditi številnim in raznolikim ekonomskim, političnim, družbenim in kulturnim kontekstom (Bartlett & Ghoshal, 1989; Zaheer, 1995). Razumevanje vpliva institucionalnih razlik na mednarodno mobilnost zaposlenih je ključno, saj so razlike med državami in njihovimi trgi identificirane kot ena izmed ključnih ovir internacionalizacije podjetij (Hilmersson & Jansson, 2012). Tovrstne razlike med podjetji in posamezniki brez izkušenj v določenem okolju ustvarjajo negotovosti glede primernih in ustreznih poslovnih praks v njem (Moreira & Ogasavara, 2018). Poleg tega pa omejujejo tudi prenosljivost znanj med enotami v različnih državah (Bhagat et al., 2002; Li & Hsieh, 2009).

Ko posamezniki in podjetja (ločeno ali skupaj) sprejemajo odločitve o napotitvah, nanje (posamično in kombinirano) vplivajo številni dejavniki na različnih ravneh: tj. na makro (državni), mezo (organizacijski) in mikro ravni (ravni posameznika) (glej npr. Stanley & Davidson, 2011). Pregled literature o mednarodni mobilnosti zaposlenih razkrije, da se večina raziskav osredotoča na posamezno raven analize in zanemari njihovo soodvisnost. Najpogosteje sta v ospredju raziskovanja napotitev bodisi posameznik (glej npr. Firth et al., 2014) bodisi podjetje (glej npr. Lazarova & Taylor, 2009). Kadar raziskovalci proučujejo odnose, pa se večinoma prav tako osredotočijo na odnose znotraj iste ravni analize ter spregledajo večnivojske odnose in interakcije med dejavniki: tako npr. proučujejo odnose med managerji in ostalimi zaposlenimi na ravni posameznika ali odnose med sedežem podjetja in podružnicami na ravni organizacije, ne vzpostavijo pa povezave med obema ravnema (glej npr. Bonache & Noethen, 2014; Dabic et al., 2015; Szkudlarek et al., 2019). V svoji raziskavi tako naslovim makro, mezo in mikro ravni analize ter povezave med njimi. Makro raven proučujem predvsem s pomočjo kvantitativnih analiz in namiznega raziskovanja, medtem ko sta preostali ravni v ospredju kvalitativnih analiz. Pri proučevanju odločanja uporabim tudi procesni pristop k raziskovanju napotitev, saj napotitve in z njimi povezano odločanje proučujem na različnih stopnjah napotitvenega procesa (tj. na stopnjah priprave na napotitev, njene izvedbe, in povratka) (Oh et al., 2006; Zellmer-Bruhn & Gibson, 2006). Prav tako posebno pozornost namenim spremembam v odnosu med posameznikom in podjetjem ter spremembam vlog in razvoju identitet v procesu mednarodnega napotovanja.

Na ravni podjetij se osredotočim tudi na organizacijske diskurze o mednarodnem kadrovanju in napotovanju ali diskurze, povezane z njima (glej tudi Belderbos & Heijltjes, 2005; Collings et al., 2009; Gomez & Scanchez, 2005; Scullion & Brewster, 2001; Zellmer-Bruhn & Gibson, 2006). Raziskave namreč kažejo, da lahko imajo diskurzivne prakse mehko moč nadzora nad zaposlenimi – npr. prek oblikovanja njihovih identitet, skladnega s potrebami in cilji podjetij (npr. Bruner, 1990; Clarke, Brown, & Hailey, 2009; Czarniawska-Joerges, 1994; Giddens, 1991; Linde, 1993,

2001; Polkinghorne, 1988; Riessman, 1993). Ker so lahko mehki pristopi k managementu mednarodnih napotitev kot npr. znamčenje delodajalca posebej informativni za proučevanje odnosa med podjetjem in posameznikom v kontekstu spremenjene zaposlitvene pogodbe (naslavljajo namreč odločanje zaposlenih na osnovi vrednot) ter odkrivanje neotipljivih mehanizmov napotovanja, proučujem tudi njihovo uporabo na ravni podjetij ter (potencialno vzajemen) vpliv na diskurze, povezane z mednarodnim kadrovanjem in napotitvami, na ravni posameznikov. Kvalitativne metode so najustreznejše za ta namen (glej npr. Kohonen, 2008).

Ko proučujem odločitve podjetij za napotitev, se najprej osredotočim na večnivojske determinante binarne odločitve podjetja za uporabo ali neuporabo napotitve (oziroma za njeno uporabo ali neuporabo na določeni lokaciji). Te odločitve na ravni podjetij naslovim predvsem s kvantitativnimi metodami. V naslednji fazi proučujem odločevalske procese, ki privedejo do odločitve podjetja in posameznika za napotitev (raven posameznika v analizo vključim zaradi vzajemnega vpliva odločevalskih procesov na različnih ravneh drug na drugega ter na izvedbo in management napotitve). To pomeni, da se osredotočim na kognitivne procese, ki privedejo do končne odločitve posameznika in podjetja za napotitev. Pri tem pa se ne omejim zgolj na odločitev za napotitev na obeh ravneh, pač pa proučujem tudi odločevalske procese, povezane z načinom managementa mednarodne napotitve na ravni podjetja in posameznika v različnih fazah napotitve (ločeno za posamezno raven analize in skupaj). Za ta namen proučujem z napotitvami in njihovim managementom povezane narative in diskurze na ravni podjetja in posameznika, pri čemer uporabim kombinacijo kvalitativnih metod.

Cilji in raziskovalna vprašanja

Splošen cilj disertacije je pojasniti odločevalske procese in odločitve podjetij ter njihovih zaposlenih, povezane z napotitvami na delo v tujino in njihovim managementom, na različnih ravneh znotraj podjetja, in sicer v kontekstu internacionalizacije ter države pošiljateljice napotencev, ki je manj razvita država, in podjetij, ki delujejo ali izvirajo v njej. **Specifična cilja** raziskave sta: (1) identificirati vrste podjetij, ki pri svojem poslovanju bolj verjetno uporabljajo napotitve na delo v tujino, in večnivojske dejavnike njihovih odločitev, povezanih z napotitvijo (vključno z odločitvami o pogostosti in lokaciji napotitev), ter (2) identificirati mehanizme, ki določajo procese odločanja o napotitvah ter njihovo izvedbo in management na ravni podjetja in posameznika.

V nalogi naslovim naslednja **raziskovalna vprašanja (RV)**:

– **RV1**: Kakšen je vpliv (1a) lastnosti podjetja in (1b) institucij v državi pošiljateljici in državi sprejemnici napotene osebe na odločitev podjetja za napotitev zaposlenih iz manj razvitih držav?
– **RV2**: Kakšen je vpliv (2a) lastnosti podjetja in (2b) institucij v državi pošiljateljici in državi sprejemnici napotene osebe na odločitev podjetja za napotitev zaposlenih iz manj razvitih držav v druge manj razvite države (SVE države) ali v razvite države (države izven SVE v Evropi)?

– **RV3**: Kateri mehanizmi vplivajo na procese odločanja o mednarodnih napotitvah, njihovo izvedbo in management na ravni podjetja in posameznika?

Metodologija

V disertaciji zaradi zagotavljanja bolj celostnega vpogleda v kompleksen pojav in z njim povezane procese v specifičnem kontekstu manj razvitih držav in njihovih podjetij uporabim za področje izviren pristop mešanih metod. Ta skozi niz študij povezuje kvantitativne in kvalitativne metode ter deduktivni, induktivni in abduktivni pristop k raziskovanju (glej Creswell, 2003; Creswell & Plano Clark, 2007). Kvantitativni del študije je osredotočen na raziskovalno vprašanje o morebitnih razlikah med podjetji v manj razvitih državah pri odločanju za napotitve na delo v tujino. V tem delu raziskave proučujem vzorce napotitev na delo v tujino (tj. njihovo verjetnost, pogostost in lokacijo), za kar uporabim podatke o podjetjih iz štirih podatkovnih baz: (1) baze o mednarodnih napotitvah Zavoda za zdravstveno zavarovanje Slovenije (Health Insurance Institute of Slovenia, 2015–2016),[250] (2) baze podatkov o populaciji podjetij v Sloveniji, ki jo na letni ravni zbira Agencija Republike Slovenije za javnopravne evidence in storitve (vključno s podatki o podjetjih s tujim kapitalom v Sloveniji) (AJPES, 1994–2016), (3) baze podatkov o mednarodni menjavi blaga in storitev, ki jo ureja Statistični urad Republike Slovenije (SURS, 1994–2016); (4) in baze podatkov Banke Slovenije (Bank of Slovenia, 2008–2016) o tujih neposrednih investicijah.

Izbor Slovenije kot pilotne države analize pri tem temelji na njenem statusu manj razvite države[251] in predhodnih raziskavah, ki kažejo, da so podjetja iz majhnih, odprtih gospodarstev bolj nagnjena k internacionalizaciji svojih dejavnosti kot podjetja iz večjih gospodarstev (Bellak & Cantwell, 1998; Svetličič et al., 2000) in so tako verjetno tudi bolj nagnjena k mreženju in napotovanju. Običajno se namreč soočajo z večjimi vrzelmi v znanju o tujih trgih v primerjavi z mednarodnimi podjetji iz večjih gospodarstev (Petersen et al., 2008). Te vrzeli lahko zmanjšajo s pomočjo mreženja – tudi prek mednarodnih napotencev. To nakazuje, da bi lahko bile pri mednarodnem poslovanju mednarodne napotitve še posebej pomembne prav za podjetja iz manjših gospodarstev. Čeprav to v ugotovitve vnaša določeno pristranost, je slednja omejena z analizo celotne populacije podjetij v Sloveniji: tj. tudi podjetij v tuji lasti. Podatki o državah, kot so npr. podatki o kakovosti

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[250] Ta podatkovna baza obsega podatke o številu napotitev in napotencev ter destinacijah napotitev po podjetjih za leto 2016 in podatke o številu napotitev po podjetjih za leto 2015. Omejena je na izhodne napotitve iz Slovenije v druge države članice Evropske unije (EU), Lihtenštajn, Švico, Islandijo in na Norveško. Kljub omejitvi na določeno regijo držav gostiteljic pa tovrstna kontekstualna zamejitev predstavlja tudi prednost, saj zagotavlja bolj homogeno okolje z vidika regulatornih režimov, povezanih z mobilnostjo faktorjev proizvodnje v mednarodnem poslovanju, in je posledično primernejša za raziskovanje odločitev podjetij o napotitvah. Baza namreč že sama po sebi kontrolira za dejavnike regulatornega okvira, povezanega z migracijami zaposlenih.

[251] Slovenijo opredelim kot manj razvito državo na osnovi nizke kakovosti institucij v državi, njene politične nestabilnosti ter regionalne pripadnosti Srednji in Vzhodni Evropi (SVE) in z njo povezanega imidža manj razvite države (see also GlobalEconomy.com; Jaklič et al., 2015–2018). Tj. klasifikacija ne temelji na ekonomskih indikatorjih ravni razvoja posamezne države, kar je skladno s fokusom makro ravni študije na institucionalnem kontekstu.

ekonomskih, političnih in pravosodnih institucij (World Bank Group's Worldwide Governance Indicators dataset, 1996–2018), velikosti in razvitosti trga ter geografska razdalja med državo sprejemnico in državo pošiljateljico napotenega zaposlenega, so uporabljeni za opredelitev dodatnih dejavnikov odločitev podjetij o napotitvah (še posebej odločitev glede lokacij in razpršenosti napotitev).

Kot osnova za prvo natančno mapiranje podjetij, ki uporabljajo napotitve na delo v tujino, so v disertaciji predstavljene zbirne statistike. Te primerjajo napotovalce s podjetji, ki so vključena v druge oblike mednarodnega delovanja, ter s povprečnim podjetjem v Sloveniji. Verjetnost za napotitev in verjetnost napotitve na določeno lokacijo proučujem s pomočjo različnih modelov binarne izbire, medtem ko determinante števila napotitev v posameznem podjetju v enem letu razkrijem s pomočjo modelov za števne spremenljivke. V analize v izogib napakam zaradi izpuščenih spremenljivk vključim tudi širok nabor kontrolnih spremenljivk na različnih ravneh. Zaradi omejenih podatkov o napotitvah, zajetih v uradnih statistikah (te npr. ne razlikujejo med različnimi tipi napotitev in ne vključujejo podatkov o vhodnih napotitvah ali napotenih posameznikih), kvantitativni del raziskave ne omogoča vpogleda v odnos med podjetjem in posameznikom ter interakcije med dejavniki napotovanja na mikro in mezo ravneh. Prav tako ne omogoča poglobljenega razumevanja procesov odločanja glede napotitev, pač pa poda vpogled v večnivojske determinante končnega rezultata teh procesov – tj. odločitve za napotitev (nasploh ali na določeno lokacijo). Združena podatkovna baza tudi ne dovoljuje vpogleda v mehanizme odločanja, izvedbo in management napotitev (npr. razvoj identitete napotenca) na ravni posameznika in podjetja (ločeno ali skupaj).

Tako v drugem (kvalitativnem) delu študije naslovim vprašanje mehanizmov odločanja ter izvedbe in managementa napotitev na ravni posameznika in podjetja skozi proces napotovanja. Pri tem vpeljem dvofazni pristop h kvalitativnemu delu študije, ki vključuje: (1) pilotno (eksploratorno) raziskavo med samostojnimi podjetniki in predstavniki dveh startup podjetij, startup pospeševalnika, srednje velikega visokotehnološkega podjetja in dveh zrelih velikih multinacionalk iz manj razvite države ter velike podružnice podjetja iz razvite države o njihovih vzorcih napotovanja in večnivojskih procesih odločanja o njem in (2) (eksplanatorno) večnivojsko primerjalno študijo primerov v dveh zrelih velikih multinacionalkah iz manj razvite države. Za grafični prikaz izvirnega metodološkega pristopa k proučevanemu pojavu glej Sliko 1a.

Slika 1a. Pristop mešanih metod, uporabljen v disertaciji

| KVANTITATIVNE METODE (podatki o populaciji) | KVALITATIVNE METODE (večnivojski ugnezdeni vzorci) |
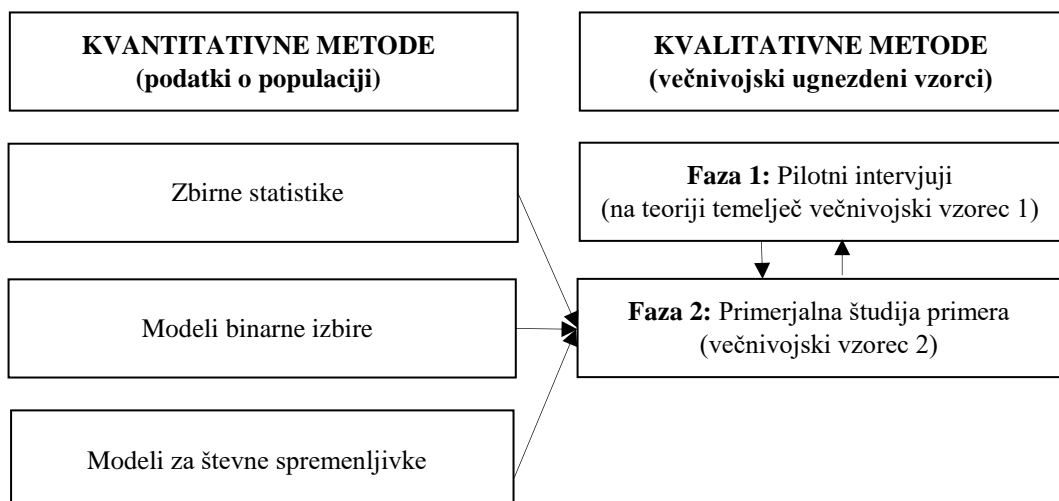
Legenda. → Ugotovitve informirajo nadaljnje vzorčenje

Vir: *Lasten prikaz.*

Tako kot izbor vzorčne države za kvantitativne analize je tudi vzorčenje v kvalitativnem delu študije (tj. vzorčenje posameznih podjetij in zaposlenih) namensko (glej Poulis et al., 2013). Vzorec za pilotne intervjuje temelji na obstoječih teorijah s področij mednarodnega poslovanja in kadrovskega managementa, medtem ko je izbor primerov za primerjalno študijo primera utemeljen v teoriji ter preliminarnih ugotovitvah kvantitativne in kvalitativne študije. Primerjalna študija primera predstavlja osrednji del kvalitativne študije. Vzorec na vsaki ravni je pri tem ugnezden v višjih ravneh.

Za večjo veljavnost in zanesljivost ugotovitev v študiji povezujem različne vire in metode zbiranja podatkov (glej npr. Iacono et al., 2011; Sousa & Voss, 2001). Osrednji del primerjalne študije primerov so polstrukturirani poglobljeni intervjuji s številnimi informatorji v vsakem izmed podjetij. Skupno je opravljenih 14 intervjujev s 15 predstavniki poslovnih funkcij, vključenih v management napotitve (npr. s predstavniki splošnega vodstva in oddelka za management človeških virov), in z zaposlenimi, napotenimi na delo v tujino (ti so izbrani po načelu čim večje raznolikosti glede na izkušnje z napotitvami – upoštevajoč smer, trajanje in lokacijo napotitve, pa tudi število, trajanje in lokacije preteklih napotitev posameznika).[252] Vključitev informatorjev z različnih ravni analize temelji na predpostavki o njihovih različnih percepcijah, izkušnjah in pričakovanjih, povezanih z mednarodnim kadrovanjem in napotitvami. Pri tem sledim vodilu, da lahko primerjave različnih pogledov znotraj ravni analize ali med različnimi ravnmi analize (vključno z nekonsistentnostmi med njimi) razkrijejo mehanizme proučevanega pojava (glej tudi Welch et al., 2009). Intervjuji so izvedeni skladno s pristopom kritičnih dogodkov (glej Flanagan, 1954). Ti so v raziskavo zajeti prek dodatnih analiz kariernega razvoja posameznikov (s pomočjo njihovih LinkedIn profilov in na osnovi podatkov iz intervjujev) ter pregleda razvoja in sprememb v

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[252] Število zaposlenih, vključenih v študijo, je določeno s podatkovno saturacijo (glej Eisenhardt, 1989).

diskurzih vzorčnih podjetij med letoma 2012 in 2017 (s pomočjo analize letnih poročil). Kvalitativne analize na obeh ravneh (tj. na ravni podjetja in posameznika) pri tem vključujejo kvalitativno vsebinsko analizo in kritično analizo diskurza za poglobljen, a hkrati sistematičen in zgoščen pristop k proučevanju napotitev.

Moj pristop k raziskovalnim vprašanjem je oblikovan tako, da omogoča večnivojski vpogled v izvajanje in management napotitev v podjetjih na trgih manj razvitih držav ter mehanizme, ki določajo odločevalske procese o napotitvah na ravni podjetij in posameznikov. S pomočjo pristopa mešanih metod namreč proučujem dejavnike napotovanja na makro, mezo in mikro ravneh ter interakcije med njimi (sploh med mezo in mikro ravnjo). V kvantitativnem delu raziskave se osredotočim na odločitev podjetij za napotovanje iz manj razvitih držav nasploh in na specifične lokacije. Procese odločanja glede napotovanja in mehanizme napotovanja proučujem v kvalitativnem delu študije. Pri tem primere na treh ravneh analize izberem na podlagi njihovega potenciala za prispevek k teoriji. Posledično proučujem kontekst države pošiljateljice, ki je manj razvita država, podjetja iz manj razvitih držav in dolgoročne mednarodne napotitve managerjev iz teh podjetij, kot napotitve, v katere podjetja iz manj razvitih držav kljub svojim omejenim virom najverjetneje vlagajo sredstva in ki zagotovijo intenzivnost izkušnje tudi na ravni posameznika.

Ključne ugotovitve

Na podlagi empiričnih analiz podatkov o populaciji podjetij v Sloveniji in skladno s teorijami mednarodne menjave heterogenih podjetij v disertaciji pokažem, da so le najbolj produktivna podjetja, ki delujejo v manj razvitih državah, sposobna premagati visoke stroške napotovanja zaposlenih na delo v tujino – sploh, če so napotitve usmerjene v druge manj razvite države. Rezultati kvantitativnih analiz pri tem ponazorijo vpliv kakovosti institucij, geografske bližine ter institucionalne razdalje med državo pošiljateljico in državo sprejemnico napotenih oseb ter njene smeri na tokove izhodnih napotitev iz manj razvitih držav. Ugotovitve potrjujejo tradicionalni gravitacijski model, saj velikost in raven razvitosti trga povečata verjetnost napotovanja zaposlenih v določeno državo sprejemnico, medtem ko jo geografska razdalja med državo pošiljateljico in državo sprejemnico napotenih oseb zmanjša.

V nasprotju z obstoječimi teorijami pa podjetja iz okolij z nizko kakovostjo institucij bolj verjetno svoje zaposlene napotujejo v razvite države z visoko kakovostnimi institucijami – kljub izdatnim institucionalnim razlikam med temi trgi. Različne institucije imajo pri tem različne učinke na verjetnost napotovanja zaposlenih v podjetjih na določene trge. Medtem ko visoka kakovost ekonomskih in pravnih institucij države gostiteljice poveča verjetnost napotovanja iz manj razvitih držav na te trge, ima kakovost političnih institucij nasproten učinek na odločitev podjetja za napotitev. Rezultat nakazuje, da so izhodne napotitve zaposlenih na delo v tujino iz podjetij iz manj razvitih držav osredotočene na pridobivanje znanja in ne na nadzor ali koordinacijo. Prav tako kaže na potencial napotenih oseb iz manj razvitih trgov za oblikovanje ugodnega poslovnega okolja za podjetja v državah gostiteljicah napotenih oseb in vzpostavitev legitimnosti podjetja v tujem okolju. Tj. napotene osebe lahko za podjetja opravljajo vlogo ekonomskih diplomatov. Ugotovitve kvantitativnih analiz dodatno pokažejo tudi na različen vpliv, ki ga imajo enake spremenljivke na tokove izhodnih napotitev na različne trge držav sprejemnic. Moje ugotovitve

dopolnjujejo tako teorije mednarodne menjave heterogenih podjetij kot tudi institucionalno teorijo: prve z identifikacijo posebnosti napotujočih podjetij v primerjavi z nenapotujočimi podjetji in podjetji, ki pri internacionalizaciji uporabljajo druge oblike mednarodnega delovanja; drugo pa s ponazoritvijo, da tudi na odločitve in vzorce napotovanja vplivajo institucionalna kakovost in razdalja ter smer razdalje med institucijami države pošiljateljice in države sprejemnice napotenih oseb – tudi glede na tip trga.

V kvalitativnem delu raziskave orišem ključne teme in izzive mednarodne mobilnosti zaposlenih v kontekstu manj razvitih držav in njihovih podjetij ter razkrijem mehanizme, ki določajo procese odločanja, izvedbe in managementa napotitev v podjetjih iz manj razvitih držav na ravni podjetja in posameznika. Ugotovim, da podjetja iz manj razvitih držav k mednarodnemu kadrovanju pristopajo eksperimentalno (ne glede na stopnjo v njihovem razvoju ali stopnjo internacionalizacije) ter svoje strategije in prakse mednarodnega kadrovanja razvijajo postopno – prek izkustvenega učenja. Prav tako odkrijem, da podjetja v proučevanem kontekstu mednarodne napotitve zaposlenih na delo v tujino uporabljajo redko in imajo izkušnje z manj raznolikimi oblikami napotitev. Pomanjkljivosti na internih in eksternih trgih dela od teh podjetij zahtevajo večje komunikacijske vložke v privabljanje napotencev (npr. s pomočjo znamčenja delodajalca). Vendar pa ima redkost pojava tudi prednost: podjetjem omogoča boljši pregled nad internimi talenti in ostalimi ključnimi kadri ter bolj individualiziran pristop k managementu mednarodnih napotitev. Ta je v kontekstu manj razvitih držav uokvirjen kot pogajalski proces med podjetjem in zaposlenim tudi zaradi pomanjkljivosti na trgih dela in manjše privlačnosti delodajalcev, ki izvirajo iz manj razvitih držav oziroma delujejo v njih.

V obsežni večnivojski primerjalni študiji primerov, osredotočeni na dolgoročne napotitve managerjev na delo v tujino v dveh zrelih velikih multinacionalnih podjetjih iz izbrane manj razvite države kot primerih z največjim potencialom za razvoj teorije, razkrijem pomen (interakcij) makro, mezo in mikro determinant odločevalskih procesov o napotitvah na ravni podjetja in posameznika, kot so: pomanjkljivosti na trgih dela, zakonodaja s področja mobilnosti zaposlenih, socialni sistemi v državah pošiljateljicah in sprejemnicah napotencev, diskurzi, povezani z mednarodnim kadrovanjem (na posameznih ali več ravneh), kulturne norme o managementu, organizacijska struktura (tj. soodvisnost entitet znotraj mreže podjetja in razlike med njimi) ter izkušnje, osebnostne in druge lastnosti zaposlenih (napotencev in njihovih sodelavcev). Prav tako kot ključne mehanizme izvedbe in managementa napotitev na delo v tujino identificiram prehode med vlogami in identitetno delo. Pri tem poudarim njihovo odnosno, situacijsko in s kontekstom določeno naravo. S poudarkom na večnivojskem značaju razvoja identitet in njihovih posledic (še posebej za odnose med podjetjem in zaposlenimi) v specifičnem kontekstu manj razvitih držav in za specifičen pojav (tj. napotitve na delo v tujino) razširim teorije vlog, prehodov med vlogami in družbene kategorizacije ter teorijo družbene identitete, v omejenem obsegu pa tudi teorijo principala in agenta, kateri dodam pojasnilo trkov interesov, povezanih z mednarodnim napotovanjem, znotraj posameznih ravni analize in med njimi.

S triangulacijo metod in teorij, ki odražajo različne vidike in ravni analize napotitev, izpopolnim razumevanje odločitev in procesov odločanja o mednarodnih napotitvah. Prav tako identificiram dodatne vloge napotencev kot dopolnitev literature s področja mednarodne mobilnosti zaposlenih:

(1) razbijanje mrež, (2) uvajanje sprememb, (3) zagovorništvo predlogov tretjih strank za izkoriščanje lokalnih priložnosti v matičnem podjetju, (4) znamčenje države porekla in diferenciacija podjetja prek managerjev, napotenih na delo v tujino iz matičnega podjetja, in (5) ekonomsko diplomacijo. V nalogi podam tudi praktične smernice za podjetja, ki napotujejo iz manj razvitih držav v bolj ali manj razvite države.

Prispevek

Disertacija ima trojen prispevek k literaturi s področij mednarodnega poslovanja in mednarodnega managementa s človeškimi viri. K obstoječi teoriji prispeva s povezovanjem teorij mednarodne menjave heterogenih podjetij, institucionalne teorije, teorij vlog, prehodov med vlogami in družbene kategorizacije, teorije družbene identitete in v omejenem obsegu teorije principala in agenta z namenom razlage odločitev in odločanja o mednarodnih napotitvah na makro, mezo in mikro ravneh (tudi na podlagi empiričnih rezultatov). Posebna prednost disertacije je njen večnivojski in interdisciplinarni pristop, ki omogoča poglobljen in celosten vpogled v mehanizme mednarodnega napotovanja v specifičnem kontekstu. Drugi prispevek disertacije je metodološki, in sicer se nanaša na prilagoditev in uporabo pristopa mešanih metod za proučevanje pojava mednarodnih napotitev. Ta omogoči tako pripravo prve poglobljene empirične ocene odločitev podjetij o napotitvah za celotno populacijo podjetij kot tudi poglobljeno razumevanje 'medfunkcijskega' managementa napotitev, povezanih z različnimi vrstami napotitev, usmerjenih k internacionalizaciji podjetja. Disertacija ima tudi praktično vrednost za managerje napotitev. Privede namreč do spoznanj o vrstah podjetij, ki uporabljajo različne oblike mednarodne mobilnosti zaposlenih z namenom internacionalizacije, in o dejavnikih, ki prispevajo k njihovim odločitvam za tovrstne napotitve, pomembnih za oblikovalce politik pri pripravi spodbud ali ukrepov, usmerjenih k spodbujanju internacionalizacije bodisi neposredno prek mobilnosti zaposlenih bodisi prek njej komplementarnih aktivnosti. Eden izmed rezultatov študije je namreč prvo podrobno mapiranje podjetij, ki pri internacionalizaciji uporabljajo napotitve. Poleg tega raziskava privede do številnih ugotovitev, uporabnih za strokovnjake s področja managementa oziroma za managerje.

Praktične smernice

Ugotovitve na osnovi pristopa mešanih metod predstavljajo osnovo za številne praktične smernice predvsem za podjetja, pa tudi za odločevalce. Rezultati analiz kažejo na pomen naslednjih ukrepov za uspešno izvedbo in management napotitev managerjev na delo v tujino:

- Razlikovanje med mednarodnimi napotitvami in njihovim managementom glede na vrsto ciljnega trga (tj. med napotitvami v razvite in manj razvite države) in kakovost institucij na tem trgu (tudi primerjano glede na državo pošiljateljico napotencev);
- Mapiranje potencialnih kandidatov za mednarodne napotitve in njihovih sodelavcev glede na kompetence, veščine in osebnostne lastnosti, ki se ujemajo z okoljem države ali enote sprejemnice napotenca in kolektivom v podjetju, ter management posameznikov glede na te lastnosti;

– Upoštevanje različnih vlog mednarodnih napotitev v njihovem managementu in izkoristek novo identificiranih vlog napotencev: (1) razbijanje mrež, (2) uvajanje sprememb, (3) zagovorništvo predlogov tretjih strank za izkoriščanje lokalnih priložnosti v matičnem podjetju, (4) znamčenje države porekla in diferenciacija podjetja prek managerjev, napotenih na delo v tujino iz matičnega podjetja, in (5) ekonomska diplomacija (zadnja vloga je lahko uporabna tudi za odločevalce in oblikovalce politik);

– Investiranje v oblikovanje identitet napotencev in njihovih sodelavcev ter oblikovanje organizacijske identitete s pomočjo mehkih prijemov, ki temeljijo na diskurzivnih pristopih k managementu napotitev in spodbujajo samozavest, motivacijo in predanost posameznikov napotitvi in podjetju ter ugodnim in produktivnim odnosom med podjetjem in posameznikom ter med posamezniki;

– Prilagajanje podpore oblikovanju identitet glede na kratkoročne, srednjeročne in dolgoročne cilje podjetja (npr. spodbujanje dvojne identifikacije za napotitve, kjer je ključno sodelovanje med entitetami in pri katerih je načrtovan povratek, promocija večje identifikacije s tujo entiteto, kadar je ključna predanost projektu napotitve, in prioritizacija managerske identitete, ko je pomembno samostojno naslavljanje in reševanje problemov ali ko želi podjetje zmanjšati stroške podpore posamezniku – v slednjem primeru mora biti posameznik pripravljen na vlogo, saj so lahko sicer stroški spodletele napotitve višji od podpore med njo);

– Vlaganje v pripravljalne prilagoditve napotenca in sodelavcev (tudi v smislu odnosnega razvoja identitet, ki ga zahteva posamezna napotitev) s pomočjo transparentne komunikacije o izzivih in ciljih napotitve ter sistematičnega kariernega razvoja ali prenosa poslov, ki posameznika opremijo s holističnimi znanji, veščinami in informacijami, potrebnimi za management malih in srednje velikih podjetij;

– Povezovanje različnih pristopov k mednarodnemu kadrovanju in znamčenje delodajalca, ki vključuje mednarodne napotitve, za oblikovanje zadostnega bazena kandidatov, pripravljenih na napotitev, ter vzpostavitev odzivnega in fleksibilnega sistema mednarodnega kadrovanja.

Appendix B: Multilevel sampling criteria

Country-level sampling criteria
Emerging market economy
Small market size
High propensity to internationalise
Large share of domestically owned MNEs
High likelihood of diverse expatriation patterns and international staffing approaches
Population data access

Firm-level sampling criteria
Emerging market origin
Implementation of international assignments
Large firm size
Firm maturity
Centralised organisational structure
Sector (manufacturing and service)
High level of internationalisation (MNE status)
Regional or global presence in both developed and emerging host markets
Export status
Subsidiary diversity by roles

Individual-level sampling criteria	
Firm-level interviewees:	*Individual-level interviewees:*
Strategic engagement in international assignment management processes in the firm	*Long-term managerial international assignments to be included in the sample
	Diversity in employee tenure (junior or senior employee)
	Diversity in firm-specific experience (internal or external recruit)
	Diversity in managerial experience (first-time manager or experienced manager)
	Diversity in international assignment experience (first-time assignee or an assignee on multiple assignments)
	Timing of an assignment (current assignee or a recent repatriate)
	Location of an assignment (emerging or developed market)
	Subsidiary role (market access or high value-added activities)

Notes. *Precondition for inclusion in the sample.

Source: *Own portrayal.*

Appendix C: Interviewee descriptions

Interviewee	Employee tenure	Recruitment mode	Managerial experience	IA experience	Current or repatriated IA	Location of IA	Subsidiary role
Interviewee 1a*	Senior HRM manager with experience in IA management and multiple extended business trips for the purpose of establishing HR processes in foreign entities						
Interviewee 2a	Senior	Internal	HQ project manager HQ head of department HQ deputy executive director IA managing director	2 consecutive managerial IAs	Current IA	2 developed markets	SME sales entities
Interviewee 3a	Junior	Internal	HQ key account manager IA global sales manager IA managing director	1 middle management IA Interim period in HQ 1 top management IA	Current IA	2 developed markets	SME sales entities
Interviewee 4a	Senior	Internal	HQ managerial experience (no detailed data) IA deputy managing director	1 top management IA	Current IA	1 emerging market	Large production facility
Interviewee 5a	Senior	Internal	HQ head of department (pre-IA)	1 top management IA	Repatriate	1 emerging market	SME sales entity

Interviewee	Employee tenure	Recruitment mode	Managerial experience	IA experience	Current or repatriated IA	Location of IA	Subsidiary role
			HQ regional deputy director (upon repatriation)				
Interviewee 6a	Junior	External (former employee in an affiliate)	Affiliate project manager Affiliate category manager	1 IA in category management (inpatriation)	Current IA	1 emerging market (from a developed market)	Parent firm (HQ)
Interviewee 7a	Senior	Internal	HQ programme manager IA commercial director IA managing director (simultaneously in 2 SMEs in 2 markets)	2 consecutive IAs IA commercial director IA managing director (simultaneously in 2 SMEs in 2 markets)	Repatriate (current flexpatriate)	3 emerging markets	3 SME sales entities
Interviewee 8a	Senior	External (former HQ employee)	HQ and an interim employer-related managerial experience (no detailed data) IA managing director	1 IA with multiple prolongations	Current IA	1 emerging market	SME production facility
Interviewees 1b*	Senior management board member with experience in both IA management and managerial flexpatriation and commuter IAs Senior HRM manager with experience in IA management						

Interviewee	Employee tenure	Recruitment mode	Managerial experience	IA experience	Current or repatriated IA	Location of IA	Subsidiary role
Interviewee 2b	Senior	External	No data IA managing director	1 IA with multiple prolongations and changes in format	Current IA	1 emerging market	Sales and production SME
Interviewee 3b	Junior	Internal	HQ product category manager HQ market manager (for international markets)	1 IA with multiple prolongations	Repatriate (current flexpatriate)	1 emerging market	SME sales entity
Interviewee 4b	Senior	External	IA sales and finance manager IA CEO IA deputy CEO	1 IA with multiple prolongations and changes in format	Current IA	1 emerging market	SME sales entity
Interviewee 5b	Senior	External (TCN)	Managerial experience in developed and emerging markets with previous employers (no detailed data) IA managing director	1 IA with multiple prolongations for Firm B, multiple international posts pre-employment in Firm B	Current IA	1 emerging market (both developed and emerging market posts with previous employers)	SME sales entity
Interviewee 6b**	Internally recruited junior local manager in a SME sales entity in an emerging market (considered as equal to IAs by the firm)						

Notes. *Firm-level interview; **Local manager, TCN – third-country national manager, HQ – headquarters, IA – international assignment, SME – small and medium-sized enterprise

Source: *Own analyses.*

Appendix D: Interview guide for interviews with firm representatives

Introduction:

- *The focus of the study:* organisational and individual's experience with international assignments and their management
- *The structure of the interview:* (1) the firm's overall experience with international assignments (considering preparation, execution, repatriation planning, and repatriation), (2) the MNE's strategic approach to international assignments, and (3) organisational support to international assignees pre-, during, and post-international assignment (including communication and networking/inter-unit collaboration support)
- *Research process and research code of ethics:* (1) audio recording, verbatim transcript, and possible summary approval, (2) data anonymisation and confidentiality, and (3) obtaining interviewee's consent for the researcher to publish and otherwise publicly present the anonymised and aggregated research results.
- *Note to interviewer:* The order of the questions should be adjusted to the natural flow of the conversation. Explanatory or additional questions regarding ambiguous, unexpected, or potentially more insightful responses can be posed. Questions irrelevant to an individual case (e.g. on repatriation for interviewees without repatriation experience) should be omitted.

Basic information to be noted during the interview:

- Date and duration of the interview
- Format of the interview (e.g. telephone, Skype, face-to-face)
- Location of the interview (e.g. the interviewee's or researcher's office, a meeting room, a café)
- Company industry and size (based on the number of employees)
- Interviewee demographics (gender, year of employment in the firm, career development milestones, area of work, level in the hierarchy, international (assignment) experience)

Cues for interview questions:

1.) The MNE's overall experience with international assignments

- Determinants of the international staffing approach and (dis)advantages of managerial international assignments compared to local, third country, or long-distance staffing of managerial positions in the MNE
- Number of international assignments per year
- Duration, format(s), direction(s), locations, and purpose(s) of international assignments
- Cases of multiple (also successive) international assignments or assignees managing multiple units simultaneously (determinants, locations, outcomes)
- Common international assignment sending and receiving departments by business function, location, and size

- Comparison between business trips and traditional international assignments

2.) The MNE's strategic approach to international assignments

- Assignees', their colleagues', and top management's international assignment-related expectations and objectives
- Integration of international assignments in organisational strategies (especially internationalisation strategies)
- Existence of international assignment-focused (HRM) strategies, action plans, formalised, standardised, and codified procedures, policies, reporting, evaluation and awards systems, or guidelines
- (Determinants of) adjusting and individualising the international assignment-focused (HRM) strategies, procedures, policies, reporting, evaluation and awards systems
- Engagement of HR and other departments in international assignment management (considering preparation, execution, repatriation planning, and repatriation)
- International assignee engagement in international assignment management (also through annual interviews)
- Measuring international assignment success (criteria and tools)
- Key issues (e.g. individual's motivation, willingness, readiness to expatriate; lack of resources)
- Outsourcing of international assignment management-related activities

3.) Organisational support to international assignees (sending and receiving entity perspectives)

- Assignees', their colleagues', and top management's expectations regarding international assignment support as perceived, experienced, and addressed by the firm at different stages of international assignments
  - Initiators
  - Implementers
  - Key activities
  - Best practices
  - Available resources
- International assignment planning and assignee preparation
  - Key steps/measures
    - International assignee recruitment process and selection criteria
    - Goal setting and determining an action plan
    - Employee development (rotations, training, language courses)
    - Planning managerial shifts/changes (transition periods, transfer of business, etc.)
  - Implementers (in sending and receiving entity)
  - Best practices
  - Available resources

- o The most stressful moments and the most difficult tasks related to international assignment planning or assignee preparation and their impact on the individual's or teamwork at different stages of an international assignment
- o International assignment planning and assignee preparation-related issues and the associated (HR) resolution strategies
- International assignment execution
  - o Key steps/measures
  - o Implementers (especially the role of the HR department, sending and receiving entity)
  - o Available resources
  - o Importance of communication skills, networking, and collaboration in/with sending and receiving entities
  - o Interim visits and reasons for their existence/absence
  - o Inter-assignee collaboration and knowledge transfers
  - o Issues and glitches
    - Determinants of and strategies for prolonging international assignments
    - Determinants of and strategies for addressing premature repatriation
    - Other problem resolution strategies
- Repatriation planning and execution
  - o Number of repatriates per year
  - o Determinants and initiators
  - o Motivation for and after repatriation
  - o Consequences of individual's/organisational unmet expectations
  - o Preparedness of the international assignee/assignee's colleagues/organisation for repatriation and the role of the HR and other departments in it
  - o Greatest barriers/difficulties/stressors/issues in repatriation
  - o Key steps/measures
    - Existence and realisation of a repatriation plan, programme, agreement on repatriation, career development plan (considering their determinants)
    - (Desired/preferred/needed/the most helpful) format and content of pre-repatriation preparations (e.g. interim visits in the sending unit, continuous communication of sending unit-related change)
    - Promotion of interaction of the international assignee with their host and repatriation units
    - (Re)adjustment and (re)integration support
    - Facilitating knowledge transfers and utilisation of the pre- and newly established connections in the foreign unit and HQ (also through mentoring)
- Support for inter-unit and collegial collaboration (also with other international assignees) for international assignment success (pre-, during, post-international assignment; in/between sending and receiving entities; between international assignees)
  - o Importance
  - o Initiator
  - o Key stakeholders

- o Form of support and collaboration
- o Support for home/host unit integration
- o Team composition (criteria, assignee engagement)
- o (Determinants of) team dynamics
- o Facilitating utilisation and maintenance of the pre- and newly established connections in the foreign unit and HQ (also through mentoring)
- Expected and provided communication support pre-, during, post-international assignment:
  - o Key communicators
  - o International assignees/assignees' colleagues/top management as recipients and conveyors of international assignment-related messages
  - o Inter-assignee communication
  - o Content
  - o Frequency
  - o Direction of communication and opportunities for assignee engagement in communication processes
  - o Materials, tools (and their usefulness/uselessness)
  - o Communication skills and networking-related training
  - o Informal talks with colleagues
  - o Language strategy (impact on power relations, intercultural collaboration, etc.)
  - o Communication glitches and their determinants
- Potential improvements

4.) Concluding remarks/key emphases/lessons learnt regarding

- (Organisational support for) international assignment planning
- (Organisational support for) international assignment execution
- (Organisational support for) repatriation/new international assignment planning and execution
- Future of international assignments

5.) Interviewee demographics

Appendix E: Interview guide for interviews with international assignees

Introduction:

- *The focus of the study:* organisational and individual's experience with international assignments and their management
- *The structure of the interview:* (1) the interviewee's personal experience with and of international assignments – focusing on the current/latest international assignment (considering preparation, execution, repatriation planning, and/or repatriation), and (2) the interviewee's experience with and of international assignment-related organisational support.
- *Research process and research code of ethics:* (1) audio recording, verbatim transcript, and possible summary approval, (2) data anonymisation and confidentiality, and (3) obtaining interviewee's consent for the researcher to publish and otherwise publicly present the anonymised and aggregated research results.
- *Note to interviewer:* The order of the questions should be adjusted to the natural flow of the conversation. Explanatory or additional questions regarding ambiguous, unexpected, or potentially more insightful responses can be posed. Questions irrelevant to an individual case (e.g. on repatriation for interviewees without repatriation experience) should be omitted.

Basic information to be noted during the interview:

- Date and duration of the interview
- Format of the interview (e.g. telephone, Skype, face-to-face)
- Location of the interview (e.g. the interviewee's or researcher's office, a meeting room, a café)
- Sending and receiving facility size (based on the number of employees)
- Current/latest international assignment (start and duration, purpose and tasks, format, direction, location, and initiator)
- Prior international assignments
- Interviewee demographics (gender, year of employment in the firm, career development milestones, area of work, assignee's position abroad, level in the hierarchy)

Cues for interview questions:

1.) A general description of the interviewee's current/last international assignment

- Start and duration
- Purpose and tasks
- Format
- Direction and location
- Initiator
- Individual's (de)motivation

2.) The firm's international staffing approach

- Determinants
- (Dis)advantages of managerial international assignments compared to local, third country, or long-distance staffing of managerial positions in the MNE

3.) International assignment planning

- Importance
- Key steps/measures
    - Goal setting and determining an action plan
    - International assignee recruitment process and selection criteria
- (Desired/preferred/needed/the most helpful) format and content of pre-assignment preparations
- Employees/departments that should be/are engaged in international assignment planning
- International assignee engagement in international assignment planning
- Greatest barriers/difficulties/stressors in international assignment planning and their impact on the individual's and team performance
- Potential improvements

4.) International assignee preparation for the international assignment
- Individual's education and career development
    - Professional development through pre-employment education and training
    - Practical experience with other employers
    - Prior experience with international assignments or other forms of international mobility (e.g. international study exchanges, internships, business trips) and their role in the current international assignment
    - Prior work experience in the firm (milestones) and their role in an individual's preparedness for an international assignment
    - Internal (firm-specific or firm-sponsored) employee development and career development plan
- Other factors determining assignee preparedness for an international assignment

5.) International assignment execution

- Assignee autonomy
- Positive and negative surprises
- (Un)fulfilled expectations, (dis)satisfaction, and causes for either
- Most stressful moments and tasks and their impact on the individual's and team performance
- Adjustment to different work roles, team dynamics, and environments (role conflicts, membership in multiple teams, status and power relations, sense of belonging or foreignness)
- Use of assignee's pre- and newly established connections in the foreign unit/HQ

- Conflict resolution mechanisms and crisis management strategies and tactics at the individual and organisational levels (considering both the HQ and foreign entity perspectives)
- Evaluation of (the factors for) international assignment (non-)success/(un)fulfilled goals
- Greatest personal/organisational gains of an international assignment
- Interesting stories

6.) Repatriation planning and execution

- Importance
- Key steps/measures
- (Desired/preferred/needed/the most helpful) format and content of pre-repatriation preparations (e.g. interim visits in the sending unit, continuous communication of sending unit-related change)
- Repatriation plan, programme, agreement on repatriation (timing, content, implementers) or agreement on another international assignment after the current mobility
- Greatest barriers/difficulties/stressors in repatriation
- (Re)adjustment and (re)integration support upon return
- (Fulfilment of) repatriation/new international assignment goals (e.g. knowledge transfer, enhanced inter-unit collaboration) and the related action plan
- Motivation for and after repatriation
- Mentoring experience and knowledge transfers upon repatriation
- Use of assignee's pre- and newly established connections in the foreign unit/HQ
- Potential improvements

7.) Organisational support

- Individual's familiarity with the firm's international assignment-related strategies and guidelines
- Type of support needed/desired at different stages of expatriation/inpatriation/repatriation (e.g. individualisation versus standardisation; training) from the sending and receiving entities or other international assignees
- Type of support provided at different stages of expatriation/inpatriation/repatriation
- Departments (that should be) executing organisational support at different stages of expatriation/inpatriation/repatriation, in different locations or in different types of entities according to their roles and business functions
- Level, form, and content of HR and other departments' engagement pre-/during/post-international assignment (expected and provided)
- Negative aspects of organisational support
- Outsourcing
- (Support for) inter-unit and collegial collaboration (also with other international assignees) for international assignment success (pre-, during, post-international assignment; in/between sending and receiving entities; between international assignees)
  - Importance

- o Initiator
- o Key stakeholders
- o Form of support and collaboration
- o Support for sending /host unit integration
- o Team composition (criteria, assignee engagement)
- Expected and provided communication support pre-, during, post-international assignment:
  - o Key communicators
  - o International assignees/assignees' colleagues/top management as recipients and conveyors of international assignment-related messages
  - o Inter-assignee communication
  - o Content
  - o Frequency
  - o Direction of communication and opportunities for assignee engagement in communication processes
  - o Materials, tools (and their usefulness/uselessness)
  - o Communication skills and networking-related training
  - o Informal talks with colleagues
  - o Language strategy (impact on power relations, intercultural collaboration, etc.)
  - o Communication glitches and their determinants
- Potential improvements

8.) Concluding remarks/key emphases/lessons learnt regarding

- International assignment planning
- International assignment execution
- Repatriation/new international assignment planning and execution
- Organisational support
- Future of international assignments

9.) Interviewee demographics

Appendix F: Publication consent form

PUBLICATION CONSENT FORM

THIS AGREEMENT is made and entered into by and between **Iris KOLEŠA** with an office at the Faculty of Social Sciences, University of Ljubljana, Kardeljeva ploščad 5, 1000 Ljubljana, Slovenia (hereinafter "Author"), and _____ (hereinafter "Research participant"), and becomes effective upon the date the Agreement is signed by both Parties.

Research participant recognises that the results of a PhD project on the topic of international assignment management during business internationalisation from organisational and employee perspectives (hereinafter "Project") achieved by the Author may be publishable and agrees that the Author engaged in the Project shall be permitted to present at symposia, national or international professional meetings, and to publish in journals, or otherwise of their own choosing, methods and results of such Project.

The Author will hold in strictest confidence the identity of the Research participant as well as any individual research participants (interviewed employees that work for the Research participant) that may be revealed during the transcription of interviews or in any associated documents as well as agrees to the use of anonymised quotes from the interviews in publications.

Agreed and confirmed:

Signature date: _____   Signature date: _____

Author: _____   Research participant: _____

Appendix G: Summary table of the findings from content and critical discourse analyses for Firm A

Theme	Firm level		Individual level							
	Annual reports for 2012–2017	HRM department representative	Interview 1a	Interview 3a	Interview 4a	Interview 5a	Interview 6a	Interview 7a	Interview 8a
MNE network	Centralisation Interconnectedness and importance of international collaboration Strategically more and less relevant entities Strategy co-creation	Centralisation Control from HQ Managerial and operational interconnectedness of HQ and foreign entities: strategic role of managerial international assignments in coordinating HQ-foreign entities collaboration	Centralisation Control from HQ Daily, formalised, and systematic operational cooperation between HQ and foreign entity	Centralisation Control from HQ Daily operational collaboration with HQ	Centralisation Control, knowledge transfer, and support from HQ Transfer of processes based on similarities: foreign entity a replica of HQ	Centralisation Control and (operational) support from HQ Sales-purchasing relationship between HQ and foreign entity	Centralisation Perceived partnership rather than ownership Cross-border inter-unit collaboration Two-way knowledge transfers based on differences Matrix organisation Emphasis on hierarchies and formalities in HQ but not in the foreign entity	Centralisation Support by HQ Functional and operational connectedness of HQ and foreign entities Transferability of knowledge from HQ to foreign unit and between foreign units	Centralisation Control from HQ Operational and strategic support from HQ Transfer of processes based on similarities: foreign entity a replica of HQ Strategically more and less relevant (also marginalised) entities

Firm-employee relations	Employees as a strategic asset (contributors to and beneficiaries of the firm's activities) Diversification of prospective and key talents (experts and managers) as strategy co-creators from 'other' employees as strategy implementers From one-sided employee management to collaborative and reciprocal employee relations Emphasis on employee commitment and increasing recognition of their inputs in all business processes From control and pressure through	Importance of mutual HQ-manager familiarity, new employee integration and updates on good practices among extant employees (trust and operational collaboration) Emphasis on employee commitment: employee development International assignment management guidelines, managerial support Discursive and practical support to staffing strategies by top management in HQ recognised as relevant	Assignment as a sacrifice for the firm (high expectations from the firm upon return), developmental opportunity, lifestyle	Assignment as a developmental opportunity (additional stress of fulfilling organisational expectations) IA control from HQ: excessive reporting (distraction from work) Desire for greater consulting support	Strategy co-creation Assignment as a sacrifice for the firm Mutual support HQ-senior employee (individual's support greater than the firm's) Loyalty to the firm and desire to finish the long-lasting employment relationship positively as motivation for international mobility (importance of organisational persistence and social pressure through top management in HQ)	Strategy co-creation Assignment as a sacrifice for the firm (Perceived) relevance of employee-organisation relations in international staffing: trust, firm-specific knowledge, and embeddedness in the firm's social networks conditioning (international) career progression in the firm (Perceived) lack of commitment to international mobility and suggested contractual obligation for the latter	Assignment as mutually beneficial (matching goals) Powerful employee; negotiations with assignee: (1) social pressure by the former superior, (2) persuasion through assuring the individual that they could co-create organisational change, address past issues, and add value, (3) compromising on commuting (presented as an organisational benefit, yet individual's family well-	Operational support Assignment as a sacrifice for the firm	Strategy co-creation for non-core business Assignment as a sacrifice for the firm (high expectations from the firm upon return) Assignment as mutually beneficial (matching goals) HQ support in principle but not practical Powerful employee; negotiations: contact established by a member of the management board (signalling strategic relevance of the assignment and performing social pressure for accepting the assignment)

	assessments to support through mentorships Increasing recognition of importance of employee retention (deficit experts)	Recognised individual's sacrifice when assigned and high expectations from the firm upon return IA control from a specially designated foreign entity (i.e. not from HQ)			IA control from HQ (strategic reporting), knowledge transfer, and support from HQ	Consulting, control and (operational) support for IA from HQ	being motivated) Importance of a fit in individual's and organisational goals Importance of empowerment		Unexploited negotiating power by the individual due to (a) being motivated by problem solving, challenges, and a dynamic working environment calling for resourcefulness and (b) a crisis situation with the assignee's employer at the time (external factor) Importance of a fit in individual's and organisational goals Importance of an individual's participation in a project for greater commitment and loyalty to the firm Importance of empowerment

International staffing									
									(control frustrating) IA control from HQ: excessive reporting (distraction from work) Defiance to (senseless) HQ control (indication of poor communication)
International staffing	Discourse suggesting ethnocentric approach, data implying residuals of a polycentric staffing approach (local management in the Balkans, provisional staffing with managers of different origin) Functional dependence on and operational connectedness of the foreign entities to the headquarters	Ethnocentric approach due to centralised organisational structure, functional interdependence, and operational interconnectedness Untapped potential of local and 3rd country talents: invested in, but not entrusted managerial positions (due to unethical practices	Ethnocentric approach focused on managerial assignees from HQ due to their firm-specific knowledge, loyalty, commitment pre-established trust, and embeddedness in the organisational culture	Ethnocentric approach due to assignee loyalty and commitment to and engagement in the firm	Ethnocentric approach based on good past practices Complementary advantages of HQ management and local staff: local staff has location-specific knowledge and is locally embedded, whereas HQ management is embedded in	Individual does not assume ethnocentric staffing but rather applies the same selection criteria for all managers in the MNE network Selection of any (including local) management conditioned upon extensive prior experience in HQ (for firm	Importance of international staffing for an international mind-set Advantages of non-HQ assignee: network-breaking and change introducing power due to the 'outsider' status and cultural clash, rational rather than emotional	Ethnocentric approach grounded in the firm's own and its counterparts' experience with local managers' disloyalty and unethical practices Ethnocentric approach grounded in the operational relevance of HQ-specific knowledge,	Ethnocentric approach grounded in organisational structure, functional interdependence, and operational interconnectedness Advantages of HQ assignee: greater reliability in times of crises, greater managerial capabilities as well as (network-breaking) power and authority due to the 'outsider'

	(e.g. at least one HQ manager during acquisitions and in strategically crucial entities)	and lower HQ-connectedness)	Complementary advantages of HQ management and local staff: local staff has location-specific knowledge and is locally embedded, whereas HQ management is embedded in the HQ and its organisational culture		the HQ and its processes	embeddedness and trust)	(relationship-based) decision-making	loyalty, and engagement	status, rational rather than emotional (relationship-based) decision-making, HQ embeddedness and the related greater HQ support
	From individual to team management in foreign entities	Consideration of regional integration of entities			Annual interviews as inquiries into individuals' willingness and motivation to expatriate	Location-specific knowledge as an advantage of local staff in sales and local commercial directors: (relevant at lower levels: sales staff always local)		Gradual shift to regionalisation and flexpatriation	Local management only sensible for the less centralised MNEs
	Consistent staffing approach by managers' origin in individual entities	Recognised management's role in creating favourable international staffing discourse for employee commitment to international mobility							
	No transition period for new managers								
	Simultaneous management of multiple units in similar markets or for same brands (usually by HQ management)	Location-specific knowledge as an advantage of local staff in sales and local commercial directors: (relevant at lower levels)							
	Increasing use of managers for multiple assignments (usually in similar markets) for cost optimisation								

	Exceptional use of managers in dissimilar markets (shift from emerging to developed markets more usual) Centralised HRM approaches across the MNE (e.g. succession and career planning, same online portal, evaluations, annual interviews) Recognition of the innovative potential of an international composition of the MNE's staff Increasingly strategic (international) staffing Increasing focus on (potentially) internationally mobile employees							

International employee mobility									
	Late referencing of international employee mobility (as employee development tool and outcome) International assignees as recipients of internal training Internal recruits implicitly recognised as most suitable candidates for managerial posts across the MNE network Short-term international mobilities excluded from international assignment discourse	Stressing traditional long-term managerial international assignments (life-consuming) Short-term international mobilities framed as regular tasks with different purpose and managed *ad hoc* (lowering employee expectations, cost reduction) Exclusion of non-managerial assignments from international assignment discourse Purpose of international assignments: control, coordination, organisational culture dispersal,	Focus on long-term managerial international assignments (in-depth immersion in the foreign environment; life-consuming) Challenges: (1) individual's adjustment, (2) work in teams with diverse levels of knowledge, (3) holistic approach to managing SME foreign entities, (4) organisational capitalisation on repatriation and repatriation planning (based on organisational needs rather than individual's wants)	Long-term managerial and non-managerial mobility as international assignments (in-depth immersion in the foreign environment) Challenges: (1) individual's adjustment, (2) intercultural collaboration, (3) role shift, (4) lack of candidates for long-term international assignments, (5) unclear organisational expectations, (6) repatriation planning	Long-term managerial (also team for larger facilities; life-consuming and lifestyle changing) and short-term knowledge or technology transfer focused non-managerial international assignments (the latter can be multiple or team IAs – in any direction) Challenges: (1) transfer of business from senior assignees to colleagues in HQ, (2) delayed expatriation, (3) lack of seniors' focus on assignment, (4) lack of candidates with willingness, sufficient	Long-term managerial and non-managerial international assignments of individuals or teams (the latter only for large entities: costly and disturbing for team dynamics in SMEs) Challenges: (1) transfer of business in the absence of previous manager (local team as transferor of business), (2) fulfilment of individual's existential needs for work focus, (3) relationship building with local stakeholders abroad (the most difficult and	Long-term managerial (life-consuming and thus limited in time) and non-managerial international assignments in all directions Challenges: (1) role shifts and inhibited team dynamics, (2) sporadic absence from the firm, (3) expenses	Long-term managerial international assignments (in-depth immersion in foreign environment) Historic shifts from permanent residence of expatriate managers abroad to long term temporary expatriation from HQ, regionalisation, and finally flexpatriation Challenges: (1) identity loss, (2) repatriation planning (postponed multiple times based on organisational needs), (3) reintegration	Long-term managerial (life-consuming and thus limited in time; lifestyle changing) and short-term non-managerial international assignments (individual managers, teams of workers and experts) Purpose of international assignments: (1) management, (2) establishment of new facilities, (3) establishment of business functions, (4) production workers' exchanges Fears regarding repatriation: (1) ability to adjust to a less dynamic life-style, (2) worsening of

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		(re)establishment of HQ standards Challenges: (1) lack of employee motivation for and commitment to long-term international assignments, (2) assignee preparation, (3) repatriation planning (key positions are full, and firm is artificially producing change) Importance of keeping assignees informed (e.g. of good practices in HQ)			energy, and experience for long-term international assignments, (5) repatriation planning based on finalisation of projects	stressful task – supported by the local team), (4) repatriation planning (postponed twice based on organisational needs), (5) role shifts, (6) resocialisation into the assignee's family upon repatriation, (7) capitalisation on knowledge spillovers upon repatriation (different perspective, no systematic transfers), (8) micro focus of individual managers (limited knowledge transferability across foreign entities), (9) lack of expatriation		into a changed environment (more challenging than expatriation due to the fear of unknown after long-term absence from HQ, yet simple work adjustment in HQ due to continuous communication with and interim visits to HQ)	living standard, (3) the approaching retirement limiting the individual's motivation for big career changes, (4) readjustment to a changed parent firm environment, (5) and the availability of an appropriate position upon repatriation Challenges: (1) practical support from HQ rather than control or support in principle, (2) repatriation planning (postponing repatriation based on organisational needs; absence of strategic planning and available suitable positions upon return), (3) following the changes in HQ, (4)

						candidates and commitment to long-term international assignments Simple work adjustment upon repatriation due to familiarity with the firm and colleagues			lack of HQ motivation for support (especially to non-core businesses), (5) lack of a database of assignment candidates
Recruitment	Selective recruitment: technical expertise, attitude to work and learning, (firm-specific) experience and competences Gradual shift from internal recruitment to combined internal-external recruitment with a focus on firm-specific knowledge and HQ embeddedness	Prioritisation of internal recruitment for key (managerial) positions due to the relevance of firm-specific knowledge and HQ embeddedness External recruitment second choice IA selection criteria: willingness and energy to expatriate, travel, and learn; soft skills	IA internal recruitment advantages: (1) familiarity with internal processes and stakeholders in the MNE, (2) embeddedness in and transfer of organisational culture, (3) more effective coordination of cross-border collaboration, (4) pre-established trust and loyalty, (5) *ad hoc*	IA internal recruitment advantages: (1) familiarity with internal processes, organisational structure, roles of departments and employees; firm-adjusted knowledge, (2) embeddedness in and transfer of organisational culture, (3) more effective coordination	IA internal recruitment advantages: (1) familiarity with internal processes and systems in HQ, (2) ability to replicate HQ processes abroad (knowledge transfer), (3) embeddedness in and enhanced collaboration with HQ, (4) tested compatibility and enhanced collaboration	IA internal recruitment advantages: (1) familiarity with the firm, its employees, business partners, and practices of inter-unit collaboration in the MNE network, (2) possession of firm-specific and firm-adjusted knowledge and expertise, (3) pre-established trust between	Advantages of *recent* former employee recruitment for IAs: (1) familiarity with and understanding of the firm (processes, employees, relations, culture, glitches) for informed introduction of change, (2) firm's familiarity with and trust in the employee, (3)	IA internal (HQ) recruitment advantages: (1) familiarity with the firm, employees, host markets, and local business partners, (2) firm-adjusted (or relevant-to-the-situation) expertise, (3) clear expectations and fewer unknowns regarding IA based on past	Advantages of *distant* former employee recruitment for IAs: (1) (perceived) mutual familiarity, (2) targeted recruitment, (3) cross-entity transferability of firm-specific procedural knowledge (despite the time lag), (4) embeddedness in the firm's networks and in-depth knowledge of colleagues in

	(organisation, coordination, including negotiation and intercultural communication, self-initiative)	availability and preparedness of assignees for flexible and responsive staffing IA internal recruitment disadvantages: specialisation in HQ vs. needed broad general knowledge for managing SMEs abroad Individual unaware of IA selection criteria (embeddedness in internal and external networks, familiarity with host markets, expert knowledge)	of cross-border collaboration, (4) pre-established trust (in individual's skills) and loyalty (also advocacy of international assignments – regardless of the quality of experience) IA internal recruitment disadvantages: role shift impacting team dynamics Disadvantages of an assignee's junior status: (1) lack of leadership experience, (2) need and desire for additional	with other managerial assignees from HQ, (5) *ad hoc* availability and preparedness of assignees for flexible and responsive staffing, (6) loyalty, ownership over projects, a feeling of responsibility to finish tasks (willingness to prolong expatriation), (7) all advantages of internal recruitment amplified with seniority IA internal recruitment disadvantages: delayed expatriation due to transfer of business in HQ	the firm and the individual and loyalty, (4) the firm's trust in the individuals' (proven) ability to fulfil the tasks abroad, (5) timely and responsive staffing IA internal recruitment disadvantages: insufficient database of potential assignees IA selection criteria: experience and organisational trust in individual realising organisational goals	firm-adjusted and externally polished skills for change introduction Specifics of *recent* former employee recruitment for IAs: (1) employee's mistrust in the firm and reluctance to return due to poor past experience and the related need for additional negotiations (difficulties in attracting a former employee to return to a firm they were dissatisfied with), (2) greater negotiating power of a former	experience, (4) greater motivation for and self-confidence in successfully executing an assignment, (5) faster and easier (work) adjustment during the assignment; and faster, more effective, and more efficient assumption of tasks abroad, (6) *ad hoc* availability and preparedness of assignees for flexible and responsive staffing; (7) loyalty and greater engagement of an individual IA internal recruitment	HQ for operative support rather than support in principle (awareness of colleagues' work ethic) Disadvantages of *distant* former employee recruitment for IAs due to long-term absence and detachment from the firm: (1) myopia and the related lack of reintegration into a changed organisational environment (sense of foreignness, inhibited employee-organisation relations, communication, and collaboration, organisation's dissatisfaction with the individual's

				preparation, (3) lower self-efficacy, (4) need for professional advice on good practises from HQ or peers, (5) trial period due to greater staffing risks, (6) stress of being given a self-developmental opportunity IA selection criteria: self-initiative, lack of other candidates, international experience, familiarity with internal processes, embeddedness in the firm's internal networks, and expert	Disadvantages of seniority: (1) lengthy and complex transfer of business in sending unit, (2) delayed expatriation, (3) work overload and distraction from the international assignment, (4) shorter assignment mandates, (5) limited spillover effects after an assignment, (6) costly packages due to the negotiating power of senior recruits IA selection criteria: experience, people skills, motivation, compatibility		employee, (3) (senior) colleagues' reluctance to change their habits (also due to ownership over processes) and collaborate with the assignee, (4) information overload upon return to the firm, (5) hidden alliances IA selection criterion: change introducing capability (based on firm-specific knowledge, firm embeddedness, soft skills, 'outsider' status, and different cultural background)	disadvantages: (1) delayed expatriation due to transfer of business in the sending unit, (2) distraction from- and work overload due to transfer of business in the sending unit, (3) difficult adjustment to multiple roles (becoming a generalist) rather than remaining a specialist IA selection criteria: expert knowledge, experience, familiarity with host market, firm-specific knowledge and its transferability from HQ to	performance and the individual's feeling of being subjected to unfair treatment), (2) engaging an 'outsider' as a sign of absence of a well-developed international staffing strategy, (3) negotiation power of the recruit, (4) external factors rather than firm's strategy determining recruitment IA selection criteria: familiarity with the firm's technology, lack of other candidates, and willingness to expatriate

				knowledge gained through formal education; evaluation criteria during IA unknown to individual	with other managers in the foreign entity			foreign unit and between foreign units (similar professional tasks), firm embeddedness and relationship building capacities	
Employee development	Strong emphasis on learning organisational culture and employee development (reflected in staffing focus on knowledge, competences, qualifications, and firm-specific experience; and employee development activities – including preparation of future employees) Employee development as a	Strong emphasis on learning organisational culture and employee development Challenges: (1) career development of internal recruits in HQ resulting in specialists rather than generalists, (2) preparation of external recruits through rotation in HQ usually not long enough for the new employees to get familiar with the firm	Relevance of career development for a broad knowledge base required in SMEs Advantages of career development: (1) greater responsiveness to organisational needs, (2) high self-efficacy, motivation, resourcefulness, (3) (gradual) adjustment to	Assignment framed as the firm's investment in employee development (added stress for an assignee to perform well) Advantage of career development: (gradual) adjustment to different roles Advantage of prior international assignments:	Advantages of career development: (1) broad knowledge, (2) self-efficacy, (3) willingness and preparedness for international mobility within the firm	Advantages of career development: no (perceived) need for additional assignment preparation – high self-efficacy (even in the absence of transfer of business abroad) Relevance of expert and firm-specific knowledge rather than assignment- or location-specific knowledge for work adjustment	Career development prior to the individual leaving the firm (recognised as prospective talent) Pre-assignment training as a disturbance	Advantage of career development: (1) fewer adjustments at the same time (gradualness and non-intrusiveness), (2) broad (yet basic) knowledge of all processes in the firm crucial for managing SMEs with limited support, (3) multiple perspectives and transferability of knowledge,	Importance of career development and a holistic grasp of the internal processes for independence and resourcefulness in problem solving, individual's operational capabilities, and self-confidence in complex situations with many unknowns (e.g. establishing new facilities) Managerial intuition and career

	business performance highlight, one of the key events, the firm's (strategic) investment, (international) competitive advantage, and CSR

Increasingly strategic, structured, systematic, and holistic approach

Increasing diversification, specialisation, individualisation, internationalisation, inclusiveness, interdisciplinarity

Increasingly part of employer brand for employee attraction and retention

Mutual familiarisation and development of | Importance of career development for managers (including international assignees): for mutual HQ-individual familiarity, (new) employees' firm-specific knowledge, and embeddedness

Internal training focused on soft skills, facilitating employees' integration in the MNE network, linking key talents with the management board, giving employees a sense of preparedness

Importance of new employee integration practices and new | different roles and broad tasks

Knowledge acquisition as personal responsibility of the assignee

Transfer of business (perceived as) sufficient preparation for experienced internal managerial recruits

Progressive adjustment and experiential learning: (1) expert, general procedural, and firm-specific knowledge and firm embeddedness determine the effectiveness of an assignee, (2) market-specific | flexibility in adjusting to new environments

Lack of managerial skills, low self-efficacy, and desired managerial training by a junior recruit | | Pre-assignment training as a disturbance | | (4) accelerated transfers between roles and environments, (5) fewer immediate investments in employee development needed, (6) HQ experience crucial in crises

Relevance of (1) expert knowledge for motivation and self-confidence, (2) knowledge of internal processes and embeddedness in the firm for successful execution of the inter-unit and cross-national coordination tasks (work effectiveness), | development as substitutes for pre-assignment preparation

Career development potentially problematic for employees absent from the firm longer-term due to an information gap that develops

Technical skills and resourcefulness as the most beneficial for IA

Successful assignment contributing to individual's self-efficacy (developmental role) |

	external recruits pre-employment, new employee integration Linked to internationalisation objectives: emphasis on soft skills for international collaboration in the MNE network Discursive and practical managerial support recognised as a factor in employee development realisation Membership in professional associations as proof of employee quality and link to external good practices	employee familiarisation with the firm's internal processes, organisational culture, products, services, and staff are crucial (regardless of an individual's experience and seniority)	soft skills and assignment-specific procedural knowledge increase assignees' efficiency					and (3) assignment-specific procedural knowledge for easing adjustment (work efficiency) – all types of knowledge internationally transferable within the same MNE network Pre-assignment training as a disturbance	
Individual's identity	Segmentation of employees into prospective talents (managers and	Segmentation of staff into strategic managerial staff	Prioritising managerial identity over international	Junior manager: slow shift from collegial to	Prioritising managerial identity over international	Segmentation of employees into (internationally mobile)	Strong managerial identity: (1) main	Strong managerial identity: (1) assignee's	Strong managerial identity: (1) motivated by challenges,

experts) and 'others' Stress on managerial identity: (1) managers as contributors and co-creators of the firm's strategies, 'others' as their implementers, (2) discursive and practical managerial support as a factor in employee development realisation, (3) increasing recognition of inputs by the international managerial network Exclusion of international assignee identity from texts	and non-managerial staff Stress on managerial identity: (1) stress on managerial development, (2) stress on managerial international assignments – strategic role in coordinating HQ-foreign entities collaboration, (3) discursive and practical managerial support recognised as a factor in assignee preparation, (4) organisational expectation of managerial assignees' independence and problem solving (practical) orientation	assignee identity: (1) assignee as an independent problem solver, (2) stressing self-development, (3) transfer of business (perceived) as sufficient preparation for experienced internal managerial recruits Operative manager not motivated by status (acceptance of 'non-elite' and less prestigious tasks in an SME despite a managerial position) Micro focus of SME managers inhibiting	managerial identity Colleagues prioritising the individual's managerial identity over international assignee identity: 'us-them' divide based on hierarchy rather than country of origin and foreignness	assignee identity: (1) self-perception and perception of assignee by the firm as autonomous problem solver with high self-efficacy, (2) ownership over projects and a sense of responsibility to finish them, (3) willingness to adjust repatriation to organisational needs (task-oriented rather than focused on personal needs and wants)	managers (should be internal recruits) and (internationally mobile) experts (can be external recruits) Prioritising managerial identity over international assignee identity: (1) high self-efficacy, results orientation, and self-perception as a problem solver (the only expected organisational support fulfilment of basic existential needs), (2) stress not location- or assignment-specific, but rather management-related, (3)	negotiation goal a match between the organisational and individual's objectives (strategic orientation), (2) focus on organisational objectives rather than self-development or return, (3) expected organisational support limited to fulfilment of basic existential needs (family well-being focus) Uncomfortable with the managerial identity: role shift from colleague to manager most stressful	focus on work-related problem solving rather than personal needs, (2) individual motivated by the opportunity to realise their expertise and add value to the firm (problem solving orientation), (3) repatriation determined by organisational needs (individual's needs and wants secondary to organisational needs and objectives) Sense of identity loss and foreignness in HQ due to long-term absence, and constant focus	problem solving opportunities, and opportunities for utilising resourcefulness, (2) postponing repatriation based on organisational needs, (3) describing themselves as an intuitive (not trained) manager, (4) task-oriented rather than status motivated – operative manager: accepting the less prestigious tasks of managing SMEs as well, (5) building self-confidence through an international assignment (sense of ownership over the project) Implied discrimination of managers throughout the MNE network

			international assignee identity: international assignees' collaboration inhibited by assignees' workload Comparison with other (internal) assignees regarding organisational support a sign of some identification based on expatriation			managers of foreign entities as a single group (regardless of their origin), (4) inter-manager collaboration and knowledge transfers (regardless of the managers' origin) inhibited by local specifics (micro focus of managers), (5) employee segmentation based on (non)managerial roles	International assignee ('outsider') identity as the basis for network- and habit breaking as well as enhancing inter-unit connectedness and collaboration Individual assuming internal recruit identity as a basis for self-efficacy and (re)integration in HQ	on work (also repatriation factor) Strong international assignee identity based on having spent decades abroad and preserved upon repatriation through flexpatriation	according to the strategic relevance of the firm they are managing (frustrating, yet beneficial from the perspective of experiencing less control if marginalised) International assignee identity: sense of comradeship with other managerial assignees (with subliminal defiance to control from the parent firm) Identification with the foreign entity: ownership over the project (importance of an individual's participation in a project for greater commitment and loyalty to the firm)

Role shifts									
	/	Adjusting to the role of an independent generalist rather than a HQ supported specialist upon expatriation External managerial recruit developing familiarity with and loyalty to the firm (Re)eadjustments upon repatriation stressful especially when expectations are unmet	Individual's role-shifting capacity greater than firm's staffing flexibility Shift from a specialist in HQ to a generalist in the foreign facility: acceptance of 'non-elite' less prestigious tasks despite occupying a managerial position Untapped potential of multiple perspectives (e.g. consumer and subsidiary perspectives) acquired through IA upon repatriation	Negative impact of the shift from a colleague to a manager on assignee's work adjustment, effectiveness of task assumption, team management and local integration	Simultaneous dual role of a senior recruit: (1) transferor of business in HQ and (2) manager of a foreign entity	Assignee's role shifts: (1) a shift from a middle management position in HQ to a top management position in the foreign entity upon expatriation, (2) a shift from a local to a regional manager upon return, and (3) the shifts from an insider to an outsider in HQ (with expatriation) and abroad (with repatriation) and finally to an insider with an outsider view (upon return to HQ) Implications of role shifts for team dynamics	Assignee's role shift from colleague to manager (i.e. non-assignment-specific role shift) most stressful Effects of role shifts in sending unit: (1) psychological effect on the assignee, (2) local staff losing trust in the assignee (perceived as) representing HQ, (3) the relational shift between the assignee and the local staff, (4) inhibited bottom-up communication and a need for an intermediary,	Advantage of different perspectives (transferability of export-import knowledge) Challenges: (1) shift from specialist in HQ to generalist abroad, (2) changed HQ relations upon repatriation Changes in employee relations from collegial to competitive as one of the greatest negative shocks upon repatriation	'Insider' in the foreign entity in general, an 'outsider' in the foreign entity in times of crises (advantage from the perspective of authority and network breaking) Feeling of estrangement and foreignness ('outsider' status) in relation to HQ due to: (1) the procedural changes, (2) the changes in the organisational language, and (3) marginalisation of non-core business 'Outsider' status in relation to the core business entities Importance of the quality and strength of relations in HQ

			Importance of adjustment skills			and cross-border inter-unit collaboration: (1) improved understanding of the different perspectives of doing business enhancing the collaboration in the MNE network, (2) keeping distance from the assignee's host entity upon return to HQ to avoid disengagement by other entities Colleagues' role shift: local team as transferor of business abroad due to the past manager's absence	(5) former in-group status inhibiting assignee's cross-unit connecting role Effects in host unit (HQ): 'outsider' status for network breaking and change introduction capacity Role shifts enhancing mutual understanding, cross-unit collaboration, and good practice transfers	rather than their quantity or hierarchical level for operative rather than strategic support (untarnished by absence or role shifts)

Notes. HQ – headquarters; IAs – international assignments

Sources: *Firm A's annual reports for 2012–2017, Interviews 1a–8a.*

Appendix H: Summary table of the findings from content and critical discourse analyses for Firm B

Theme	Firm level		Individual level				
	Annual reports for 2012–2017	**Firm representatives (Interview 1b)**	**Interview 2b**	**Interview 3b**	**Interview 4b**	***Interview 5b**	***Interview 6b**
MNE network	Centralisation Control and coordination from HQ: management board member responsible for the foreign trade network Functional dependence of foreign entities on HQ A reciprocal HQ-subsidiary relationship Subsidiaries as providers of business stability, value contributors, and contributors to positive business results of the Group	Centralisation Control and coordination from HQ: (1) management board member responsible for the foreign trade network, (2) standardised and systematic periodical reporting of business results Functional, operational, and strategic interdependence and interconnectedness of the MNE network Centralised knowledge transfers Foreign subsidiaries as contributors to overall business performance More and less HQ-dependent or	Centralisation Control and coordination from HQ Functional dependence of foreign entities on HQ and operative interconnectedness of the MNE Intense and frequent strategic and operative HQ-subsidiary collaboration Strategic inter-entity collaboration between managers stronger by sub-regions More and less HQ-dependent or strategically relevant entities Differing expectations and goals based on	Centralisation Control and coordination from HQ Autonomy of each entity in pursuing opportunities in respective local markets Own HRM and financial departments, other support functions provided by HQ HQ provider of expertise and specialist support: daily strategic and operational collaboration Mainly regional inter-managerial collaboration	Centralisation: problem of crises spillovers across MNE Control and coordination from HQ Strategic and daily operative collaboration with HQ Non-systemic HQ promoted good practice exchange and (friendship-based rather than strategic) inter-entity collaboration Primary responsibility of the manager: individual entity rather than group performance	Centralisation Control and coordination from HQ Strategic and operative collaboration with HQ Domestic focus of each foreign entity Primary responsibility of the manager: individual entity rather than group performance Individual's desire for more inter-entity collaboration Importance of language fluency for HQ-subsidiary	Centralisation: (1) cost optimisation, (2) greater MNE's negotiating power relative to its business partners, (3) goal clarity for internal stakeholders, (4) supportive to the subsidiary- and individual-level performance Control and coordination from HQ Subsidiaries as a prolonged arm of HQ Strategic and operative collaboration with HQ Importance of language similarity for HQ-subsidiary

	Implied subsidiary hierarchy Diversity of programmes as an indication of subsidiary autonomy in local business opportunity search	strategically relevant entities Daily collaboration of HQ and foreign entities	foreign entities' maturity and strategic relevance Subsidiary autonomy and the related strategic diversity hindering transfer of good practices		Autonomy of managing directors resulting in a mix of incompatible programmes across the MNE	collaboration at the managerial level	collaboration at the managerial level Domestic focus of subsidiaries: importance of local staff with local knowledge
Firm-employee relations	Employees as primary and knowledgeable contributors to business performance and owners of the MNE's success or failure No employee diversification Firm's gratitude to employees and recognition of their individual or team inputs Pride in internal (technical) experts and recognition of their	Relevance of mutual commitment: (1) promise of repatriation to assignees as a sign of organisational commitment, (2) family move or commuters' constant availability to the firm as a sign of assignees' commitment Stress on HQ-individual manager relationship building and open communication (regardless of origin): cases of HCN and TCN 'adoptees' Foreign entity managers as opportunity seekers, strategy co-creators, and autonomous decision-makers	IA as a personal sacrifice and great investment by an individual People and their networks the main wealth of the firm Open communication between managers and HQ Contract type determined by assignee's best interest, IA duration by organisational needs Clear organisational expectations due to foreign entity maturity Importance of exemplary transfer of business for external recruits: (1)	IA as an opportunity for an employee to prove themselves, to progress their career IA format determined by a mutually beneficial arrangement for the firm and the individual: (self-)testing of the individual and response to unwillingness to expatriate Independence and autonomy of combined with HQ support for and advice to the assignee	Assignees as connectors of the MNE entities External recruit integration into HQ and the emerging local entity for mutual familiarisation, relationship building, and trust A reciprocal relationship: (1) individually negotiated IA format, (2) negotiated contract type with the management board, (3) to be negotiated repatriation	IA as an opportunity to improve one's quality of life and work-life balance Manager the connector to HQ (regardless of origin) Manager retention based on good relations rather than financial incentives External recruit: importance of mutual familiarisation and trust building (through 3rd party referrals and job interviews)	Internally developed local manager's weak HQ relationship: (1) greater need to prove themselves to HQ, (2) greater need for relationship and trust building at managerial level (also based on past expert role), (3) greater control from HQ (also youth-based, unfamiliarity-related, linked to too good results, and context) Desired engagement in negotiations with business partners

	developmental potential – also in external relations with business partners

A shift from high organisational expectations regarding employees' one-sided inputs to a reciprocal relationship referencing organisational employee development plans

Scarce references to employees and employee relations

Context consideration when evaluating employees' performance | Co-management, additional control from HQ, demotions, and greater benefits for new recruits worsening firm-manager and inter-employee relations | integration into the team and relationship building with business partners, (2) assignees' gratitude resulting in preparedness to similarly support their successor

Importance of assignee signalling commitment to long-term expatriation

Importance of family well-being for a focus on business – especially initially when no local support social networks have yet been built

Length of individuals' contract dependent on their added value to the firm and business results | Trust as the most important part of organisational support

Support aligned with the individual's (in)experience and personal preference for 'learning by doing'

Repatriation upon assignee's initiative (personal reasons), mutual agreement regarding repatriation position | | Firm-employee fit determining duration of a contract

Clarity of expectations through centralised goal setting

MNE's employee retention policy: (1) easing transfer to retirement, (2) inhibiting team dynamics through co-management, (3) predecessor on an advisory contract for their rather than IA adjustment | |
| **International staffing** | Data indicating a geocentric approach to filling top managerial positions in the MNE: (1) PCNs | Ethnocentric approach to filling top managerial positions in the MNE grounded in (1) HQ recruits' firm-specific knowledge and | Ethnocentric approach to filling top managerial positions in the MNE with deviations | An ethnocentric approach due to:(1) trust in assignee, (2) eased and more effective collaboration with | Ethnocentric international staffing

Centralised IHRM: strategic decision-making at | Ethnocentric international staffing with deviations: TCN | Ethnocentric international staffing with deviations |

	managing the majority of foreign entities, (2) HCNs managing smaller secondary entities in a market, (3) TCNs managing foreign entities with location-specific requirements Consistent international staffing approach for filling top managerial positions in individual foreign entities Deviations in crises (HCNs for firm closure: IAs for crisis resolution) Mainly individual managers managing individual entities for multiple mandates	embeddedness, (2) enhanced mutual understanding, communication, coordination and collaboration of the interdependent MNE, (3) HQ's up-to-date understanding of the local stakeholders, business practices, and market Needs-based deviations from the ethnocentric approach: deficiencies in internal and external labour markets (shifts need to be explained) Dangers of ethnocentric approach: (1) individual's incompetence to adjust to local culture and business environment, (2) poor organisational support to individuals due to misunderstanding of assignees' needs Considering integration of units by language groups due to a limited	Reasons for an ethnocentric approach: (1) greater trust, (2) perceived greater loyalty, (3) a common working language at the top management level easing inter-entity communication, (4) organisational country of origin-based differentiation Managerial pairs for key entities due to importance of stability of management Importance of people in business (physical presence)	HQ, (3) control over assignee, (4) acquiring a different perspective – improved understanding of subsidiary Shift from a local to a PCN manager due to poor local business practices and a relational business culture (IA breaking friendship-based networks with local business partners) Local management for secondary entities in a market or entities established upon initiative by local managers Implied need for contextualised IHRM	management board level, bureaucratic tasks by HRM department Shift in management from PCN resident in the foreign country to IA due to insufficient predecessor's results Retention policy: predecessor remaining in the foreign firm (implied conflict)	Reasons for deviations: (1) local authorities favouring local management due to its greater legal liability (legislative context determining the international staffing practice), (2) deficiencies in labour market (absence of suitable or willing internal recruits and limited number of external recruits fulfilling location-specific requirements) Autonomous staffing of foreign entities: personality-based recruitment of the local staff for positive team dynamic Importance of physical presence for relationship building with local staff and business partners	Entity with permanent local management Preference for internally developed managers More (perceived) HQ control: (1) lack of trust, (2) low organisational familiarity with the local employee despite their long-term employment in the subsidiary due to physical distance between entities (no daily presence in HQ enhancing the relationship), and (3) the manager's youth and junior status in the firm Autonomous staffing of foreign entities with HQ approval

	Managerial pairs for a strategic location	pool of assignee candidates				
	Simultaneous management of two entities in the same market (the second entity usually being a representative office)	Uniform approach to managing all foreign entity managers – regardless of their origin or type of contract			Same organisational approach to 'managing managers' – regardless of their origin	
	Sequential management of proximate and similar entities	Benefits of managerial physical presence in foreign entities: (1) quality, in-depth, flexible, and timely communication and problem solving with local staff, (2) quality local relationship building and understanding of the local market, (3) favourable team dynamics, (4) strengthened work effectiveness and efficiency abroad, (5) fulfilled local staff's expectations of being managed and represented in HQ, (6) enhanced developmental activities			Individual makes no difference in managing staff by origin or type of contract	
	Flexpatriation by the management board member					
	No transition periods for new managers					
	No change in (international) staffing discourse with the CEO change or under external pressures (crises)					

International employee mobility						
No explicit references to international employee mobility (including IAs) Managerial IAs only evident from the foreign trade network list of entities and managers	Limited organisational IA experience Stressing traditional and alternative long-term managerial IAs Purposes of long-term IAs: (1) establishing new facilities, (2) control and coordination, (3) crisis resolution, (4) transfer of HQ standards and introduction of HQ principles of doing business to the foreign entities Rare short-term project-based IAs Alternative IAs: (1) PCNs already residing in or willing to move to the host country as permanent residents with a local contract, (2) long-term commuter IAs, (3) long-term or transitional flexpatriation by former assignees, (4) TCN IAs, (5) former employees	IA format dependent on IA purpose, comparatively favourable social rights for the individual, and legislation (local contract assumes residence, IA contract assumes periodical commuting) No need for short-term IAs (business trips as sufficient alternative) Effects of foreign entity maturity on the IA: (1) clear organisational expectations, (2) added pressure of failure, (3) set customs and organisational sub-culture Individual-level challenges: (1) stress related to unexpected crises and people relations (firing), (2) family adjustment Normalisation of mobility in the EU context	Limited organisational IA experience *Ad hoc* commuter IA with multiple prolongations (sparked by crisis) Formal IA HQ-based contract Advantages of formal IAs for the individual: (1) a better financial arrangement, (2) better social conditions in less developed host markets Disadvantages of formal IA for the individual: (1) limited IA duration (restrictive legislation), (2) unstructured working schedule and work overload, (3) long-term financial and social	Formal IAs a cost optimisation strategy in specific contexts Prevalence of long-term managerial IAs from HQ Prolongations to multiple mandates Organisational challenges: (1) lack of expatriation willingness and commitment (context determined: good living conditions in sending country), (2) a need to resort to the less effective and efficient managerial solutions, (3) need for *ad hoc* employee development and IA management, (4) legislative challenges, (5) lack of internationally experienced staff in HQ (especially among foreign trade department	Experienced international manager 'Sink or swim' logic: organisation gives up control over the individual by letting them control the process Organisational challenges: (1) no suitable and willing internal candidates, (2) limited number of suitable external candidates, (3) context-determined international staffing (location-specific requirements) International mobility limited to the manager's mobility to HQ No international mobility for local staff due to the domestic focus of each entity	Mobility from foreign entity to HQ limited to the managing- and commercial director (business trips) Local manager engaging in business trips for relationship building with HQ management and relationship maintenance with HQ experts

		collaborating with the firm for short-term IAs as sole proprietors Multilevel advantages of commuter IAs: (1) concentrated family time upon home visits and no need to change residence as advantages at *individual leve*l, (2) increased individual's availability to the firm while abroad, focus on work, no distractions, and limitless overtime as *firm-level advantages* Direction: prevalence of expatriation from HQ; no inpatriation; one case of inter-subsidiary transfer of a HQ assignee for crisis management Contract types: HQ-based or local IAs of individuals dominate; managerial pairs are used in one strategically crucial		repercussions upon repatriation Advantages of formal IAs for the firm: (1) eased control over the assignee, (2) cost optimisation for IAs to more developed markets relative to the domestic market Disadvantages of formal IAs for the firm: (1) administrative burden, (2) having to know the specifics of the different national legislations, (3) potentially higher costs (family compensation, expatriation allowance, taxes) than employing locals, (4) limited duration Organisational challenges: (1) lack of expatriation-	employees), (6) repatriation Advantages of *ad hoc* IA management: allows space for negotiations, creativity, and flexibility Disadvantages of *ad hoc* IA management: no rules – unclear expectations; *post festum* employee development Repatriation: (1) fearing loss of autonomy and having to adjust to a different organisational culture and communication style, (2) less reintegration issues due to daily contacts with HQ colleagues, (3) planning long (6–12 months) transfer of business to successor		

		larger entity for risk reduction Challenges: (1) assignee selection, recruitment, and motivation for longer-term IAs, (2) internal and external labour market deficiencies and the related need for less optimal staffing solutions, (3) maintaining good employee relations; (4) consideration of short- and long-term effects of IA contractual arrangement on an individual's social rights and job security, (5) understanding the individual's needs from a distance, (6) legislation, (7) repatriation Transfer of IA management responsibilities onto employees Responses to lack of assignees: (1)		willing internal recruits, (2) a need for alternative (potentially more costly and riskier) IA formats, (3) scarce supply of HQ employees with international experience for knowledge transfers and eased assignee reintegration, (4) diverse legislations, (5) potentially clashing organisational and individual interests, (6) repatriation Challenges for an individual: (1) role shifts, (2) integration into and adjustment to the local team or HQ, (3) breaking the local norms, (4) dealing with bureaucracy, (5) fluctuations in motivation, self-efficacy, and sense of control, (6) work	Advantage of IAs: broadening one's perspective		

		prolongations of extant IAs, (2) alternative IAs, (3) external recruitment, (4) expatriation of junior employees, (5) employment of PNC managers according to local legislation (when beneficial for the individual), (6) added social pressure through multiple IA willingness checks		overload, (7) mixing of professional and private spheres in the host culture, (8) constant stress due to organisational crisis and self-induced pressure for results, (9) repatriation Repatriation: (1) emotionally challenging detachment from the local team, (2) eased reintegration into HQ due to daily communication with HQ and good relations with colleagues, (3) multiple options regarding the post due to good performance abroad, (4) fear of failure due to raised expectations, (5) work overload during transitional flexpatriation, (6)			

				simple administrative shift Advantages of IAs: (1) acquiring an additional perspective, (2) potential process innovations, (3) possibly enhanced inter-entity collaboration based on better mutual understanding, (4) potential for advancing one's career, (5) lagged effects of good relations in HQ and subsidiary (enhanced inter-entity collaboration during IA and flexpatriation after IA)			
Recruitment	A focus on technical expertise, IB knowledge and experience, professional experience, relationships with various stakeholders, and	Junior and senior recruits; internal and external recruits; PCN bias for managerial positions across the MNE, but also use of TCNs and HCNs	External recruitment of a business partner's employee for managing a strategic entity – based on past experience with the individual	Prioritisation of internal recruitment: internal junior recruit considered more suitable for crisis resolution than experienced external recruits	Preference for internal recruits due to pre-established trust External recruitment: no prior direct or indirect experience	Firm's preference for internal recruitment due to: (1) firm-employee mutual familiarity and trust, (2) trust in one's capabilities, (3) eased inter-entity collaboration, (4)	Organisational preference for internal recruitment Selection criteria: (1) referral by the previous managing director, (2) the individual's good

	employees' attitude to work (e.g. good work ethics, teamwork, motivation) implies a combination of expertise, professional experience, and soft skils as recruitment criteria	Sequential 'recruitment of managers' approach: (1) internal recruits from HQ, (2) internal recruits in the local firm, (3) external PCN recruits from the domestic market (including former employees as reemployed in the firm or sole proprietors), (4) PCN residents in the host market (advantage of HQ language and trust), (5) external HCN or TCN recruits (upon referral or recruited through a HR agency) From independent recruitment managed by HRM department and the responsible management board member to outsourced recruitment (with systematic personality and capabilities' tests) Advantages of internal recruitment of managers in HQ: (1) the individual's familiarity with the work	Importance of integration into the MNE for external recruits Selection criteria: (1) leadership experience, (2) expert skills and professional experience, (3) international experience (apprenticeships, business trips, study exchange), (4) language knowledge, (5) experience in the financial sector, (6) prior links to the firm through a business partner Individual's motivation: (1) adventurous personality not focused on the disadvantages – challenge seeker, (2) not knowing about- or understanding all the challenges, (3) irrational/situational decision-making (no reason), (4) seeing predecessors in the management board (sign of own prospects)	Advantages of internal recruitment: (1) firm-employee mutual familiarity and trust (also based on proven competence) and the related prompt decision-making regarding staffing – especially relevant in crisis situations, (2) flexibility in drafting the contract and determining the format of the international mobility, (3) individual's familiarity with the local firm's business partners, portfolio, finances, staff, and crisis; and HQ (international) business approaches, mode of operation, processes, and personnel (for advice), (4) eased HQ control over the individual and subsidiary, (5)	of the individual with the firm Common IA-HQ colleague establishing the firm-employee link The firm searching for willing rather than competent assignees and developing them according to organisational needs later Initial shorter (2-year) mandate for the firm to test an individual and for the individual seeing if this is a desired workstyle for them (multiple prolongations later) Selection criteria: (1) willingness to expatriate, (2) experience Individual's motivation: (1)	reduced international staffing risks External recruitment: importance of trust building through 3rd party referrals and mutual familiarisation through job interviews and face-to-face meetings with management in HQ and foreign entity Situational decision-making Selection criteria: (1) experience in different international and business environments (working in HQ and subsidiaries, domestic and international firms, versatile markets, socialist and capitalist firms), (2)	commercial results, (3) soft skills (intuitive manager), (4) proof of problem-solving orientation, engagement, and competence, (5) broad local firm-specific knowledge gained through career development in a SME limited HR capacities and specialisation

		environment, work principles, business practices, product portfolio, employees, team dynamics, organisational culture, and business partners of the MNE and capability of their transfer across the MNE, (2) eased communication and collaboration with HQ due to the individual's fluency in the parent-firm's language, (3) pre-established mutual trust and commitment, (4) enhanced employee motivation based on the prospect of repatriation, (5) enhanced HQ control over an individual and the entity, (6) prompt (work) adjustment and assumption of tasks Disadvantage of internal PCN recruitment: need for adjustment to local culture Disadvantages of external recruitment:		eased work adjustment, assumption of IA-related tasks, and MNE collaboration Disadvantages of external recruitment: (1) prolonged MNE integration, transfer of business, and adjustment due to the individual's unfamiliarity with the firm and how it operates, (2) need for trust-building in HQ, (3) lack of local employees' trust needed for teamwork; and absence of advantages of internal recruitment Advantages of recruiting a junior manager: (1) the energy and motivation for tackling challenges, (2) challenging extant cultural	tackling a challenge, (2) opportunity for accelerated career development, (3) widening one's perspective, (4) lack of understanding of the IA complexity, (5) awareness of IA as an option to even consider it Individual's concerns: (1) being de-rooted from the domestic social network, (2) not having an established local support system, (3) expatriate work and lifestyle not fitting the individual's objectives and personality	soft skills (intercultural communication and relationship building), (3) army experience signalling the individual's orderliness (due to the fit with organisational objective to introduce rigid rules to the foreign entity), (4) fulfilling location-specific requirements (knowledge of local language, local law, and local people; local citizenship), (5) willingness to accept a local contract, (6) knowledge of the working language of the Group, (7) familiarity with sending and receiving market national business cultures, (8) technical background, (9)	

		(1) need for adjustment to organisational culture, (2) individuals misrepresenting their capabilities and personality, (3) unpredicted firm-employee mismatch Internal junior recruits a smaller risk than experienced external recruits Advantages of junior recruits with strong managerial identities: (1) motivation by challenge and desire to prove oneself, (2) greater engagement, (3) minimal demands for benefits due to gratitude for an opportunity, (4) eagerness to learn Disadvantages of junior recruits: (1) inexperience and greater need for HQ support, (2) scepticism among HQ colleagues and related self-doubt, (3) challenges in		norms regarding gender and age group roles, (3) limited demands regarding financial incentives, (4) willingness to take on operative tasks and collaboration with local staff Disadvantages of recruiting a junior manager: (1) doubt by colleagues in HQ, (2) doubt by local staff, (3) doubt by local business partners, (4) being a last resort solution can demotivate the IA, (5) additional support and employee development needed, (6) senior colleagues' reluctance to change and attempts to discredit IA Selection criteria: (1) familiarity with and socialisation by		experience in commerce, (10) managerial experience and a managerial identity Individual's motivation: work-private life balance	

		establishing authority among local staff and favourable team dynamics, (4) difficulties in local relationship building IA selection criteria: (1) competencies, (2) knowledge of the parent firm and the host firm's local language, (3) trust (built through direct experience or indirectly – through referrals by trustworthy 3rd parties), (4) familiarity with or at least an interest in the firm, (5) embeddedness in the firm's social networks and culture, (6) the individuals' goal- and task-orientation, (7) psychological profile (absence of arrogance and over-confidence), (8) eagerness and willingness to learn, (9) soft skills Prior managerial experience less relevant for internal recruits, but		HQ, (2) familiarity with the host market and entity (and the related crisis situation), (3) motivation (more important than managerial experience) Individual's motivation: (1) opportunity for testing one's capabilities, proving themselves to the MNE, enhancing firm-employee relationship, and career development (situational decision), (2) new experience, (3) challenge, (4) gender motive (at least one female manager)		

		important for external recruits					
Employee development	Scarce references to employee development Knowledge, networking, and relationship orientation: (1) stress on the organisational and employee experience, (2) emphasis on IB knowledge and technical expertise, (3) knowledge and networks of the personnel as the firm's greatest wealth Implied learning orientation in: (1) expressing pride in internally developed technical experts, (2) the announced medium-term HR policy plan, (3) slogan	Good employer image and brand (especially domestically) Limited investments in employee development for IAs: (1) focus on employee integration in the MNE (rotations; pre-IA visits to host entities and markets; on-site mentoring by HQ board members), (2) no additional managerial training, (3) 'learning by doing', (4) employees' responsibility Recognised need for assignees' holistic knowledge and soft skills for relationship building Gradual adjustment to the managerial role for inexperienced and junior managers: (1) gradual promotion from a deputy to a managing director of a foreign entity, (2) a longer	Emphasis on MNE integration for external recruits Gradual adjustment: (1) first integration into HQ (short HQ rotation – possible information overload), then to the local environment (private socialisation before work socialisation through systematic introduction to business), (2) temporary co-management (from deputy to managing director) for relationship building (with colleagues and business partners) No standardised training or transfer of business due to the different levels of individuals' knowledge and entity maturity Importance of local language knowledge (short course pre-IA, individual lessons in the firm abroad) for	Career development; pre-IA content-focused introduction to business (controlling visits, monthly reports); business trips (getting used to travelling, functioning in different cultures, and relationship building); on-site coaching; introductory visits (familiarisation with the market, way of work), 'learning by doing' Gradual and continuous (long-term) transfer of business negotiated by assignee (by preserving the predecessor's job) Support by experienced local staff (clash of	Gradual career development of an external recruit: from CFO to CEO to vice CEO of a larger enterprise with ownership change Short pre-IA HQ rotation: (1) focused on familiarisation with the firm's portfolio, and (2) introductory language course Limited transfer of business in HQ and foreign entity due to immaturity and small size of the foreign entity and external recruitment Gradual integration into the foreign entity and market: 5 months of autonomous pre-IA visits (familiarisation with the local environment)	Need for holistic knowledge and a broad skill set to manage all aspects of a foreign entity Career development: education and (international!) experience with multiple employers pre-IA as a tool against employee myopia and for greater resourcefulness Career development for managerial effectiveness, firm embeddedness for managerial efficiency 'Sink or swim' approach: 'learning by doing' No HQ rotation but advisable for external recruits	Career development: (1) internally developed expert recruit, (2) self-initiative holistic experiential learning (performing multiple roles and tasks in an SME) Suggested additional university education by HQ unfinished due to work overload and individual's preference for 'learning by doing' No managerial training: intuitive manager No HQ rotation for a local internal recruit: self-initiated inclusion in managerial teambuilding events for HQ integration 6-month transfer of business in the

	Addressing risks through internal and external employee training (mainly limited to tax legislation as one of the main perceived IB risks)	(learning-oriented) transition period with the former manager of the foreign entity; or (3) on-site mentoring while 'learning by doing'	socialisation and integration into the local environment	perspectives sparking process innovation and problem solving), HQ management board members, and previous local manager: situational 'learning by doing' No mentorship scheme Managerial training not requested, not offered – despite its acknowledged value for managers	'Learning by doing' and with the coaching support of the board member with IA experience in a different host market	No trial period despite external recruitment Organisational support: prolonged transfer of business (predecessor on an advisory contract used as inspiration and for learning upon assignee's self-initiative)	foreign entity focused on HQ- and bank relations
Individual's identity	/	Strong managerial identity assumed by the firm for recruited individuals – regardless of their managerial (in)experience Organisational focus on managerial identity reflected in: (1) managerial rather than expatriation-based meetings, (2) managerial board member responsible for the entire MNE's subsidiary network – regardless of	Strong managerial identity: (1) limited expectations regarding organisational support (including logistics), (2) learning orientation, (3) resistant to pressure and stress, (4) situational decision to expatriate (challenge-seeking, likes unpredictability and improvisation), (5) taking full responsibility for the outcomes of their decision to expatriate and for executing the IA, (6) myopia regarding own	Junior manager with strong managerial identity: (1) motivated by challenge and opportunity, (2) adventurous (looking for new experience – risk taker), (3) problem solver, (4) takes full responsibility for own decisions (autonomous and transparent decision-making, responsible	Managerial identity: (1) motivated by challenge and an opportunity for accelerated career development, (2) openness to novelty and broadening one's perspectives, (3) expected resourcefulness, (4) (self-)perception of a manager as an independent problem solver, (5) fear of failure, (6) independence and	Managerial identity: (1) challenge seeker and opportunity taker (changing jobs every 2-4 years), (2) confidence in own experience and knowledge as well as position in the firm (not threatened by PCN presence), (3) intercultural communication skills, communicative, likeable, and an independent	Managerial identity: (1) a problem solver before formally assuming a managerial position, (2) independent decision-maker as a manager (only needs-based consultations with commercialists), (3) requiring no support when integrating into HQ, (4) becoming part of the managers' in-group, (5) identifying with other subsidiary

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		the management origin, (3) approaching all foreign entities' managers similarly (based on function rather than origin or type of contract), (4) responsibility for the IA success transferred onto individuals, (5) focus on 'learning by doing' and assignees' resourcefulness, (6) absence of additional managerial training Detrimental managerial identity effects: cases of assignees' over-confidence, arrogance, and excessive ambition resulting in IA failure	needs and personal issues, (7) business results-oriented, (8) focus on work- rather than cultural adjustment, (9) self-identification as added value for the firm, (10) acknowledging 'special treatment' by subordinates based on managerial position, (11) identification with managers (regardless of their origin Expatriate identity: (1) sense of de-rootedness (absence of strong domestic relationships from childhood, homesickness and visits to home market), (2) informal networking with PCNs and ex-Yugoslav nationals abroad, (3) comparison with other (internal) assignees regarding organisational support	management), (5) prioritises organisational over individual interests, (6) inter-managerial (rather than inter-IA) collaboration, (7) expresses limited demands for organisational support (personal preference for 'learning by doing') Expatriate identity: (1) physically and mentally separating work (IA) and private life (weekend visits of the home country), (2) identifying with both the internationally experienced repatriates (a small group in HQ) and local staff in the foreign entity	limited expectations of organisational support (taking responsibility for IA), (7) focus on immediate tasks, (8) practical orientation ('learning by doing'), (9) operative manager, (10) subordinating their personal needs and wants to the organisational objectives, (11) identification with other managers (collaboration) Expatriate identity: (1) sense of de-rootedness (due to being taken from domestic networks, moving to an unknown environment), (2) proximity of the domestic market and networking with PCNs abroad as a factor in identity preservation	relationship builder, (4) leadership skills, (5) independent problem solver, (6) 'us-them' divide with subordinates, (7) in-group with the local managers, (7) adjustable to team dynamics and intercultural environments in different firms Expatriate identity: (1) global citizen, (2) no consideration of or experiencing foreignness (personality and context dependent), (3) feels more at home in HQ and receiving country than in their home country Considered as an assignee by the firm but not by themselves	managers and engaging in good practice exchanges between them, (6) long-term goal orientation Managerial insight into HQ decision-making as a contributor to manager-staff gap: (1) information asymmetry, (2) mistrust due to the manager's perceived alliance with HQ Professional identification: information asymmetry relative to HQ and local staff; maintaining professional HQ links

Role shifts	/	Shifts between different levels of management From HQ-supported specialist (expert) to an autonomous generalist (top manager) in the foreign entity upon expatriation and a reverse shift from top to operative manager upon repatriation From a subordinate in HQ to an autonomous top manager upon expatriation and loss of autonomy upon repatriation Dual role of internal HQ recruits during an IA: transfer of business onto successors in HQ and available to the latter during IA Dual role of internal HQ recruits upon repatriation: transitional flexpatriation and repatriate tasks	Multicultural environment as a contributor to the assignee's integration into the local environment Eased integration through well-thought-out transfer of business Transfer of business does not cause inter-managerial conflict: responsibilities delimited by business year Correlated role shifts and adjustments by team members Knowledge of local language as a factor of integration in the team and relationship building with local stakeholders	Shifts in individual's roles: (1) from an expert to a middle management position domestically, (2) from a domestic middle management position to an international top management position upon expatriation, (3) from an international top management position to a domestic middle management position upon repatriation, (4) from a member of the domestic entity's in-group to a member of the foreign entity's in-group (identification with the host market team), (5) from a HQ specialist to an autonomous decision-maker and	From a domestic middle manager to an international top manager (with progression of responsibilities in the foreign entity) From a specialist to a generalist upon expatriation (operative manager needed in SMEs) An expected shift from an autonomous decision-maker to a repatriated subordinate Contextualised experience of role shifts: demotion considered as promotion with firm growth Integration into the foreign (work) environment: (1) forced to network with other expatriates and locals due to de-	Integrating into the MNE through adopting HQ language and face-to-face meetings in HQ From out- to in-group member in the foreign entity: (1) individual adjusting to the local team, (2) relationship building with local staff (jokes, collaboration, identification of mutual goals, proof of competence), (3) selective team expansion Shifting between various international positions in different firms	Multiple roles and diverse tasks of each employee in an SME From an expert (non-manager) to a manager Relational shifts: (1) from a colleague to a superior to local staff and HQ commercialists, (2) from a subordinate to a colleague to other managers, (3) Gradual and systematic relational shift from friendship to becoming a manager: gaining legitimacy and authority by distancing oneself, through formalisation of relations, and additional hiring Dual role at MNE level: (1) a HQ representative (damaging to local relations) and (2) an

		Direct and indirect (i.e. relational) promotions or demotions: (1) clash of egos, (2) worsened firm-employee relations due to co-management and additional control, (3) confusion among local staff regarding the managers' authority Self-demotions as problem solving consistent with a managerial identity International assignee as an individual adjusts to the team Role of language in the local team integration and relationship building with business partners		a holistic operative manager abroad upon expatriation, (6) from an autonomous, empowered decision-maker and a holistic operative manager abroad to a subordinate following directions by others upon repatriation, (7) from a commuter IA to a flexpatriate, (8) from IA to dual role of flexpatriate and repatriate upon repatriation, (9) expected transferor of business role, (10) from domestic to local and IA identity The shifts in team members' roles Factors contributing to integration into the local business environment: (1) assignee's practical collaboration with	rootedness and an absence of domestic support system, (2) relationship building and integration power of local language knowledge (privately and professionally), (3) gradual adjustment		advocate for the local team Newcomer superiors, subordinates, or colleagues need proof of competence for team integration

			subordinates, (2) transparency regarding the crisis situation in the firm (identification of common goal), (3) focus on networking with the locals rather than parent-firm nationals Factors hindering integration into the local business environment: (1) local norms about managers, (2) local staff's seniority relative to IA			
Legislation	Emphasis on tax legislation and related training	Complex, unfavourable, internationally diverse (demanding on the individual and firm – outsourcing of legal services) Limits the firm's options regarding employee motivation for international mobility, assignees' social rights and benefits, and determines firm-	Defines the duration of expatriation and the type of contract: residence assumes local contract, commuting IA contract Determines access to social rights: limited for assignee and their family members Local specifics	Presents bureaucratic challenges for the firm Determines contractual arrangement and IA duration (cross-country differences, changes) IA costly for the firm, but favourable	Legislative changes and local specifics complicating IAs Legislation determining employee's social rights, IA contract type, IA duration in a specific host country Emphasis on tax legislation	Importance of a manager knowing the local legislation Legislation determining the international staffing approach Preference for local contracts and local managers by the specific host country: greater	/

		employee contractual arrangement (including duration) Taxation a source of the mismatch between sending and receiving countries' interests Contractual arrangement costs and social rights disparity a source of firm-employee mismatch Codifies integration of an individual into the firm by determining the length of employment in the parent firm prior to formal expatriation Determines IA practice, not firm-level IA discourse: fewer formal IAs, but not fewer mobilities		for the individual due to the domestic social system being more developed in the sending compared to the host market (individual-level interests prevail) Taxation a source of the mismatch in interests of the sending and receiving countries: reflected in the structure of wage (potential long-term effects on the individual's pension and reduced income upon repatriation) Non-EU countries limiting expatriation: fewer formal IAs		legislative liability of the manager	

Notes. HQ – headquarters, PCN – parent-country national, TCN – third-country national, HCN – host-country national, IA – international assignment, HRM – human resources management, IHRM – international human resources management, IB – international business.

Sources: Firm B's annual reports for 2012–2017, Interviews 1b–6b.