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A Study of Taiwanese Executives Selected for Expatriate Assignments

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ABSTRACT

The increasing trend toward corporate globalization has generated much research on expatriate management but little on the criteria used to select executive candidates. This study used survey questionnaires and interviews to identify the criteria that Taiwanese enterprises use to select executive candidates for overseas assignments. The result identified 15 key criteria including integrity, loyalty, tenacity, crisis management, decision-making ability, execution, independence, professional skills and knowledge required for the foreign assignment, working performance, willingness, self-confidence, resilience, ambition, and prior work experience. Those selected for overseas assignments were mostly male managers with over ten year's employment in the company, with the majority taking up marketing positions. Another important finding was that Taiwanese companies prefered to hire local executives in more developed markets (North America, Europe, and Northeast Asia), but less so in developing and underdeveloped markets (Latin America, Mainland China, and Southeast Asia).

Keywords: Corporate Globalization, Expatriate Management, Selection Criteria

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INTRODUCTION

The worldwide operating environment for businesses has become increasingly complex. The growing trend toward corporate globalization has meant that both corporates and individuals must factor in "global" structure with regard to labor issues. International human resource management emphasizes the significance of employee management, where "putting the right person in the right position" is crucial to the success of an expatriate assignment (Dowling, Welch & Schuler, 1999). Little research has been conducted on this particular area. For that reason, this study examined the criteria that Taiwanese companies use to select candidates for overseas assignments.

COMPETENCE REQUIREMENTS IN EXPATRIATE

An efficient expatriate manager is important for multinational companies, and, as such, they need to develop their managers' international competence to help sustain their organization's competitive advantage. The expatriate manager's job is not only limited to distributing responsibilities, adjusting corporate policy, improving employees' quality and increasing their sense of responsibility, but also need to establish new channels for communicating information and to change controls to key resources of overseas. These top executives possess continued influence on the decision-making process (Bartlett & Ghoshal, 1989). Another perspective is that their primary assignment is to act as the liaison for the head office and their resident area (Boyacigiller, 1990). Furthermore, Ronen (1986) opined that expatriate managers played three types of translator role:

1. Translator of company policy through their involvement in the decision-making for the overseas entity to achieve the company policy and strategic goals;
2. Translator of managerial style to provide local staff with necessary training to ensure their behavior compliance with company policy and procedures;
3. Translator of culture where they must acquire knowledge of the local business environment to understand different cultures and styles of communication and negotiation.

Once a manager has been assigned to an overseas position, they need to establish a successful organizational strategy, and to play the role of communicator and coordinator for the head office. They also should be able to identify cross-organization and cross-border business opportunities and threats, to integrate regional resources, and to then boost overall efficiency (Adler & Bartholomew, 1992). Expatriate

managers are also responsible for consolidating the local subsidiary with other subsidiaries regarding the company's general competitive position (Roth & O'Donnell, 1996).

Expatriate managers need to possess some basic competence and management skills as regards the business and cultural elements of an overseas assignment. The international environment consists of changable political and economic situations, and uncertain competition and different customer models, which demand constant organizational changes and require significant flexibility on the part of the individual and the organization. A manager's adaptability and skills for dealing with such complexity are the two key factors that enable companies to survive global competition.

Developing selection criteria is a challenge for the designator of expatriate managers. For example, the Japanese electronics manufacturer Matsushita selected their expatriate managers based on criteria called "SMILE" -- Specialty (requisite skills, capability or knowledge); Management ability (particularly motivation); International flexibility (willingness to learn and adapt); Language facility and Endeavor (perseverance in the face of adversity). As these skills were not easy to measure, they needed to be combined with the on-the-job training to allow the managers to correct their shortcomings at work and to develop their new skills and mentality (Rhinesmith, 1996).

Research on the selection process of expatriate managers has primarily focused on the importance of professional skills. Mendenhall, Dunbar and Oddou (1987) found that the election criteria of American companies' focused on the professional capability of the assignee. Hixon (1986) also found that the selection primarily depended on a manager's professional capability, as well as his willingness to relocate. Therefore, professional capability is one of the most important selection criteria and one that can be assessed on the basis of the manager's previous performance.

Expatriates also have to deal with cultural issues that may result in negative emotions or inappropriate management, and so they also need to possess the ability to cope with new environments. Cui and Awa (1992) voiced that intercultural competency should include interpersonal skills, social ability (respect for different cultures), cultural empathy, tolerance and flexibility to the gray areas, and management and problem-solving skills.

Cultural insensitivity caused by ignorance to local cultures may negatively affect a company's overseas operations and performance. Therefore, expatriate managers

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need to be able to recognize and understand differences between various cultures when on overseas assignments (Tung, 1996). Mendenhall and Oddou (1987) emphasized that companies need to ensure that expatriate managers possess problem-solving and adaptability skills. It is also beneficial to interview the manager's family members to assess whether they will be able to cope with living in a foreign environment. Boyacigiller (1990) stressed that under the circumstances of different cultures, it is important to possess the relevant knowledge of the local society, commercial customs and communication skills.

Accorind to Murray and Murray (1986), they suggested that expatriate managers must possess the effective skills and ability to successfully transfer their professional skills to a foreign environment and to be able to live comfortably, or at least survive, there. McCall and Hollenbeck (2002) said expatriate managers should have a global mindset and an open attitude to cross-cultural issues.

Sandrick (1996) opined that, aside from professional competence, a successful manager needs to possess a future vision for himself, and sufficient leadership skills to transform this vision into a feasible and transferable strategy. Blocklyn (1989) expressed that when selecting candidates for overseas assignments most multinational companies place too much emphasis on professional skills and neglect whether the candidate and his family could cope with living in a foreign country.

There has been much research on the importance of family support on foreign assignments. According to Black and Stephens' research in 1989, they studied the experience of 220 American expatriate managers in a new environment, and found that their spouses had a significant influence on the success or failure of the overseas assignment. Ronen (1989) also considered the family factor (i.e., spouse's willingness to relocate, marital relationship, parents' health condition, children's education, etc.) to be a key determinant. Breet and Stroh (1995) conducted a similar survey of 405 American managers from 500 top companies and also found that a spouse's willingness to relocate was a crucial factor in selecting candidates for overseas assignments. Therefore, family support and living adaptability are important selection criteria.

Adler and Bartholomew (1992) identified seven skills that expatriate managers should possess, including global perspective to understand each country's business environment; local responsiveness to understand multiple cultural backgrounds; synergistic learning ability to work with colleagues from different cultures; cross-culture transition and living adaptability; cross-culture interaction; collaboration with

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local colleagues; and Foreign experience. Barham and Wills (1994) categorized an expatriate managers' qualifications as consisting of:

1. Ability of cognitive complexity: cultural empathy, listening, sense of humor.
2. Emotional energy: emotional self-consciousness, emotional response, risk acceptance.
3. Psychological maturity: curiosity to absorb new knowledge, timekeeping and integrity.

McCall and Hollenbeck (2002) conducted a research of 101 managers from 36 countries, and concluded that expatriate managers need to possess:

1. Open-minded and flexible strategic thinking: under multiple environments, can work and live with different types of people, and can listen to other people's opinions. Inquisitive.
2. Cultural curiosity and sensibility: respect and eager to know about different cultures, non-judgmental, possess good social skills.
3. Ability to handle complicated matters: able to consider different factors when problem-solving, patient, willing to take risks.
4. Sprightly, resourceful, optimistic, aggressive and energetic: willing to take challenges, undepressed, independent, creative, positive thinking.
5. Honesty and integrity: squares his words with his conduct, frank and reliable, trust worthy.
6. Stable personal life: can resist pressure with family support while handling personal affairs, can fully devote to work.
7. Value-added technology or commercial skills: possess reliable technology, management or professional skills.

Based the above outcomes of competence selection criteria for expatriates, especially for the domain of Unitd States, all competencies were crucial to the success of an expatriate assignment. However, this study would like to examine the criteria that Taiwanese companies use to select candidates for overseas assignments.

METHOD

This study employed qualitative and quantitative research methods, supported by in-depth interviews to confirm the questionnaire results and try to interpret the overall findings. The research subjects were executives from a sample leading Taiwanese

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companies with overseas offices, based on corporate rankings by Common Wealth Magazine [1] in 2005.

Research Design

The quantitative questionnaire research consisted of three parts. First, data was collected on the status of expatriate managers including their age, gender, marital status, internal promotion record, seniority within the company before the foreign assignment, total years of work experience, their last position before the foreign assignment, and the highest level of education. Second, the criteria used for selecting expatriate managers was measured using a Likert five-point scale. Third, data was collected on the company's characteristics and its future plans to send managers abroad, including industry type (manufacturing and financial services), job type (marketing, production, human resources, technology and financial management), current utilization of local managers and the possibility for using local manager.

Sample

A total of 1,549 questionnaires were distributed and 224 valid questionnaires were received, giving a valid response rate of 13.6%. The majority of valid responses were from companies in the hi-tech industry (96 companies, 42.9%), followed by traditional manufacturing (72 companies, 32.1%), the services industry (36 companies, 16.1%), financial services (18 companies, 8.0%), and others (2 companies, 0.9%). Of the 224 participants in the study, 91.1% were male and 8.9% female. The ages of the respondents varied from 35 to 51 years of age, the 36-40 age group was the most common (32.6%), and the majority of age from 36 to 45 years is 64.0%. Females accounted for 25% of all expatriate managers in the services industry followed by the financial services sector (11.1%). Regarding martial status, 86.2% of expatriate managers were married. Most of the male expatriates were married (89.7%); the married and unmarried female expatriates were evenly split. Most Taiwanese companies selected candidates from within for expatriate assignments, with 35% of them having served three to five years in the company, followed by over 10 years seniority (17.0%), and then 5-7 years (15.7%). Regarding work experience, 52.5% of expatriate managers possess over 10 years' work experience, followed by 7-9 years (18.4%), 3-5 years (13.5%), and 5-7 years (12.6%). Most of their previous positions were middle managers (42.0%), professional managers (35.3%), and junior managers

[1] The sample leading Taiwanese companies with overseas offices based on corporate rankings is published by Common Wealth Magazine, 2005.

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(19.6%). Regarding educational background, 44.6% of expatriate managers possessed undergraduate degree, and 43.8% had masters degrees. The educational level of the surveyed expatriate managers in the hi-tech industry was generally higher than for the other industries.

RESULTS

The study showed that the top 15 criteria for selecting expatriate managers were: integrity, loyalty, aggressiveness, crisis management, decision-making ability, execution ability, independence, professional skills and knowledge required for the specific foreign assignment, previous performance, ability to work with local business partners, willingness for relocation, self-confidence, adaptability and resistance for the adversity, ambition and work experience. Table 1 showed that the selection criteria of expatriate managers by different foreign locations.

As regards geographic destination, most companies posted their expatriates to China (42.3%), Southeast Asia (18.5%), North America (14.0%), Europe (11.2%), Northeast Asia (9.5%) and Central/South America (4.5%). China is the most popular area to send expatriate managers since this is where most Taiwanese companies have established subsidiaries or manufacturing production.

Among the expatriates' job functions, marketing position accounted the highest percentage, highlighting the reason for Taiwanese companies to set up overseas bases is to expand their market share and better serve their customers. Production positions accounted 24.9% in China and 24.18% in Southeast Asia, highlighting most of Taiwanese companies' production operations are based in these two areas.

Criteria of Expatriate Managers by Industry

Table 2 indicated that the selection criteria of expatriate managers by different industries. In most cases, the top ten criteria emphasized by Taiwanese companies across all surveyed industries when selecting their expatriate managers are: integrity, loyalty, aggressiveness, crisis management, decision-making ability, execution, professional skills and knowledge required for the foreign assignment, previous performance, and ability to work with local business partners.

The key criteria for selecting expatriate managers in Taiwan's hi-tech industry are: integrity, loyalty, independence, execution, decision-making ability, aggressiveness, crisis management, professional skills and knowledge required for the foreign assignment, willingness for relocation, and adaptability and resistance for the adversity.

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Table 1 Criteria of Expatriate Managers by Foreign Location

China	Southeast Asia	Northeast Asia
42.3%	18.5%	9.5%
♦ Integrity ♦ Loyalty ♦ Crisis management ♦ Execution ♦ Initiative	♦ Integrity ♦ Loyalty ♦ Crisis management ♦ Initiative ♦ Execution	♦ Global view ♦ Ability to work with local business partners ♦ Loyalty ♦ Professional skills and knowledge required for the foreign assignment ♦ Crisis management

Europe	North America	Central/South America
11.2%	14.0%	4.5%
♦ Initiative ♦ English comprehension ♦ Professional skills and knowledge required for the foreign assignment ♦ Loyalty ♦ Crisis management	♦ English comprehension ♦ Professional skills and knowledge required for the foreign assignment ♦ Decision-making ability ♦ Loyalty ♦ Ability to work with local business partners	♦ Independence ♦ English comprehension ♦ Crisis management ♦ Loyalty ♦ Family support

Table 2 Criteria of Expatriate Managers by Industry

Hi-Tech	Traditional Manufacturing	Services	Financial	Overall
♦ Integrity ♦ Loyalty ♦ Independence ♦ Execution ♦ Decision making ability	♦ Integrity ♦ Crisis management ♦ Loyalty ♦ Execution ♦ Independence	♦ Initiative ♦ Global view ♦ Crisis management ♦ Loyalty ♦ Ability to work with local business partners	♦ Integrity ♦ Loyalty ♦ Decision-making ability ♦ Professional skills and knowledge required for the foreign assignment ♦ Crisis management	♦ Integrity ♦ Loyalty ♦ Initiative ♦ Crisis management ♦ Decision-making ability

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The key criteria for selecting expatriate managers in the traditional manufacturing industry are: integrity, crisis management, loyalty, execution, independence, professional skills and knowledge required for the foreign assignment, self-confidence, aggressiveness, previous performance, and ability to work with local business partners.

The key criteria for selecting expatriate managers in the financial services industry are: integrity, loyalty, decision-making ability, professional skills and knowledge required for the foreign assignment, crisis management, aggressiveness, independence, self-confidence, willingness for relocation, and execution.

The key criteria for selecting expatriate managers in the services industry are: aggressiveness, global view, crisis management, loyalty, ability to work with local business partners, previous performance, decision-making ability, willingness for relocation, integrity, and professional skills and knowledge required for the foreign assignment.

In terms of the selection criteria for the ability to efficiently communicate and build up the parent company's culture, the hi-tech and traditional manufacturing industries' emphasis on execution, adaptability and resistance to adversity, and learning willingness was significantly higher than the financial services industry. The high-tech industry's emphasis on written communication ability, ambition, vision, and family support was higher than the service industry. The hi-tech and traditional manufacturing industries' emphasis on emotional stability, independence, steady and happy family relationship and family members' adaptation were significantly higher than for the service industry. The hi-tech, traditional manufacturing, and financial service industries' emphasis on intelligence quotient, gender, health condition and family members' willingness for relocation were higher than the service industry.

Criteria of Expatriate Managers by Job Function

Overall, the top 10 selection criteria for Taiwanese companies to choose their expatriate managers by different job functions are: integrity, loyalty, aggressiveness, crisis management, decision-making ability, execution, independence, professional skills and knowledge required for the foreign assignment, previous performance, and ability to work with local business partners. Table 3 emphasized that the selection criteria of expatriate managers by job functions.

The key selection criteria for Taiwanese marketing managers were: integrity, aggressiveness, loyalty, crisis management, decision-making ability, execution,

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professional skills and knowledge required for the foreign assignment, independence, ability to work with local business partners, and previous performance.

Table 3 Criteria of Expatriate Managers by Job Function

Marketing	Production	Personnel	Technology	Financial	Overall
♦ Integrity ♦ Initiative ♦ Loyalty ♦ Crisis management ♦ Decision making ability	♦ Integrity ♦ Loyalty ♦ Execution ♦ Crisis management ♦ Independence	♦ Crisis management ♦ Loyalty ♦ Integrity ♦ Ability to work with local business partners ♦ Decision making ability	♦ Integrity ♦ Loyalty ♦ Execution ♦ Crisis management ♦ Independence	♦ Integrity ♦ Loyalty ♦ Crisis management ♦ Decision making ability ♦ Execution	♦ Integrity ♦ Loyalty ♦ Initiative ♦ Crisis management ♦ Decision making ability

The key selection criteria for Taiwanese production managers were: integrity, loyalty, execution, crisis management, independence, aggressiveness, decision-making ability, ability to work with local business partners, adaptability and resistance for the adversity, and professional skills and knowledge required for the foreign assignment.

The key selection criteria for Taiwanese personnel managers were: crisis management, loyalty, integrity, ability to work with local business partners, decision-making ability, execution, independence, willingness for relocation, professional skills and knowledge required for the foreign assignment, and adaptability and resistance for the adversity.

The selection criteria for Taiwanese technology managers were: integrity, loyalty, execution, crisis management, independence, aggressiveness, decision-making ability, professional skills and knowledge required for the foreign assignment, ability to work with local business partners, and adaptability and resistance for the adversity.

The selection criteria for Taiwanese finance managers were: integrity, loyalty, crisis management, decision-making ability, execution, independence, professional skills and knowledge required for the foreign assignment, aggressiveness, willingness for relocation, and emotional stability.

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For marketing manager positions, the three criteria of international operation and management ability, English comprehension and market sensitivity were particularly emphasized. In terms of gender, the finance position was more emphasized than the personnel position. For the selection criteria of the family members' willingness for relocation, the marketing and finance positions' average emphasis was significantly higher than the personnel position.

Criteria of Expatriate Managers by Foreign Location

For the 215 surveyed companies that send expatriates to China, and the key criteria for their selection were: integrity, loyalty, crisis management, execution, aggressiveness, decision-making ability, independence, previous performance, ability to work with local business partners, and professional skills and knowledge required for the foreign assignment.

For the 94 companies that send expatriates to Southeast Asia, the key selection criteria for their selection were: integrity, loyalty, crisis management, aggressiveness, execution, decision-making ability, independence, previous performance, willingness for relocation, and professional skills and knowledge required for the foreign assignment.

For the 48 companies that send expatriates to Northeast Asia, the key selection criteria for their selection were: global view, ability to work with local business partners, loyalty, professional skills and knowledge required for the foreign assignment, crisis management, decision-making ability, respect and understand the local culture, previous performance, integrity, and self-confidence.

For the 57 companies that send expatriates to Europe, the key selection criteria for their selection were: aggressiveness, English comprehension, professional skills and knowledge required for the foreign assignment, loyalty, crisis management, independence, decision-making ability, execution, willingness for relocation, and ability to work with local business partners.

For the 71 companies that send expatriates to North America, the key selection criteria for their selection were: English comprehension, professional skills and knowledge required for the foreign assignment, decision-making ability, loyalty, ability to work with local business partners, independence, integrity, crisis management, international operation and management ability.

For the 23 companies that send expatriates to Central/South America, the key selection criteria for their selection were: independence, English comprehension, crisis management, loyalty, family support, emotional stability, professional skills and

knowledge required for the foreign assignment, willingness for relocation, ambition, and adaptability and resistance for the adversity.

Generally speaking, the top 10 selection criteria were: integrity, loyalty, aggressiveness, crisis management, decision-making ability, execution, professional skills and knowledge required for the foreign assignment, and willingness for relocation.

Integrity and loyalty are the most important criteria considered by companies when assessing a candidate's expatriate managers' honesty, reliability, credibility, fairness to the duty and organization. These virtues are fundamental issues to both the corporate and individual, as such they can win the customers' satisfaction and fidelity and the parent company's support and trust, and hence achieve organizational growth and development, otherwise it would affect the corporate culture and goodwill, and even jeopardize the company's existence and development.

This study also supported by in-depth interviews to confirm the quantative results and try to interpret the overall findings. All the interviewees agreed with these conclusions, saying that:

> *As the company could not closely observe the expatriates, those professional managers and head office could only trust with each other, through the periodical or occasional discussion. Even so, there were still a few things missed, therefore the expatriate managers' integrity was very important.*

Companies with expatriates in China and Southeast Asia emphasized integrity and loyalty, as human capital is one of the channels for technology leakage. Through job change or external inducement, a professional manager without integrity and loyalty could possibly release confidential information relating to a company's technology or finances. Interviews indicated that companies with expatriates in China and Southeast Asia focused on these virtues because:

> *This related to the cultural development of the countries, the people of the more developed countries generally less likely play the tricks, while the less developed countries' people need to be paid more attention on this issue. As it is easily assimilable and the interaction between the local government and people also more likely created the integrity problems, if the expatriate managers' will were not strong enough, their integrity would be more possibly affected. In the more developed countries, this type of environment is less happened, and this possibility was lower; however, they are more possible to transfer the customers and leak the company's quotation while leaving their job.*

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The research results showed that companies with expatriates in Northeast Asia, Europe, North America placed more emphasis on the selection criteria of specific knowledge and skills, respect and understanding of the local culture, time management, international operation and management competency, global view, market sensitivity, written communication skill. Less emphasis was placed on these criteria by companies with expatriates in China, Southeast Asia and Central/South America. The interviewees expressed that:

For example, in the Pan America head office, in addition to the local business, the Central/South American business also need to be covered, therefore, the international vision is more required. But, if the expatriate manager was assigned to Thailand, he would only need to require the business skills rather than the international vision. Working in the more developed countries, this factor is more critical, as the expatriate manager needs to cover bigger market and the less developed neighbor countries. However, the market sensitivity is very important in every area, because without it, that will be difficult to do the business everywhere.

Because the average quality in Europe and America was higher, the expatriate manager could not do the business there if he does not possess international vision. Therefore, he needs to improve his qualifications, knowledge base, in order to obtain more business opportunities. In China, Southeast Asia and Central/South America, this qualification is also required, but the stander of the requirements could be lower. The market sensitivity is equally important in Europe, America or China.

Generally speaking, the selection criteria as regards gender are less emphasized for companies with expatriates in Europe and America. The interviewees explained that:

In most of the cases, the male expatriates were chosen. In North America and Europe, the gender discrimination is less happened, but in other areas this is more serious.

The male expatriates were more preferred, because it is more difficult for the female expatriates to obtain the equal treatment. The other consideration is the safety, as the security at the less developed country is weaker.

Male still has the advantages such as traveling; they can independently act with less concerns of security. Although there were some female expatriates' performance very good, for the sake of safety, they were most unlikely assigned to

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China and Southeast Asia. For Europe and America, the female were OK, as the society is safer, law-abiding and developed, with less worries.

Regarding why female expatriate managers were in the minority, one reason could be because of family considerations, as confirmed by interviewees.

For the female executives, they went through a lot of competition to get qualify to the high level position and foreign assignment, but because of their natural disadvantage such as family issue and children's educational concern, their career development unavoidably had to compromise, and hence some of them were screened out from the promotion, regardless the foreign assignment.

English communication skills were strongly emphasized by companies with expatriates in Europe, North America and Central/South America, but less so for China and Northeast Asia, although there was significant difference of emphasis regarding local language skills in these countries.

Status of Local-hire Professional Managers

These results showed that most Taiwanese companies hire local people as professional managers in their overseas entities. The percentage of local hires was highest in North America (52.1%), then Europe (42.1%), and Northeast Asia (35.4%). The lack of local hires was lowest in Central/South America (95.7%), Southeast Asia (79.8%) and China (74.9%). The research also found that Taiwanese companies, which plan to hire more local people as professional managers, was again highest in North America (62.9%), then Europe (61.8%) and Northeast Asia (50%). Those not planning to hire more local hires were highest in Central/South America (45.5%), China (48.4%) and Southeast Asia (46.7%).

Generally speaking, the reason the companies hired the local professional managers was because of the high cost of the expatriates. To this point, some researchers had different opinion, Scullion (1991) brought up the reasons the companies preferred assigning the expatriates were: the shortage of the suitable local manager or operation talents, or the concerns for the leakage of industrial confidential information. While Solomon (1995) assumed that the management members teamed up by the international talents can be treated as value-add function, because the managers with different background can extend various specialties, and consolidate each cultural view points and business advantages, to achieve the synergy for the organizational competitive strength. Therefore, it is a difficult consideration to the

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companies for deciding to send their expatriates or hire the local professional managers, the results of the in-depth interview appeared that:

> *In China, it was not easy to find this type of person, because it was difficult to cultivate the local people as the core managers. The reason for hiring the local people was to use them to manage their own people, because they understand better what the subordinates' thoughts, and the second reason was the cost consideration.*
>
> *We would hire the local people if there were suitable candidates, the percentage was about 20%, such in the more advanced countries like US and Europe, we would more possible to hire the local people, because the risk is lower, and these countries' system and culture were more reliable. For the areas like Southeast Asia and Central/South America, our willingness to hire the local people was lower, because or higher risk and more concerns.*
>
> *Currently, we already started to hire the local people in various areas. For example, we have been in China for 15 years, and we already developed some managers, also in Japan, America and Europe, because there were many good quality people. The point was their sufficiency of the ability to communicate with head office, while promoting them to the professional managers.*

This research found that in North America, Europe and Northeast Asia, the percentages of local-hired managers were higher, and these three areas were also more advanced on the technology and enjoy higher living standard; in another words, they are the developed countries. While in China, Southeast Asia, those countries' development is relatively lower and is classified as developing country and underdeveloped country. Therefore, Taiwanese companies were willing to hire or will consider hiring the local people in the highly developed areas like North America, Europe, Northeast Asia, and location of the professional managers will very likely become the trend. On the contrary, in the lower developed areas like Central/South America, China, Southeast Asia, the willingness to hire the local people was lower and the future consideration remained uncertain.

DISCUSSION

Most valid samples came from hi-tech industry, which is Taiwan's most important industry. Companies with subsidiaries or overseas operations were mostly small and medium sized entities. Most expatriate assignments were marketing related, suggesting that the purpose of global deployment was more focused on market expansion and local customer services. Among those areas, the percentages of

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manufacturing in China and Southeast Asia were higher than other areas, and they were also the main locations of Taiwanese companies overseas production bases. In terms of industry distribution, except for Taiwanese companies setting up subsidiaries in Southeast Asia that focused on traditional manufacturing, the other areas were more focused on hi-tech and the educational level of these expatriate managers was higher than in other industries.

Most expatriate managers' were aged between 36 to 40, and the majority of male managers were married, while the female expatriate managers were generally younger, and 50% married and unmarked. This research found that among all of the selection criteria, "gender" is the least important criterion, but the results revealed that the majority of each industry's expatriate managers were male, which is consistent with the research of Stone (1991), who evaluated the preference of the expatriate managers' gender and found that in Asia, assuming the same level of same professional competency, those companies preferred sending males on overseas assignments.

In addition, the proportion of male and female expatriate managers was different in each industry. Male managers dominated the traditional manufacturing and hi-tech industries, while the service and financial service industries had more female expatriate managers.

Regarding the total years of work experience, most expatriate managers had over 10 years, and most of their previous positions were middle managers. Most companies preferred to select expatriate managers through internal resources, and these candidates needed to have worked for their company for three to five years. To summarize the interview results, as the expatriate managers from the internal selection had better understanding and familiarity of the corporate culture, organization, operation system, policy and product, after being assigned overseas, they more easily communicated and coordinated with the head office, also easier controlled the resources, more efficient and the cooperation with the head office was better as well.

Based on the unclassified overall evaluation, the Taiwanese companies' top 15 selection criteria were: integrity, loyalty, aggressiveness, crisis management, decision-making ability, execution ability, independence, professional skills and knowledge required for the specific foreign assignment, previous performance, willingness for relocation, self-confidence, adaptability and resistance for the adversity, ambition and work experience.

"Integrity" complied with McCall and Hollenbeck's (2002), and honesty and justice with Barham and Wills (1994). The professional skills and knowledge required

for the specific foreign assignment followed the research results of Katz (1955), Hixon (1986), Murray and Murray (1986), Mendenhall, Dunbar and Oddou (1987), Boyacigiller (1990), Speitzer, McCall and Mahoney (1997). Willingness to relocate matched Hixon's (1986) research findings.

In Europe, North America and Northeast Asia, the cross-border transfers of merchandise, capital, technology, professional knowledge and manpower are frequent. Compared with Taiwan, those areas are considered more advanced, and, therefore, assigning the expatriate managers there nee to place more emphasis on the criteria of professional skills and knowledge, respect and understand the local culture, time management, international operation and management competency, global view and market sensitivity. But the emphasis in China, Southeast Asia and Central/South America was lower. Unlike the other areas, Europe and North America placed more emphasis on independence, willingness for relocation, ambition, emotional stability, strategic thinking, willingness to lean, vision, innovation, intelligence quotient, family members' willingness for relocation. Gender is relatively less important in Europe and North America, but the research found that female managers tend to face family dilemmas and safety concerns when an overseas opportunity arise and as such are more constrained than their male counterparts by country bias.

Also, in China, Southeast and Northeast Asia, the selection criteria of the efficiency to communicate and set up the head office's culture, health condition and gender were more emphasized. Southeast Asia and China more emphasized on integrity and loyalty. This can be attributed to the effect of local culture and social climate. For the language skills, Europe, North America and Central/South America placed more emphasis on English comprehension.

In China and Northeast Asia, because of the similarity of culture, collectivism and the historical reasons, the emphasis of English comprehensions was significantly lower, while local language skills were significantly emphasized. In these areas, the emphasis on the ability to work with local business partners was also higher than the professional knowledge and skills criteria.

Regarding the family factor, in Europe, North America and Central/South America, because of the geographic reasons, longer traveling times and higher traveling costs could impact home leave more than in Asia. Therefore, the criteria of family support, family members' adaptability and their willingness for relocation of these areas' were more emphasized than in Asia.

Finally, this research found that in highly developed areas such as North America, Europe and Northeast Asia, Taiwanese companies' localization or the future

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willingness to localize were higher, and hence the localization of the professional manager will likely become a growing trend. On the other hand, in less developed areas like Central/South America, China and Southeast Asia, the trend toward localization was relatively lower and the future willingness was also uncertain.

Facing to the rapid change and consolidation of the international market, Taiwanese companies need to timely adjust their global strategies, enter overseas markets, and set up overseas production and sales centers. From a strategic human resource management point of view, to ensure the success of foreign investment and market penetration, it is necessary to devise an accompanying human resource management strategy. As the selection criteria applied in the home country might not suit elsewhere, companies need to consider how to select the best candidate for different country.

As regards selection criteria, most research has show that family support and living adaptability was crucial to the success of an overseas assignment. Therefore, companies should put more emphasis on the family-related factors in the selection process.

Many internal and external factors may affect a company's choice of selection criteria. Future research could cover a briefer selection of international companies beyond Taiwan, or discuss further in terms of the selection criteria by industry and position.

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