‘Spread the word’

A design oriented study on how expat-experience can be transferred within multinational firms

Master thesis Business Administration

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A design oriented study on how expat-experience can be transferred within multinational firms

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Preface and acknowledgements

"The world is flat" is a well known metaphor for the current global playing field that is caused by globalization (Friedman, 2005). Globalization is a phenomenon that increases the interconnectedness of countries around the world. A recently termed and simplified definition of globalization is: *"a process of social, political, economic, cultural and technological integration among countries of the world" (Som, 2009, p. 4).* Due to this increasing interconnectedness, the quantity of companies that do business globally is rising tremendously. The quantity e.g. of multinational corporations (MNC) worldwide rose from 7.000 in 1990 to 65.000 today (Michel, 2013). Accompanied by this explosive grow in MNC's that do business internationally is the need for employees whom are capable to do business internationally. It can be stated that globalization thrives the need for employees with international experience. According to Canestrino & Magliocca, (2010, p. 187)*"International experience is widely recognized as a source of new knowledge".* Despite the importance of "international experience" for employees of MNC's, it seems that these organizations don't have a thorough understanding how they can manage this new knowledge source effectively. This appears e.g. from the fact that expatriate assignments/expats who constitute the richest pool of international experience are not used for transferring their experience upon other organization members (Vinogradova, Zaman, & Svensson, 2012; Canestrino & Magliocca, 2010; Antal, 2001).

Purpose of this thesis is to explore and validate the causes why this transfer is limited. Subsequently solutions will be designed for these causes that will optimize the transfer of experiences of expats with international assignment experience to other organization members. Currently these experiences are predominantly shared in a process of informal socialization. The disadvantage of this knowledge transfer process is that knowledge remains tacit and stays within the minds of knower's. When these knower's leave the organization, the knowledge contained by them leaves also the organization. Important for this knowledge to becomes part of the organizational knowledge base is that this knowledge will be externalized. In this process tacit knowledge is converted into explicit knowledge which can be stored into the organizational knowledge base. This conversion will prevent organizations from loosing knowledge from experienced employees. Subsequently organizations can use this knowledge again for cultivating the mindset of inexperienced organization members.

This thesis is performed in the context of graduating the master study 'Business Administration' at the University of Twente. By finishing this thesis, a period of 3 years of academic education has almost ended. In the past three years, and more specifically during this graduation project, several people have helped and supported me throughout the process. In this line, I would like to thank all of those people. However some of them deserve a special mention. Completing a Master study not only relies on yourself, but also on having people close around you that no matter what, always support you. First and foremost I would like to mention my mother Miranda for her psychological support during the whole project. Second I would like to mention my father Jos for his financial support and support with arranging interviews in MNC's. Without his network of connections I was never able to held this many interviews. Furthermore, I would also want to mention Lianne (my girlfriend) for her continuous support and love throughout the process since the first moment we met in May 2013.

I would also like to thank Huub Ruel for being my first supervisor and for providing support and assistance during the whole process. Furthermore, I would like to thank Tanya Bondarouk for being my second supervisor. Finally, I would like to thank all companies/interviewees that participated in this project.

Tom Oude Luttikhuis

Management summary

Globalization increases the interconnectedness of countries around the world. This phenomenon thrives companies more towards being active in a global playing field rather than a national playing field. Important for these companies to be successful in this global playing field, is having employees whom are capable of doing business internationally. It can be stated that globalization thrives the need for employees with international experience. By far the most intensive mechanism for employees to gain international experience is through multi-year expatriate assignments. Unfortunately only a very small minority of the employees have this opportunity because expatriate assignments are very expensive. If organizations want to become more successful in their globalizing business environment, they should use expatriate assignments/expats for actively harvesting international experiences of this global playing field and transfer this upon other organization members. Transferring this valuable resource will also improve the in general poor expat ROI. Despite this great opportunity, organizations only use expatriate assignments to transfer knowledge to the host country. To support organizations in becoming more successful in their globalizing business environment, I outlined the following research questions:

"What are the design guidelines to optimize the transfer of experiences of expats with international assignment experience to other organization members?"

Important for me is to support these organizations with practical solutions that directly can be used to increase the performance of their knowledge transfer. A well-known approach that bridges this gap between research and practice is a design oriented approach. More specifically I used a regulative cycle to support organizations in optimizing their knowledge transfer. The performed cycle within this thesis consists out of three stages: 1). Problem definition, 2). Analysis and diagnosis, and 3). Plan of action.

1). Problem definition

The first stage of the regulative cycle conceives an intake process, orientation process and cause and effect diagram. During this first (exploratory) stage, several interviews with internal and external stakeholders made clear that:

'international experiences is of major importance if companies want to business successfully in their globalizing business environment', and 'international experiences are a valuable resource for the organization but the transfer of these experiences are predominantly informal'.

Together with these stakeholders I was able to identify a list of causes/problems (page: 24) that relate to a limited transfer of international experiences from expats with international assignment experience upon other organization members. These causes are used to constitute a preliminary cause and effect diagram (page: 25).

2). Analysis and diagnosis

The second stage of the regulative cycle conceives validating the causes retrieved from the exploratory stage. Validation of these causes has been accomplished through an empirical-based investigation and theoretical analysis. The results from the investigation and analysis identified the causes retrieved from the exploratory stage as valid. Also I was able to identify the causal relationships between these causes (page 37). This resulted in the constitution of a refined cause and effect diagram in which I was able to identify the root causes. This stage made clear why these organizations don't use expatriate assignments/expats for transferring international experiences to other organization members:

HR managers (department) who are in general responsible for initiating knowledge management projects in the organization lack profound international experience themselves. Not having profound international experience makes it very difficult to: 1). identify what 'international experience' is needed for employees to be successful in a globalizing environment, 2). to manage this resource optimally. On the other side, Expats who contain these 'international experiences' could not transfer this upon HR managers (other organization members) because overtime explicit knowledge turns into tacit knowledge.

I propose that if HR managers have a better understanding of the concept international experience, they can manage this organizational resource better because than they know 'what' should be managed. When these HR managers are provided with a solution design that conceives an effective knowledge management approach, these managers will be able (because they know 'how') to optimize the knowledge transfer of international experiences from expats upon other organization members.

<u>3). Plan of action</u>

The third stage of the regulative cycle conceives a literature review and the constitution of a solution design. The focus in the literature review is upon the knowledge questions: 1). What is 'international experience'? and 2). How to implement an effective knowledge management approach? Purpose of this review is to retrieve guidelines from the literature for the constitution of a solution design that will provide HR managers with an effective knowledge management approach. This design, when implemented should optimize the transfer the knowledge transfer of international experiences from expats upon other organization members. Reviewing the literature for a single/best conceptualization of international experience revealed that there is no convergence among researchers about one universal concept that represents "international experience". The focus was therefore on providing HR managers with existing concepts that relate somehow to "international experience" and which can compensate for their lack in prolonged international experience. A broad list of concepts is presented in this study. I would recommend HR managers to use the Global Mindset Inventory (GMI) because this concept is the world's first and only psychometric assessment tool that measures and predicts performance. Reviewing the literature for an effective knowledge management approach revealed that the critical success variables for an effective knowledge management approach are leadership, culture, process, intellectual capital and strategy. The most viable solution retrieved to support the knowledge management of international experiences from expats upon other organization members is a Community of Practice. A Community of Practice can be defined as a group of people, along with their shared resources and dynamic relationships, who assemble to make use of shared knowledge, in order to enhance learning and create a shared value for the group. While *community* refers to the group part, *practice* implies knowledge in action. To provide HR managers with an effective approach, I constituted a solution design for a Community of Practice on basis of effective knowledge management theory. For each critical success variable I was able to identify the determinants and tools and techniques in this design. The overarching guidelines presented in this solution design for an effective Community of Practice approach are:

1. Having an appropriate leader who is responsible for the knowledge management
2. Having a conceptualization for 'international experience'
3. Having an internet/intranet website
4. Having events
5. Having a knowledge journalist

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1. Introduction

1.1 Problem statement

PANAMA
PANAMACITY
24 OKTOBER 2011

Today I've planned to visit the Miraflores locks nearby Panama City. These locks are located in the Panama canal and enable together with the Pedro Miguel locks and the Gatun Locks that ships can cross through the Panama canal from the Atlantic Ocean to the Pacific Ocean. Daily enormous cruise ships and container ships are lifted in the locks. Visiting the locks is an amazing experience for most of the travelers in Panama. On my way from Panama City to the locks a certain unrealistic scenery kept my attention. I was just outside Panama city in a somewhat deserted area. Beyond the normal scenery of this area there was an enormous concrete wall with the dimensions to hide a complete suburb. For a minute I was complete astonished by this immense fortress. This moment was interrupted by a brand new black BMW with black windows that arrived at the entrance of the fortress. A soldier in front of the fortress opened the gate and the BMW drove inside. For a moment I could look inside the fortress. Behind the enormous walls there was a paradise with villas, palm trees and swimming pools. I was curious and decided to walk towards the soldier and asked him: "what is this for place and who is living here?". He answered my question with: "This is an expat compound were international managers live who are on an international assignment". The first thing that immediately came up in my mind was: "I spend a lot of money to travel around the world to gain international experience while these expats are probably paid a lot of money to work abroad and gain in this way their international experience". It seemed to me as the perfect job. Get paid to achieve a lot of international experience. But at that same moment the following questions came up in my mind: How can these expats gain international experience when they foster rather cultural isolation than cultural learning? Are the companies whom the expats are working for aware how their international managers can gain as much international experience as possible? But more important do these companies get a return on investment(ROI) from their expat assignments? How do they get ROI and do they use expats for harvesting knowledge of diverse cultures and markets? It seems not.

NETHERLANDS
ENSCHEDE
5 MARCH 2012

My trip in Central and South America ended in the end of January 2012. It was time to start my Master in Business Administration with the specialization track international management. Today I have the course International management. Sitting in the class room and reading a bit in the second chapter of the book, my eyes discovered the following sentences:

"Multi-year expatriate assignments are by far the most intensive mechanism through which employees can learn about another culture and market. However this mechanism can be the most expensive for cultivating a global mindset"(Som, 2009, p. 47).

"There are powerful rewards for an international managers on transfer overseas who choose to get involved in the local community. When such people approach the new country with an

open mind, learn the local language, and make friends with colleagues and neighbors, they gain access to a wealth of new culture. … Unfortunately, my experience in Mexico indicates that many expatriate managers live in 'golden ghettos' of ease with little genuine contact with locals other than servants"(Som, 2009, p. 47).

By reading this I was surprised because I experienced the same in Panama. Again I was immediately curious about the questions: How can these expats gain international experience when they foster rather cultural isolation than cultural learning? Are the companies whom the expats are working for aware how their international managers can gain as much international experience as possible? But more important do these companies get return on investment(ROI) from their expat assignments? How do they get ROI and do they use expats for harvesting knowledge of diverse cultures and markets?

From this moment I knew what I wanted to research for my Master thesis and decided to start a brief literature review towards this topic

"The world is flat" is a well known metaphor for the current global playing field that is caused by globalization (Friedman, 2005). Globalization is a phenomenon that increases the interconnectedness of countries around the world. A recently termed and simplified definition of globalization is: *"a process of social, political, economic, cultural and technological integration among countries of the world" (Som, 2009, p. 4).* Due to this interconnectedness companies not only compete in a national playing field but more over in a global playing field. Over the past decades in which countries became more interconnected, researchers and practitioners increasingly acknowledged the importance of international experience for employees and organizations whom are working in this global playing field (Javidan & Teagarden, 2011; Canestrino & Magliocca, 2010; Levy, Beechler, Taylor, & Boyacigiller, 2007; Gupta & Govindarajan, 2002). By far the most intensive mechanism for employees to gain international experience is through multi-year expatriate assignments (Lovvorn & Chen, 2011; Nummela, Saarenketo, & Puumalainen, 2004; Gupta & Govindarajan, 2002). When reviewing the literature on this topic it's remarkable that this cultivation process is predominantly focused on cultivating the mind of the individual instead of the organization. Companies make large investments into employees to enrich their mindset(Shen & Hall, 2009). Important to let this mindset permeate also into the organization (increase Expat ROI) is the transfer of international experiences from the employees with international assignment experience to other organization members. Unfortunately researchers acknowledge that with expatriate assignments this expensive and valuable knowledge is barely transferred back into the organization.

Research by Antal (2001) revealed information about companies lacking to convert individual learning from these expatriates into organizational learning. Results indicate that: *"expatriate managers return from foreign assignments with a wealth of different kinds of knowledge that could be used as a resource for organizational learning"*(Antal, 2001, p. 24). Conversion from the individual level to the organizational level is needed to contribute towards organizational learning. According to Antal (2001) this conversion was exclusively driven by the expatriates themselves. From the HQ there were no active processes to extract the knowledge from these returned expatriates. Besides the poor transfer of knowledge there was also indistinctness from the site of the expatriates about which information is valuable for the organization. This indistinctness about what is important results in the conversion from explicit knowledge during the assignment into tacit knowledge which is not easy to express and results in an poor conversion from the individual upon the organization. According to (Antal, 2001, p. 25): *" The ability to think differently and to challenge the traditional ways of managing the* *organization that the expatriates could offer is actively and passively resisted rather than capitalized upon. Unless organizations put in place processes and structures that facilitate the conversion of the individual knowledge to organizational knowledge, the resource will remain untapped".*

Recently research by Vinogradova, Zaman, & Svensson (2012) explored again the topic of knowledge transfer from expatriates. Research eleven years after the conducted study by Antal (2001) revealed still similar problems towards knowledge transfer and the content of knowledge that should be achieved during expatriate assignments.

> *"Concerning the knowledge transfer within the companies, the purpose of international assignments is mainly to transfer knowledge to the host country. Therefore, there are no goals for the expatriate to acquire knowledge during the assignment. Furthermore, we found that there are no routines or practices in place for capturing the knowledge upon returning either. In spite of this, many of the repatriate's state that they have learnt a lot during their assignments and that they believe that this knowledge is also valuable for the company"(Vinogradova et al., 2012, p. 33)*

When companies don't transfer these international experiences from employees with international assignment experience to other organization members, valuable knowledge for the company will be lost when this individual leaves the company (Oddou, Osland, & Blakeney, 2009). Worse is that the international experience of cultures and markets isn't utilized within the company to cultivate also the mindset from those who didn't had the opportunity for any exposure. This limited transfer of knowledge restrains the company in being more successful in their globalizing business environment.

1.2 Research goal

The purpose of this research is fourfold. First verification of the problem statement will be done to assure this problem isn't only my own perception or only exist within the literature. With several distinct companies whom are active in the global playing field and whom are working with expats with international assignment experience, the importance of international experiences if companies want to business successfully in their globalizing business environment will be verified. Also the limited transfer of international experiences from employees with international assignment upon other organization members will be verified. Secondly, when these companies verify the importance of international experiences and acknowledge same shortcomings towards the knowledge transfer of international experiences, than together with them an attempt will be made to indicate the possible causes that relate to a limited knowledge transfer. Thirdly, the causes found that cause a limited transfer of knowledge will be validated and further explored by means of literature within this field of study and among other companies but whom are also active in the global playing field and whom are also working with employees with international assignment experience. Fourthly after validating the causes a solution design will be constituted by means of state of the art literature. To constitute a relevant solution with this thesis for the participating companies that will improve the knowledge transfer, the emphasis will be on a design oriented approach.

1.3 Pragmatic relevance

From a pragmatic perspective this research is relevant because applied knowledge will be used to constitute a design that suits the real needs of those companies. Instead of producing general knowledge what could result in superficial deliverables, this research will provide profound solutions that immediately can be undertaken by those companies to solve their problems towards knowledge transfer issues. In general a design oriented approach is applied to solve performance problems in a single company (van Aken et al., 2007). This will result in tailor made solutions for this specific company, but decreases the generalizability. This research will apply also a design oriented approach, but will include multiple companies. By including multiple companies selected at random from a diverse sample, a solution design will be constituted that has a larger generalizability. The ambition with this research is to verify the problem statement in practice and to investigate the problems that cause a limited transfer of knowledge. By solving these issues an attempt will be made to contribute not only in improving the knowledge transfer of international experiences but to support companies also in a first step to support/formalize the whole knowledge management of international experiences.

1.4 Theoretical relevance

The theoretical contribution of this thesis consists out of several parts. First a contribution will be made to the existing literature by verifying the importance of international experiences as an organizational resource for companies whom are active in the global playing field. Also the limited transfer of international experiences from employees with international assignment experience upon the organization will be discussed. Secondly, clarification will be provided towards the causes that effect a limited transfer of international experiences between employees with international assignment experience upon other organization members. Thirdly, by means of state of the art literature and the solutions provided by the participants, an attempt will be made to create a solution design that solves these causes. The constituted solution design can be seen as a deliverable of this thesis and will contribute towards the existing literature in how companies can improve the knowledge transfer of international experiences from expats with international assignment experience upon the organization.

1.5 Research question

The central research question for this thesis is cited below.

"What are the design guidelines to optimize the transfer of experiences of expats with international assignment experience to other organization members?"

1.6 Thesis outline

The outline of this thesis is as following; the research methodology that is applied for this thesis to solve the central research question is discussed in chapter 2. To answer the research question by means of the design oriented approach, three stages will be elaborated and discussed. The first stage is the problem definition stage which will be discussed in chapter 3. With the results of this stage the analysis and diagnosis stage will be performed and discussed in chapter 4. The final stage is the constitution of the solution design which will be elaborated in chapter 5. In the last chapter the research question will be answered, the results discussed, limitations acknowledged and recommendations provided.

2. Research methodology

The ambition with this thesis is to optimize the transfer of international experience from expats with international assignment experience to other organization members. The goal is to provide the participating companies with practical solutions that directly can be used to increase the performance of their knowledge transfer. Notable is that this research is related towards solving a rather practical problem within the existing reality. Within social sciences the aim of most research methodology is towards producing knowledge just for knowledge (Verschuren & Hartog, 2005). This theory-oriented research and methodology is providing in general contributions towards science but lacks often the direct contribution towards solving problems within existing reality. This well-known gap has to do with an already long-standing debate concerning the rigor, or methodological soundness, of our research versus its relevance to managers (Gulati, 2007). Lately the importance of relevance within scientific research is emphasized again due to the current economic and organizational crisis (Polzer, Gulati, Khurana, & Tushman, 2009). Most researchers refer to this gap as the rigor-relevance dilemma (Andriessen, 2004; Bridgman, 2007; Gulati, 2007) or as the research-practice gap (Bennis & O'Toole, 2005). Important for this thesis to deliver a practical solution within the existing reality is to use methodology that bridges this gap. Otherwise the deliverables of this thesis could become rather rigorous and not relevant enough for the companies to realize the performance improvement towards their knowledge transfer problem. According to (Polzer et al., 2009) the two boundaries rigor and relevance can be spanned when researchers adopt a full cycle approach to research.

"A full-cycle approach to research occurs when an individual researcher cycles between multiple methodologies to observe naturally occurring phenomena and proceeds by traveling back and forth between observation and manipulation-based research settings, establishing the power, generality, and conceptual underpinnings of the phenomenon along the way(Chatman & Flynn, 2005, pp. 434–435; Polzer et al., 2009, p. 283)".

Important for selecting an appropriate methodology is to bear in mind that this methodology contains a full-cycle approach to increase the chances on relevant solutions. According to Avenier & Bartunek (2010, p. 1)*"a number of research methods are specifically aimed to developing academic knowledge relevant for practice"*. These methods include: action-research, insider/outsider collaborative research, engaged research, interactive research, relational scholarship of integration between researchers and practitioners, design science methods and evidence based management(Avenier & Bartunek, 2010). Besides the fact that above stated methods are specifically aimed to develop academic knowledge for relevant practice, a brief analyses indicates which also incorporate a full-cycle approach. Analyzing the above stated methods for their incorporation of a full-cycle approach sheds especially light on action-research with the cyclical process (Susman & Evered, 1978) and design science with the regulative cycle (Van Strien, 1997). Comparing both methods should result in selecting the most appropriate method for this thesis.

According to Järvinen (2007) who compared similarities of the fundamental characteristics of action research with design science state: *"we have compared some important characteristics of both action research and design science, and the fit between dimensions seem to be very high. To this end, we claim that action research and design science should be considered as similar research approaches"(Järvinen, 2007, p. 50).* Analyzing these similarities of the fundamental characteristics of both methods thoroughly in the quest for the most appropriate method for this thesis, results in discovering a minor but rather important difference for this thesis between the comparison AR-4 and DS-5. *"AR-4: Action research is carried out in collaboration between action researcher and the client system"(Järvinen, 2007, p. 51)."DS-5: Design science research is initiated by the researcher(s) interested in developing technological rules for a certain type of issue. Each individual case is* *primarily oriented at solving the local problem in close collaboration with the local people"(Järvinen, 2007, p. 51)*. The difference between the both approaches is that with design science the initiation and interest comes from the researcher while with action research this comes from a more jointly collaboration. Probably both methods could provide relevant solutions in solving the research question of this thesis. Because I solely initiated this research due to my interest in this topic, I feel more for applying design science (regulative cycle) in solving the central question of this thesis.

2.1 Design Science

The constitution of the design science paradigm is predominantly initiated and inspired by Simon (1996; original in 1969). In 'Sciences of the artificial' he explores the fundamental differences between natural science and sciences of the artificial. Science of the artificial concerns knowledge with the building of artifacts whereas natural science is knowledge about natural objects and phenomena. Van Aken (2004) refers to this distinction in science as explanatory science (natural science) and design science (science of the artificial). Explanatory science is a quest for truth by developing knowledge aimed at description, prediction and explanation. Design science however quests for improving the human conditions by developing knowledge to solve field problems (Denyer, Tranfield, & Van Aken, 2008). When applying a design oriented approach for improving the human conditions, design can be defined as *a process in which something is created* (Fallman, 2003). Within this research process design activities are involved to produce new knowledge. Within this process 'research' can be seen as the area and 'design' as the means to finally constitute a solution design (Fallman, 2009).

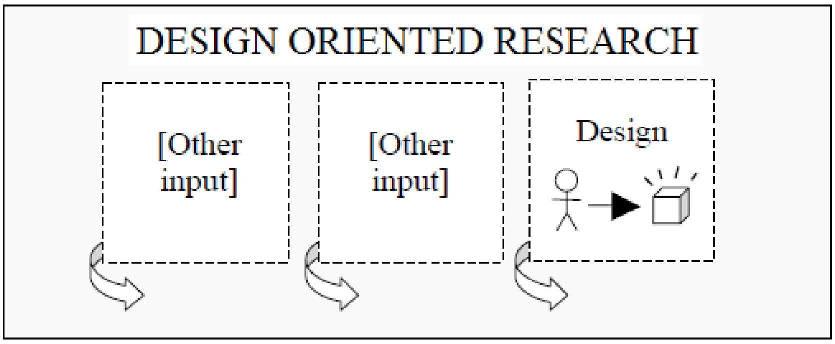

Figure 1: The process of design oriented research

van Aken et al., (2007) use the regulative cycle as process (design model) to produce new knowledge. They refer to this knowledge as design knowledge which is crucial in order to bridge the relevance gap and to provide a solution for a problem within the existing reality. According to Van Strien (1997, p. 689) *"the regulative cycle starts with the identification of a problem; the next step consists of a diagnosis of the problem situation (in fact a mini-theory about the causes and a possible remedy of the problem); the diagnosis results in a plan of action in which the remedy is further elaborated; this is followed by an intervention, aimed at bringing about a change in the desired direction; the last step consists of an evaluation of the new situation"*. van Aken et al., (2007) refer to these five basic steps as: 1) problem definition, 2) analysis and diagnosis, 3) plan of action, 4) intervention, 5) evaluation. They subdivide these steps into three parts. The first part is the designing part which contains step 1,2 and 3. The second part is the change part which contains step 4 and the third part is the learning part which contains step 5. Due to the time constraints of this thesis I will focus only on the design part of the cycle. According to van Aken et al., (2007) this is most common in Business Problem Solving (BPS) projects. *"Usually the student leaves the company after the design part, having created as far as possible the conditions for a successful outcome of the two subsequent parts"(van Aken et al., 2007, p. 8).*

2.1.1 Regulative cycle

Using the regulative cycle as 'the' method for solving the research question of this thesis, leaves me to explain the following aspects before starting with the actual research:

- Design part regulative cycle
- Conceptualization of performance
- Research methods, research instruments, data collection and analysis

<u>Design part regulative cycle</u>
According to van Aken et al., (2007) the theory on how to setup a BPS project should be used in a comprehensive, critical and creative way. With comprehensive they mean that the full-cycle approach should be followed as a whole and not as a menu where readers pick and choose certain elements. With critical they mean that the theory should be used critically and most important *"The creative use means that the approach given in this book is not simply copied, but that it is to be contextualized. The approach given in this handbook should be regarded as a 'design model'; a general model to be used as the basis for the design of the specific setup of a BPS project for a specific setting"(van Aken et al., 2007, p. 5).* Therefore an elaboration will be made on the steps that are comprised into the design part. Besides the elaboration of these steps an explanation will be given in which steps this thesis will deviate from the norm process to provide a good connecting with the context of this thesis.

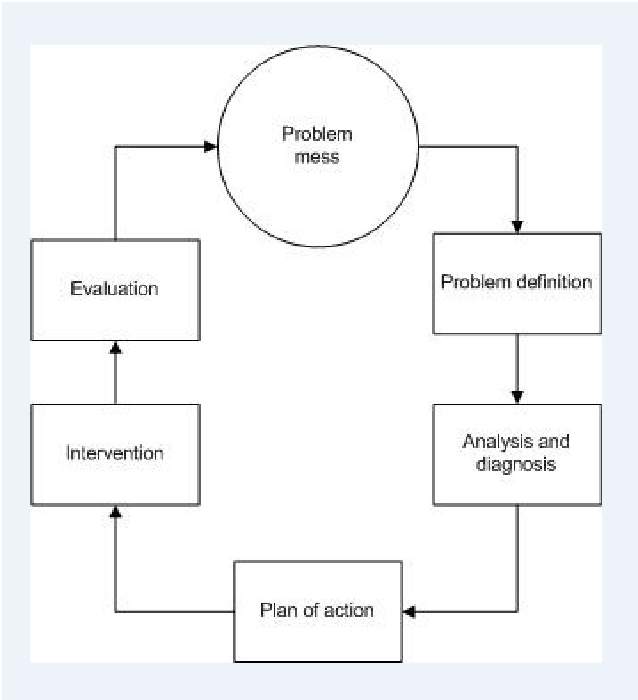

Figure 2: The regulative cycle (source: Van Strien, 1997)

<u>Step 0: Problem mess</u>
Not mentioned before but the problem mess is the actual starting point of a BPS project and contains the initial problem which is constructed by the problem-owner of the organization (Joan Ernst van Aken et al., 2007). Normally a meeting will be held with the problem owner of a certain organization to outline the problem mess and define a preliminary problem statement. In this case I constituted by means of my personal experiences and state of the art literature the central problem to study. According to Avenier & Bartunek, (2010) the constitution of a central research question by means of scientific literature increases the chance for bridging the rigor-relevance gap when using research methods specifically aimed at developing academic knowledge relevant for practice. Still it is from

major importance that the problem also exists among the participating companies. Verification of the central problem will be done during the interviews. These results will be elaborated in chapter 3.

Step 1: Problem definition

Normally this problem definition step is where the problem is constructed by the problem owner, however problem analysis may show that the initial problem is a perception problem or a target problem, or may show that the problem is only a symptom of an underlying one. Hence this step is a thorough scoping process (van Aken et al., 2007). Within this thesis I constituted by means of my personal experiences and state of the art literature the central problem to study. To prevent this problem is a perception problem or a target problem, or may show that the problem is only a symptom of an underlying, verification of the central problem will be done during the interviews among the participating companies. This step contains an intake process, orientation process and the constitution of a cause and effect diagram. The purpose of this chapter is to verify the initial problem statement and to include additional perspectives regarding current problems, causes and possible solutions to the central problem statement.

Step 2 Analysis and diagnosis

The second step of the regulative cycle starts when the problem has been defined, some of its potential causes and consequences identified, the assignment and the problem-solving approach determined (van Aken et al., 2007). The predominant purpose of the analysis and diagnosis step is to validate the founded business problems and to explore and validate their causes and consequences. This will be done by means of an empirical-based investigation and a theoretical analysis. The empirical-based investigation consists of validation interviews which will be held with different internal and external stakeholders. The purpose of these interviews are to create explanatory power for the possible causes and solutions found with the exploratory interviews in the problem definition phase. The purpose of the theoretical analysis is to accompany the results of the validation interviews with state of the art literature. According to van Aken et al., (2007, p. 71) *"the theoretical analysis provides an extra source of evidence on causal relationships. This is especially valuable when it can be established that two particular factors are present but when at the same time it cannot be claimed on empirical grounds that these factors causally relate"*. With the outcomes of the empirical-based investigation and theoretical analysis I will refine the cause and effect diagram if necessary and create in this way a validated cause and effect diagram. By means of this validated cause and effect diagram it's possible to establish a definitive problem specification. From here theoretical directions will be formed to research the validated problems.

Step 3: Plan of action

This step is focused on creating a solution design, i.e. the design of a solution for the proposed central problems of the validated cause and effect diagram. By means of a theory based investigation, research will be done to retrieve design guidelines from 'state of the art literature' to solve these problems. After reviewing the literature, the design guidelines will be constituted in such a way that they represent an idealized solution design. To support practitioners, a practical implication of this design will be performed. To verify if this solution design actually contributes in the real world, an interview will be held with an expert to evaluate this design. All of the above activities should result in creating a valid and reliable design for optimizing the transfer of international experiences from expats with international assignment experience upon other organization members.

2.2 Conceptualization of performance

In general BPS projects are initiated to design solutions that increase the performance of a business system, department or a company on one or more criteria. *"Ultimately it should impact the profit of a company, but usually the actual objectives of a BPS project are of a more operational nature, related to the effectiveness and/or efficiency of operational business processes"(van Aken et al., 2007, p. 7)*. While the scope of this research conceives more than just a department or a company, it's important that the concept of performance within this thesis will be defined. Only in this way it is possible to conclude if the proposed solution design contributes in improving the performance. Based on the findings of both Antal (2001) and Vinogradova, Zaman, & Svensson (2012) the central concept to measure any improvement will be 'formalization'. Within their research they acknowledge that if organizations want to improve the knowledge transfer of expatriates upon the organization, they need to formalize the knowledge transfer of international experiences. Currently expats have indistinctness about what is important and only share this informal. Antal (2001) and Vinogradova, Zaman, & Svensson (2012) conclude that increasing formalization by putting in place for instance processes and structures improves the knowledge transfer. Within this thesis I will follow the definition of formalization proposed by Bodewes (2002). According to *Bodewes (2002, p. 214)"formalization represents the extent to which codified work processes coordinate and control work processes"*. During the interviews, the current extent of formalization within the knowledge transfer process will be analysed. On this basis, solutions will be designed that increase this level of formalization towards a more formalized level. When the proposed solutions increase the current level of formalization, this can be seen as a performance improvement.

2.3 Research methods, research instruments, data collection and analysis

The research design and method that suits this Master thesis and should deliver the appropriate results is related to the type of research question that needs to be answered (Berg, 2004). According to van Aken et al., (2007) the research method accompanied by a design oriented approach are interviews. Therefore I will briefly elaborate on how interviews should be performed, and how this method will be performed within this thesis.

"If you want to know how people understand their world and their lives, why not talk with them? Conversation is a basic mode of human interaction. Human beings talk with each other; they interact, pose questions, and answer questions. Through conversations we get to know people, learn about their experiences, feelings, attitudes, and the world they live in"(Kvale & Brinkmann, 2008, p. xvii).

The philosophy behind interviews has its roots in the basic mode of human interaction "a conversation". Nowadays people have conversations in all kinds of ways and forms. Technological changes of the last decades made it possible that people all around the world can communicate very easy and quick through mobile phones, televisions, internet etc. By having conversations people can collect data and information that can be used for all kinds of purposes. Interviewing is based on gathering data through these conversations. The use of these interviews as a research method is nothing new, but it goes beyond the spontaneous exchange of information and data of everyday. Kvale & Brinkmann (2008) introduced in their book: *"Interviews, learning the craft of qualitative research interviewing"* the seven stages of an interview investigation. A discrete way to execute the interview investigation is with the help of these seven stages named: thematizing, designing, interviewing, transcribing, analyzing, verifying, and reporting. Within this thesis, these stages will be used as guidelines in performing the exploration interviews and validation interviews (see for more information: Kvale & Brinkmann, 2008). In this way an attempt will be made to produce by means of interviews as a research method the best possible outcomes.

2.3.1 Interview research beyond subjective relativism

Important when performing scientific research is that the results/knowledge produced with the selected research method are reliable in a scientific way. *"The trustworthiness, the strength, and the transferability of knowledge are in the social sciences commonly discussed in relation to the concepts of reliability, validity, and generalization"(Kvale & Brinkmann, 2008, p. 241).* Therefore a brief elaboration will be made of these concepts and which activities have been undertaken to support the trustworthiness, strength, and transferability of the knowledge produced with the interviews for this study.

2.3.1.1 Reliability & validity

"Reliability pertains to the consistency and trustworthiness of research findings; it is often treated in relation to the issue of whether a finding is reproducible at other times and by other researchers"(Kvale & Brinkmann, 2008, p. 245). *"Validity refers in ordinary language to the truth, the correctness, and the strength of a statement. A valid argument is sound, well-grounded, justifiable, strong and convincing"(Kvale & Brinkmann, 2008, p. 246).* According to Campion, Palmer, & Campion (1998) one of the most strongly supported conclusions from the last 80 years of published research on interviews is that: *"structuring the interview enhances its reliability and validity and, hence, its usefulness for prediction and decision making"(Campion et al., 1998, p. 47).* When performing qualitative research there are three types of interviews: unstructured, semi-structured, and structured (Baumbusch, 2010). Unstructured interviews have a low reliability because this type of interviewing is comparable with a normal conversation in which questions are not pre-set. The chance other researchers will produce similar findings is therefore small. Semi-structured and structured interviews are characterized by pre-set questions. Due to these pre-set questions, the chance other researchers will produce similar findings is higher. Within this thesis semi-structured interviews are used because this structure with pre-set questions in the open ended format allows for the comparison between respondents as well as possibilities to clarify and extend the statements of the respondent (Kvale & Brinkmann, 2008). While the pre-set questions in this case improve the reliability of the results, the open ended format decreases the reliability. To improve the reliability of the open ended format questions, researcher can use a structured process for analyzing the social data. According to Babbie (2009)"*The key process in the analysis of qualitative social research data is coding, classifying or categorizing individual pieces of data, coupled with some kind of retrieval system".* Babbie (2009) makes a distinction between three processes of coding named: open coding, axial coding and selective coding. Researchers start the analysis of the transcripts with open coding, than axial coding and finally selective coding. Using this structured process for analyzing the social data will increase the reliability of the results. Therefore I will make use in this thesis of this structured approach for the analysis of data produced by the open-ended format. To support the validity of the results, the regulative cycle incorporates during the 'analysis & diagnosis' stage an additional round of interviews. These interviews are termed as validation interviews. Purpose of these interviews is to validate the results from the previous stage. This will be done by interviewing different stakeholders into the problem upon the results achieved during the previous stage. For the subsequent stage of the regulative cycle only the causes/results identified by both groups will be used. To support the validity even more, a theoretical analysis will be performed also upon the results of these interviews. It can be

assumed that the causes/results are valid when these are identified by distinct groups and identified within 'state of the art' literature.

2.3.1.2 Generalizability

After judging the findings of interview research to be reasonably reliable and valid, the question remains whether the results can be generalized upon other subjects and or situations. In general solving business problems with a design oriented approach happens from an individual organizational perspective (van Aken et al., 2007). This increases the chance in providing the specific company with a relevant solution, but decreases the generalizability of this solution. To improve the generalizability one can involve more organizations who are faced with the similar problem. In cooperation with the World Trade Center (WTC) I was able to constituted a representative, random, and stratified sample of 142 companies (see appendix F.1). The big advantage of this sample is that the only similarity between the companies is that they are located in Twente and do business internationally. They differ in all the other aspects like: size, industry, product or service company etc. After investing a tremendous amount of energy, I found 7 organizations whom faced similar impediments and whom were willing to participate in this study. With these 7 organizations both stage 1 and stage 2 of the regulative cycle were executed. Finding results that co vary in both stages with distinct companies in this way becomes much more difficult. The big advantage of the results that co vary is that they have a higher generalizability. To improve the generalizability even more, theoretical analysis had been performed upon the co varying results from the distinct organizations. Within this thesis, only these results who are acknowledge by those distinct organizations and by means of 'state of the art' literature will be used.

3 Problem definition

The purpose of this chapter is to verify the initial problem statement and to add other perspectives in regard to the current problems, causes and possible solutions related to the initial problem. This step contains an intake process, orientation process and a cause and effect diagram.

3.1 Intake

The intake within this thesis deviates from the norm process of van Aken et al., (2007) While the intake approach within this thesis differs, the final result of constructing a initial problem is the same. In general this initial problem is constructed by a problem-owner of a certain company. In this thesis I constructed by means of my own experiences and state of the art literature the following initial problem:

'A limited transfer of international experiences from expats with international assignment experience to other organization members restrains companies in becoming more successful in their globalizing business environment'

To verify that this initial problem isn't my own perception or only exists within the literature, all the respondents of the participating companies were asked about the importance of international experience for them and their organization within their globalizing business environment and how formally this source of knowledge is shared.

Respondent no. 1 stated: "Very important, our market is the international market. If we don't know exactly what is going on in the local market, how their culture is and how they want to be treated, we can never offer a bid". Respondent no. 1 also acknowledged: "The international experiences gained by our expats during the assignment are solely shared informal".

Respondent no. 2 stated: "Acculturating with a certain culture is of major importance when companies wants to be active within that culture. It's important to transfer this experiences upon your colleagues". Respondent no.2 also stated: "The transfer of cultural experiences are shared informal. Due to the fact this happens informal, it's difficult to capture these experiences and convert these into processes!".

Respondent no. 3 said: "If we want to do business successfully in different cultures, we need to respect the cultural differences. These are learned by expats when they are assigned into these cultures" Respondent no. 3 also acknowledged: The responsibility of sharing these experiences comes from me and not from the organization. I can decide if I transfer these experiences or not. If I transfer these experiences this happens pure informal because there is no system. The reason for this, is because they don't think about capturing these international experiences".

Respondent no. 4 explained: "International experiences are important for knowing what our customers want. Knowing what they want will result in selling more. Respondent no. 4 stated also: "We worked with expats but didn't transfer the experiences because after the assignment they immediately started working somewhere else. With the international experiences of our previous expats, the current and future expats could have a lot of advantages".

Respondent no. 5 stated: "As an organization you will create a big advantage when your international managers are aware of the cultural differences. When you need to experience these difference by yourself, you will notice them only when it goes wrong". Respondent no. 5 stated also:"Sharing my international experiences comes from me and not from the organization. This sharing of international experiences happens informal".

All these respondents have different backgrounds and are from different multinational companies, whom differ organizational size, industry, etc. Mutually these respondents acknowledge that international experiences is of major importance if companies want to business successfully in their globalizing business environment. Despite this mutual consent they state that "international experiences" are a valuable resource for the organization but the transfer of these experiences are predominantly informal (See appendix B for the explorative transcripts).

3.2 Internal orientation

After verifying the initial problem statement, it's time to explore the scope and depth of the problem. This exploration will be done by discussing the problem with important stakeholders into this problem. According to *van Aken et al., (2007, p. 45)"interviews are conducted with people who are responsible for the (solution of the) problem and people who are confronted with the problem".* The purpose of these interviews are to add other perspectives to problem. To produce the best possible outcomes with these interviews I will incorporate the stages of Kvale & Brinkmann (2008), elaborate upon the stakeholders which will be selected for the interviews as respondents, reflect upon the interview sampling and analysis and conclude with the interview outcomes which will be the input of the cause and effect diagram.

3.2.1 Interviews

Kvale & Brinkmann (2008)
Thematizing: According to van Aken et al., (2007), the most important function of exploratory interviews is to include additional perspectives to a certain problem. For that reason the questions in the exploratory interview guide were thematized to gain specific knowledge towards the causes and solutions regarding the central problem
Designing: The qualitative exploration interviews are semi-structured because this structure allows for the comparison between respondents as well as possibilities to clarify and extend the statements of the respondent(Kvale & Brinkmann, 2008). The questions which were thematized were all in the open-ended format in order to stimulate as much response as possible.
Interviewing: The interviews will be conducted through face to face interviews. This because the companies in the sample are all closely situated to my home. I choose for this maybe time consuming technique to achieve the best possible results for this thesis.
Transcribing: With help of a pragmatic transcription method all the oral recorded data has been transcribed into written text. This method transcribes the data from the interviews sufficient for the extent in which the data needs to be analyzed .
Analyzing: The transcripts will be analyzed through the process of open coding, axial coding, and selective coding. By codifying the written text underlying patterns will be revealed which will contribute in the constitution of the cause and effect diagram.
Verifying: The ambition with these interviews is to produce reliable data that is reproducible by others and correct and therefore valid.
Reporting: The thematized interview questions are reported in Appendix A. The transcriptions of the exploratory interviews are reported in Appendix B. The codes produced by means of the transcripts are reported in Appendix C.
7 stages of an interview investigation

3.2.2 Stakeholders

Among the participating companies, interviews will be held with important stakeholders into the problem. Within this research, the focus will be on employees which have in lesser of greater degree international experiences and on employees who are responsible for the transfer of this knowledge resource. As already mentioned in chapter 1, by far the most intensive mechanism for employees to learn about another culture and market is through multi-year expatriate assignments (Gupta & Govindarajan, 2002; Lovvorn & Chen, 2011; Nummela et al., 2004). Therefore the focus will be predominantly on employees who have experienced a multi-year expatriate assignment. Besides these Expatriates whom are categorized as PCN's in the international human resource (IHRM) terminology there are also Inpatriates whom can be defined as HCN's and TCN's (Harvey, Novicevic, & Speier, 1999) These inpatriates also contain valuable knowledge about other cultures and markets. *"Parent-country national (PCN) refers to a person of the same nationality as the MNC headquarters. Host-country national (HCN), sometimes called local national, refers to a person of the same nationality as an MNC subsidiary. Third-country national (TCN) refers to a person of a third nationality, employed either in the MNC parent country or in an MNC subsidiary"* (De Cieri, Cox, & Fenwick, 2007, p. 287). All above mentioned type of employees contain international experiences and are therefore interesting for discussing the causes why there international experiences are limited transferred upon other organization members.

Whom are responsible, that employees with international assignment experience transfer this upon other organization members needs a little bit clarification. The transfer of knowledge can be seen as an stage/phase of knowledge management (Alavi & Leidner, 2001; Bhatt, 2001; de Jong & Roelofs, 2000; Gold, Malhotra, & Segars, 2001).*"Defining the concept of knowledge management is difficult, as different perspective or schools of knowledge management can yield different dimensions and meanings. Although the definitions vary in their description of knowledge management, there seems to be a consensus of treating knowledge management as a process"(Yahya & Goh, 2002, p. 458).* According to Bhatt (2001) knowledge management can be defined as *" a process of knowledge creation, validation, presentation, distribution, and application"(Bhatt, 2001, p. 71).* De Jong & Roelofs (2000) researched the internal knowledge management activities among HRD offices who are specialized in advising and supporting companies with regard to knowledge management. They came up with a more cyclical model that contains also five steps termed: knowledge acquisition, knowledge documentation, knowledge transfer, knowledge creation and application. Within this thesis I will consider knowledge management as a cyclical process that contains five phases. Due to the increasing interest in knowledge as an organizational resource, researchers have begun promoting a class of information systems, referred to as knowledge management systems (KMS). *"The objective of KMS is to support creation, transfer, and application of knowledge in organizations"(Alavi & Leidner, 2001, p. 107).* After the above stated clarifications the following question derives: who is responsible for the KM and KMS within organizations? According to *Soliman & Spooner (2000, p. 337)"The human resources departments are well positioned to ensure the success of knowledge management programs, which are directed at capturing, using and re-using employees' knowledge. Through human resources management a culture that encourages the free flow of knowledge for meeting organisational goals can be created".* Skelin (1999) and Yahya & Goh (2002) also emphasize the crucial role of HRM for the successful implementation of KM and KMS. Hereby I would like to conclude that the stakeholders who are responsible for the (solution of the) problem are HR directors/managers/department and the stakeholders who are confronted with the problem are Expats (PCN), Inpats (HCN and TCN).

3.2.3 Interview sampling and analysis

The ambition with this thesis is to provide a solution design that is not only applicable for the participating companies but also applicable for other companies. To increase the generalizability of the results from the interviews upon an as big as possible population, it's important that the sample needs to be: representative, random and stratified (Downs & Adrian, 2012). For this design oriented approach that contains exploratory interviews and validation interviews, I'm looking for companies that are active in the global playing field. Due to the incredible amount of companies whom are active in the global playing field, I decided due to the fact that I will held face-to-face interviews, to scope this down to the area where I live called 'Twente'(part of eastern Holland). With the help of World Trade Center(WTC) Twente which supports companies in Twente to do business internally, I managed to establish a list of companies in Twente that are active in the Global playing field. The sample contains 142 companies (see appendix F.1). The big advantage of this sample is that the only similarity between the companies is that they are located in Twente and do business internationally. They differ in all the other aspects like: size, industry, product or service company etc. This great diversity among the companies in the sample strengths the representativeness. The companies which I will approach for my thesis will be randomly assigned by rolling with a fair die. From the randomly assigned companies I will select stakeholders from different layers within the organization. In this way I try to establish results that have a high generalizability.

The final sample for the exploratory interviews consisted of five stakeholders. Understated an overview is given with background information regarding these exploratory interviews.

No	Date	Time	Duration	Sex	Education	Occupation
1	14-06-2013	9:00	45 min	M	Master in Business Administration/Economics/Management	HR Director
2	31-07-2013	12:15	45 min	M	Bachelor Mechanical Engineering	Area sales manager Asia/Repatriate
3	07-08-2013	13:00	60 min	M	Bachelor Industrial Engineering (commercial)	Expat
4	13-08-2013	15:00	45 min	M	Bachelor in HRM	HR Manager
5	21-08-2013	14:00	60 min	M	Master International Business	Area sales manager Asia/Repatriate

Table 3: Background information regarding the exploratory interviews.

3.2.4 Interview outcomes

After conducting the exploratory interviews with the selected stakeholders, it became clear that all participants mutually acknowledge the importance of knowledge and experiences of the international market for them and their organization if they want to business successfully in their globalizing business environment. Despite this mutual consent they state that "international experiences" are a valuable resource for the organization but the transfer of these experiences from employees with international assignment experience upon the organization is limited. By listening to the recordings and analyzing the interview transcripts carefully through a process of open coding, axial coding, selective coding and by means of literature related to the problem, I was able to establish a list of brief code descriptions of the most important interview outcomes that relate somehow to the central problem. These interview outcomes will be elaborated more extensively in the analysis and diagnosis chapter.

Code no.	Problem description
1.	HR managers are aware of the importance of international experience for their company, but lack prolonged international experience themselves to manage this organizational resource optimally
2.	Knowledge management of international experiences is limited
3.	Expat assignments are not designed to transfer knowledge back
4.	Barely communication between expat during assignment and headquarter
5.	Bad preparation of expat assignment concerning what international experience is needed upon assignment and what international experience is valuable for the organization
6.	After assignment no new job within organization
7.	Tacit nature of international experience
8.	Emphasis mainly on international experience of markets rather than cultures
9.	International experiences are predominantly stored in the heads of expats
10.	International experiences are transferred predominantly informal
11.	Expat responsible for knowledge sharing

Table 4: Summary of the problems related to the central problem.

3.3 Cause and effect diagram

A cause and effect diagram generally shows a mess of symptoms that is created by a mess of causes. The more symptomatic phenomena are posited on the right side of the diagram and the causes on the left side (van Aken et al., 2007). Based on the intake meeting, stakeholder analysis and the exploratory interviews a list of symptoms and causes has been established. As already mentioned, the stakeholders whom are responsible for the (solution of the) problem are the HRM employees. Stakeholders who are confronted with the problem state that *"HR managers are aware of the importance of international experience for their company, but lack prolonged international experience themselves to manage this organizational resource optimally"(code 1)*. According to Skelin (1999), Soliman & Spooner (2000) and Yahya & Goh (2002) HRM employees are responsible for the knowledge management system within organizations. This lack of international experience could result in why the "*knowledge management of international experiences is limited"(code 2)*. According to Alavi & Leidner (2001) the objective of these systems is to support the creation, transfer and application of knowledge in organizations. Analyzing the above stated problem definitions (with the exception of code 1 and 2) makes clear that code 3 – 12 effects somehow the creation, transfer and application of these international experiences. Research in the subsequent chapter should provide more insights in how the causes are related to the central problem. Important is that this cause and effect diagram (figure 3) must be interpreted with caution because it is based on a restricted number of interviews, literature and my personal ideas. Due to the preliminary stage there is no assertion that the problems are valid and reliable. The purpose of this cause and effect diagram is that it designates the directions for further exploration and analysis during the analysis and diagnosis step of the regulative cycle.

Preliminary Cause and Effect diagram

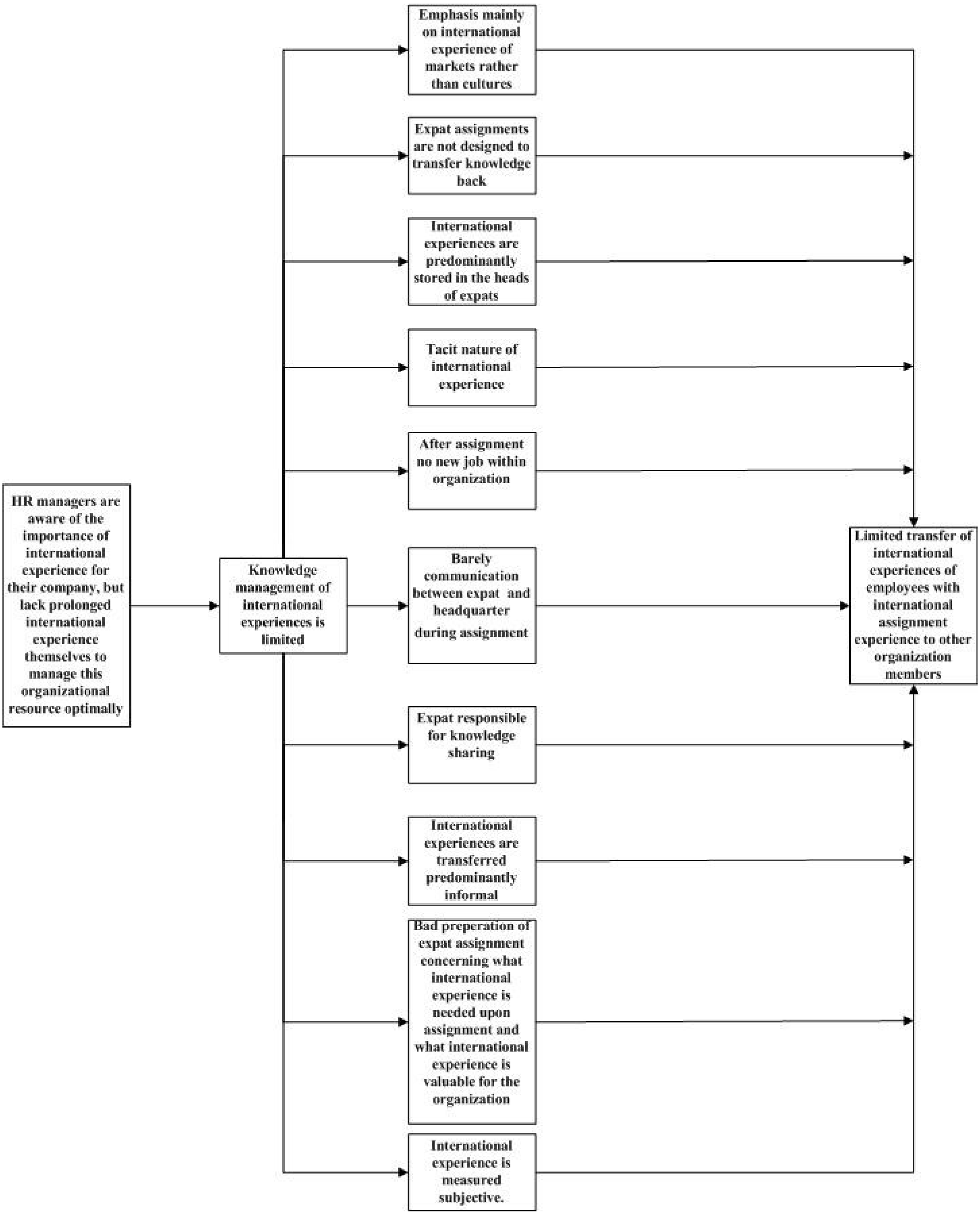

Figure 3: Preliminary cause and effect diagram

4 Analysis and diagnosis

The predominant purpose of the analysis and diagnosis step is to increase explanatory power for the causes retrieved in the previous chapter. This will be done by means of an empirical-based investigation and theoretical analysis. During this empirical-based investigation validation interviews will be held with different internal and external stakeholders which will create explanatory power for the causes retrieved during the exploratory interviews in the problem definition step. The theoretical analysis will strength the results of the empirical-based investigation further and will contribute also as an extra source of evidence when causal relationships cannot be claimed on empirical grounds. Within this chapter first an elaboration will be made on the stages of Kvale & Brinkmann (2008) regarding the validation interviews. By incorporating these stage an attempt will be made to produce the best possible outcomes for the empirical based investigation. Second, the results of the exploration interviews, validation interviews and theoretical analysis will be elaborated per cause. Third, after elaborating on these results a refined cause and effect diagram will be constituted. To provide clarification for this cause and effect diagram, a recap will be performed on the causal relationships. Fourth, by means of these results the central problems will be selected and theoretical directions will be created. These theoretical directions provide the research directions during the plan of action step of the regulative cycle.

4.1 Validation interviews

Kvale & Brinkmann (2008)
Thematizing: According to van Aken et al., (2007), the most important function of validation interviews is to increase explanatory power. For that reason the questions in the validation interview guide were thematized to gain more explanatory power for the causes retrieved during the exploratory interviews.
Designing: The qualitative validation interviews are semi-structured because this structure allows for the comparison between respondents as well as possibilities to clarify and extend the statements of the respondent(Kvale & Brinkmann, 2008). The questions which were thematized were all in the open-ended format in order to stimulate as much response as possible.
Interviewing: The interviews will be conducted through face to face interviews. This because the companies in the sample are all closely situated to my home. I choose for this maybe time consuming technique to achieve the best possible results for this thesis.
Transcribing: With help of a pragmatic transcription method all the oral recorded data has been transcribed into written text. This method transcribes the data from the interviews sufficient for the extent in which the data needs to be analyzed .
Analyzing: The transcripts will be analyzed by means of the results retrieved in the problem definition step.
Verifying: The ambition with these interviews is to produce reliable data that is reproducible by others and correct and therefore valid.
Reporting: The thematized interview questions are reported in Appendix D. The transcriptions of the validation interviews are reported in Appendix E.
7 stages of an interview investigation

The final sample for the validation interviews consisted of three stakeholders. Understated an overview is given with background information regarding these validation interviews.

No	Date	Time	Duration	Sex	Education	Occupation
6	16-09-2013	13:00	75 min	M	Bachelor Industrial engineering	Expat
7	17-09-2013	11:15	45 min	M & F	Master in Human Resources & Bachelor HRM	HR Director & Senior HR advisor
8	19-09-2013	10:00	45 min	F	Bachelor HRM	HR manager

Table 5: Background information regarding the validation interviews.

4.2 Results from exploration interviews, validation interviews and theoretical analysis

Cause 1 *HR managers are aware of the importance of international experience for their company, but lack prolonged international experience themselves to manage this organizational resource optimally*

Exploration interviews

Respondent no. 1 explained:"Very important, because the international market is our market. Our customers are spread all over the globe. If we don't know exactly what our customers want, we can never offer a bid. Equal to the Omani, if we don't know what happens in the local market, how their culture is and how they want to be treated, than offering a bid is a no-go issue". Respondent no. 4 stated: "The world is our market! International experiences are therefore a very important organizational resource for our organization". Respondent no. 4 explained:"Currently we don't do much with these international experiences. It is important for doing business successfully but I'm not aware of which knowledge and experiences exactly contribute in doing business successfully. We worked with expats but never transferred these international experiences upon the organization. I think that we could have a lot of advantages when we had transferred these international experiences upon the organization". Respondent no. 4 explained also: "Expats need a lot of international experience depending on the culture they have to deal with. I only don't know what international experience they need". Respondent no. 5 stated:" HR manager are not aware which international experiences are important because in general they lack international experience themselves".

Validation interviews

Respondent no. 7 stated:"international experience for our organization and employees is very important". Respondent no. 8 explained:"We make our money as a service organization with the knowledge and experience of our employees. Without the knowledge and experience of our employees we have no existence as a company. Managing this organizational resource is therefore the utmost for our company".

Literature review

Reviewing literature on this topic agrees upon the findings from the exploration interviews and validation interviews. Black, Jensen, & Gregersen (2003, pp. 263–264) point out that in a previous study, only 11% of American HR executives had themselves lived or worked in a foreign country. According to Shen & Hall, (2009) and Vinogradova et al., (2012) this lack of international experience results in a poor management of international experiences. According to Vinogradova et al., (2012, p. 23)*"All of the HR managers refuse that international experience is required in their roles, but at the same time they admit that it would have been a benefit". "When it comes to transferring the knowledge, all of the HR respondents agree that there is need for improvement"(Vinogradova et al., 2012, p. 25). "When it comes to coming up with concrete suggestions for improving knowledge transfer the HR respondents fail to do so. It is rather the repatriates that have many suggestions for such improvements. This indicates that it may be a clear disadvantage for the HR managers not to have international work experience"(Vinogradova et al., 2012, p. 29).* Vinogradova et al., (2012) finally state that:*"since those in charge of handling the international assignments do not have any international experience, it is quite obvious that there is a lack of knowledge and understanding regarding this issue"(Vinogradova et al., 2012, p. 31).*

Cause 2 *Knowledge management of international experiences is limited*

<u>Exploration interviews</u>
Respondent no. 1 explained:"for a while we notice that we as an organization are struggling with knowledge management. We even invited professors and supportive personnel whom are specialized into this phenomenon of knowledge management and what to do with knowledge and how do I transfer this upon the organization. It's a difficult phenomenon". Respondent no. 1 also stated: This is no process. I would say this is a challenging topic with a lot of derived aspects. Respondent no. 3 stated: "In our organization we are thinking of implementing a knowledge management system but relatively not much has been undertaken". Respondent no.3 also explained: "The international experiences are currently shared informal and not in a system. The reason for this is because they don't think of sharing this in a system". Respondent no. 5 stated also:"as far as I know we don't manage our international experiences in a system".

<u>Validation interviews</u>
Respondent no. 7 acknowledged:"There is no central concept within our company worldwide. Also there is no concept within the Netherlands". Respondent no. 8 explained:"At the moment we are busy worldwide to look, were is our knowledge located, what knowledge do we need and how do we take care that this knowledge will be applied and shared. This is real knowledge management. We started with this in the beginning of this year.

<u>Literature</u>
Reviewing the subsequent causes agrees upon the findings from the exploration interviews and validation interviews. In the previous chapter I already discussed that within this thesis 'knowledge management' will be considered as a cyclical process that contains five steps termed: knowledge acquisition, knowledge documentation, knowledge transfer, knowledge creation and application (De Jong & Roelofs , 2000). When discussing knowledge management systems, these are integrated in organizations to support them with the creation, transfer and application of knowledge (Alavi & Leidner, 2001). The subsequent causes discussed within this chapter will clarify that organization lack/are limited in the creation, transfer and application of international experiences.

Cause 3 *Expat assignments are not designed to transfer knowledge back*

<u>Exploration interviews</u>
Respondent no. 1 explained:"It stays a phenomenon in which you discover every time that the purpose of sending an expat on assignment abroad in a different country with a different culture never comes back in the topic now he comes back after 4 year and we will transfer his international experiences. This is such a difficult phenomenon. Respondent no. 1 also explained: "What you often see, they go on an assignment for a job. You need to realize that when Dutch people go abroad, this happens 99

times out of 100 times because of their specific knowledge. The purpose than is to transfer only their knowledge to the host country".

Validation interviews

Respondent no. 6 stated:"The purpose of my assignment was to establish a team from people and to coach them. This was an obvious one-way flow of knowledge". Respondent no. 7 argues:"The rationale behind the adjustment is to be represented in the local market". Respondent no. 8 states:"Since three years we started structuring the knowledge transfer from expats on assignment upon the organization. Before, these assignments were not designed to transfer knowledge back upon the organization".

Literature review

Reviewing literature on this topic agrees upon the findings from the exploration interviews and validation interviews. According to (Antal, 2001a, p. 3)" *No active processes of extracting knowledge from the returned expatriates were found in either company"*. Research eleven years after the conducted study of Antal (2001) showed similar results. *"Although the firms claim that they value international experience, the empirical findings clearly indicate that the companies in the study are still using their international assignments as a one way transfer process, to transfer knowledge from home country to host country"(Vinogradova et al., 2012, p. 30)*

Cause 4 *Barely communication between expat during assignment and headquarter*

Exploration interviews

Respondent no. 1 explains:"What happens today, somebody goes on an assignment for four years to e.g. Colombia. Suddenly after four year he is back at headquarters. He says:"hi guys I'm back, what is my next job"? everybody scares. Nobody knows him anymore". Respondent no. 1 claims:"I notice that when our expats are out of sight they are out of mind. Due to long absence at the headquarter expats alienate very quick. This come from my personal experience within this organization". Respondent no. 1 states:"The reason why we lose people out of sight is more a management issue". Respondent no. 3 explained:"When you are abroad, there is in general a time difference, communication procedures are more difficult to execute and above all the communication frequency is very low between me and the headquarter".

Validation interviews

Respondent no. 6 claimed:"There was almost daily contact between me and headquarters during the assignment. This daily contact served operational purposes. With my boss I had weekly a strategic video conference to discuss everything what was necessary". Respondent no. 8 states:"If expats go to a subsidiary than we have frequent contact. When expats go 'on site' than they are a little bit lost. On site they work in projects. Then there is no direct contact anymore". Respondent no. 8 argues:"In general a lot of international experiences are transferred back upon the organization, because we have frequent contact with our expats. This communication during the expat assignment became more structured the last years".

Literature review

Reviewing literature on this topic agrees upon the findings from the exploration interviews and validation interviews. According to Vinogradova et al.,(2012, p. 27*)"The degree of support and contact that the HR representatives have with the expatriates during their assignments and upon repatriation varies among the respondents, but what is common is that this is a neglected issue and the responsibility to stay in touch with the company falls on the expatriate instead, something which is in line with what the literature identifies"*. The repatriates interviewed in the study of Vinogradova et al., (2012, p. 25) believed: *"companies can improve their expatriation routines. The main suggestions include: have a better and more frequent dialogue between the expatriate and the home office during all stages of the expatriation process".*

Cause 5 *Bad preparation of expat assignment concerning what international experience is needed upon assignment and what international experience is valuable for the organization*

Exploration interviews

Respondent no. 2 claimed:"I wasn't prepared by the organization because this was all new to them also" Respondent no. 2 explained:"the first months of my assignment in China were like hell. It was extreme difficult to adapt". Respondent no. 3 claims:"International experience is of major importance for doing successfully business. I'm convinced about this. The organization didn't prepared me at all for my assignment and they didn't explained what international experience is needed and what is of value for the organization". Respondent no. 5 stated:"they threw me in front of the lions. I needed to handle it on my own. The organization helped me a bit with sales but with cultural preparation I was on my own". Respondent no. 5 explained:"for my assignment they looked for somebody with international experience of the Asian culture. In general they only focus on languages and not on cultural experience. From my opinion experience of the culture is more important than speaking the language".

Validation interviews

Respondent no. 6 stated:"Due to lack of experience from HR with expats, the preparation of my expat assignment was marginal". Respondent no. 6 also stated:"I didn't had any preparation in which international experience is important for me and what is important for the company". Respondent no. 7 acknowledged:"We work with expats, but we don't have programs for this. We have for instance a Dutch guy in Spain at the moment, but he isn't prepared and trained well before he became adjusted in Spain". Respondent no. 7 claimed: "We don't have cultural programs for our expats because in general these people already have international experience and are acculturated". Respondent no. 7 stated:"We are not a big multinational, therefore we don't have programs for our expats. These people are adjusted and we wish them good luck". Respondent no. 8 explained:"In cooperation with 'Koninklijke Instituut van de Tropen (KIT)' we offer cultural awareness training to our employees. For Expats we offer them a special cultural awareness training for the country they will be adjusted. This training is to prepare them en their family for the expat assignment abroad".

Literature review

Reviewing literature on this topic agrees upon the findings from the exploration interviews and validation interviews. (Antal, 2001a) besides the poor transfer of knowledge there was also indistinctness from the site of the expatriates about which information is valuable for the organization. Vinogradova et al., (2012, p. 24) state:*"the HR respondents believe that the repatriation process can improve. Some of the suggestions for improvement include: Better planning regarding where the repatriates is sent in order for them to get the right experience that the organization needs".*

Cause 6: *After assignment no new job within the organization*

Exploration interview

Respondent no. 1 explained:"International assignees are calling us and tell us: Hey my name is pete, I'm stationed in France now for four years. I want to let you know that i will be back with 6 months.

Alarm bells are ringing because we don't have a job availabe for pete within 6 months. There won't be a new job within the organization after his assignment. This happens almost dailey". Respondent no.3 stated: " If there is no new job after assignment, expats will go to the competitors and all international experiences contained by this expat will be lost for the company. Respondent no.4 stated: "The reason why international experiences weren't transferred upon the organization, was because the expat left the company directly after assignment" Respondent no. 5 explained: " the person adjusted before me on this location left the company directly after the assignment. Therefore the international experiences contained by this person couldn't be transferred upon me. Also the other employees within the organization didn't have these experiences. Certainly i could have learned a lot from him".

<u>Validation interviews</u>
Respondent no. 8 explained:"It is very important that expats have a new job after their assignment. Before the assignment we already let them know that there is a new job waiting for them upon return. This is protocol within our organization".

<u>Literature</u>
Reviewing literature on this topic agrees upon the findings from the exploration interviews and validation interviews. That expats contain valuable international experiences is already discussed. Lazarova & Caligiuri, (2002, p. 399) state: *"Despite the strategic and financial importance of repatriates, there is plentiful evidence that MNCs often fail to capitalize on these human investments, because many of their assignees leave the company after the assignment is completed".* Stahl, Chua, Caligiuri, Cerdin, & Taniguchi (2009) agrees upon these findings and state also that*:"a substantial percentage of expatriates leave the company upon completion of the international assignment"(Stahl et al., 2009, p. 90).* According to the 2012 Global Relocation Trends Report (Brookfield, 2012), the annual attrition rate among international assignees is 12%. Among the international assignees that left the company, respondents reported that 22% of these international assignees left the company during an assignment, 24% within 1 year of returning from an assignment, 26% between the first and second year and 28% after 2 years.

Cause 7 *Tacit nature of international experience*

Before elaborating on the results from the interview concerning problem 6, I will briefly explain and define 'tacit' and how tacit knowledge limits the knowledge transfer. *"Organizational learning theories suggest that organizations tend to know less than the sum of the knowledge of their members"*(Antal, 2001, p. 62). As humans we know much more than what we can say. Based on the work of Polanyi (1962, 1967), Nonaka (1994) explicated two dimensions of knowledge in organizations: explicit knowledge and tacit (implicit). While these dimensions are a little bit vague or unknown for the majority, within the knowledge management arena practitioners and researchers are aware of these two knowledge dimensions (Herschel, Nemati, & Steiger, 2001). Simply said 'explicit knowledge' is what we can say or express while 'tacit knowledge' is knowledge that we contain/know but what is very difficult or even not possible to say or express. When looking at the nature of international experience it has been argued that:*"Consequently, the skill sets, cognitive complexity, and networks resulting from international assignment experience provides international assignees with unique and often tacit knowledge"* (Carpenter, Sanders, & Gregersen, 2001, p. 496). Antal (2001) who researched "Expatriates contribution to organizational learning" argues that indistinctness about what is important results in the conversion from specific knowledge during the assignment into tacit knowledge which is not easy to express and results in an poor conversion from the individual upon the organization. *"In the knowledge management domain, the conversion of tacit knowledge to explicit knowledge is critical because it is a prerequisite to the knowledge amplification process wherein knowledge becomes part of an organizations knowledge network"(Herschel et al., 2001, p. 107).* Therefore the extent in which international experiences are tacit limits expats to transfer this knowledge upon other organization members.

Exploration interviews

Respondent no. 2 explained: “I don’t think that expats are 100% aware of what they have learned. Partially it’s just happens unconsciously and partially you are aware of the things you learn when you are on assignment. Unconsciously expats learn certain things and these are of course difficult to transfer”. Respondent no. 5 stated also: “unconsciously I gain international experience, this is difficult to transfer. It’s important that expats should be aware of what international experience is important”.

Validation interviews

Respondent no. 6 explained:”Unconsciously I learnt a lot during my assignment and how to do business successfully in that other culture”. Respondent no. 6 also stated:”If they ask me to transfer this knowledge 2 years after the assignment, this will become more difficult. Overtime this specific knowledge becomes tacit”. Respondent no. 7 states:”How to do successfully business international is very important. We can learn from this daily. I have the feeling this is a process of trial and error”. Respondent no. 8 explained:”within our HR department we document a lot like: how to request a visa for certain employees with different nationalities, if we have dealt with a certain situation for the first time etc. This is pure knowledge. If we talk about how to work abroad in a certain country with a certain culture. That is something you don’t explain/document that easy on paper”. Respondent no. 8 claims:”The little things like do and don’ts about a culture you can document. How to approach people in different cultures and how to play the game with them is only possible by practical experience”.

Problem 8 *Emphasis mainly on international experience of markets rather than cultures*

Exploration interviews

Respondent no. 1 explained: “We have a lot of information that we pick-up on the fly. We definitely have something documented, but the emphasis is on future needs of the market. On the basis of culture and how we deal/cooperate with different cultures we don’t do much. I think this company still can make a big step forward in managing international experiences of cultures”. Respondent no. 1 acknowledged:”we steer often on cultural aspects like: how to treat a customer, what are the do’s and don’ts within that specific culture etc. We don’t collect or manage this knowledge because this is still a mined area”. Respondent no. 3 stated: “The organization barely requests for international experiences of cultures. What they want to know is price levels of competitors and product specifications etc. International experiences of the market”. Respondent no. 4 explained: “These days we need to be much more proactive to the market. We need to be distinctive from our competitors and create a competitive advantage. Important for this is the knowledge of the international market”. Respondent no. 4 explained: ”We only document international experiences of markets. We don’t document anything on how we do business with other cultures”.

Validation interviews

Respondent no. 6 explained:”Looking at the international experiences and which are transferred upon the organization, I can state that the emphasis from the organization is predominantly on knowledge and experiences from the market. The cultural part stays in general with the individual”. Respondent no. 6 also claimed:”During my assignment I wrote a monthly report on my knowledge and experience gained of the Brazilian market. About cultural aspects and how to do business I didn’t report anything”. Respondent no. 7 acknowledged:”With doing internationally business you have to deal with markets. Important is having knowledge of these markets”. Respondent no. 8 explained:”Besides the international project management training, which contains all kinds of modules from an international perspective, we offer also a cultural awareness training for our expats”.

Literature review

Respondents argue that the cultural component is neglected by the majority because the Dutch people rather push their culture into the foreign market than adapt upon the culture of those in the country of the assignment. Besides the dominance part, international experience of the market are predominantly explicit, while the cultural component is rather tacit, lacks structure and therefore more difficult to transfer (Södersten & Westman Wall, 2009). According to Antal (2001, p. 70)"*the majority of the respondents clearly felt that the gap between what they learned and what the organization has absorbed and used is too large. They consider it a problem that too little value is drawn for the organization from their learning"*

Problem 9 *International experiences are predominantly stored in the heads of expats*

Exploration interviews

Respondent no. 1 stated:"We have the international experiences stored in the heads of our expats. I question myself if I can find for instance any information about whom went to which customers and whit whom our expats have been spoking". Respondent no. 2 explained:"We have an office in Beijing. Located on that office was a Danish Managing Director. This guy had a lot of international experience. I've learned a lot from him. The international experiences he gained, he also transferred upon me. These international experiences I transferred also upon the expats who came after me. Respondent no. 2 also explained: "I contain all the international experiences. When I leave, the organization will miss my international experiences gained during my assignment". Respondent no. 3 states: "When an expat leaves or something happens to him/her, than all the international experiences gained by this expat will be gone". Respondent no. 3 explained:"We don't have a good CRM system within our organization. All the international experiences are stored in the heads of our employees. When for instance something happens to me, than all this information will be gone". Respondent no. 4 explained:"We have a situation in America with an expat of us. This man had an fatal accident. Due to the fact that all international experiences where stored in the head of this man, we lost everything".

Validation interviews

Respondent no. 7 claims:"How to do successfully business international is very important. I assume that Expats who work internationally are aware of this and know this". Respondent no. 8 argues:"We have an international project management training. The modules of this training are developed by those employees who contain the most knowledge about these modules. Everybody from our company attends these international project management training. Especially the employees with a lot of international experience are attending because they can provide practical examples. Respondent no. 8 explained: "The cultural awareness training is top down. The KIT provides our expats with cultural aspects that we think that are important for our expats. We offer this cultural awareness training since three years now for our expats. The cultural learning's gained by the expat during the assignment are not transferred back. The reason for this is because the KIT works with natives from those countries".

Literature review

Reviewing literature on this topic agrees upon the findings from the exploration interviews and validation interviews.*"Organizational learning theories suggest that organizations tend to know less than the sum of the knowledge of their members"*(Antal, 2001a, p. 62). Based on the work of Polanyi (1962, 1967), Nonaka (1994) explicated two dimensions of knowledge in organizations: explicit knowledge and tacit (implicit).*"Whereas explicit knowledge is formal, systematic and can be articulated, tacit knowledge is personal and not easily expressed for the individual"(Södersten &*

*Westman Wall, 2009, p. 9).*Due to the tacit nature of international experiences these are predominantly personal and therefore stored in the heads of expats.

Cause 10 *International experiences are transferred predominantly informal*

Exploration interviews

Respondent no. 1 explained:"The international experiences gained abroad by our expats are solely transferred informal. We arrange lunch sessions for them when they come back from their assignment. During these lunch sessions they tell towards other organization members about their international experiences gained abroad. The disadvantage of this method is that when other organization members can't attain this session they will miss the opportunity to learn from these experiences. I think a great challenge for this thesis is to bring the knowledge management of international experiences to a next step of formalization". Respondent no. 2 stated:"What we try to accomplish first within our organization is to transfer the international experiences of the culture in which we were adjusted. This happens informal. Due to the fact this happens informal it is difficult to document this or to create procedures for this. Respondent no. 3 explained:"Transferring international experiences comes from me and I transfer these international experiences in an informal way. From the organization this responsibility lies with me. Out of the organization this transfer of international experiences isn't managed". Respondent no. 5 claims:"Expats who never have been adjusted in certain locations need explanations how things work. This information is solely provided by me in an informal way and not by the organization".

Validation interviews

Respondent no. 7 states:"Due to the absence of a knowledge management system, international experiences are transferred predominantly informal". Respondent no. 8 explained:"when we have a new employee who needs certain international experiences for his/her function, than this person will accompany for a while another employee who has these international experiences". Respondent no. 8 claimed:"Since three years we started structuring the knowledge transfer from expats on assignment upon the organization".

Literature review

Reviewing literature on this topic agrees upon the findings from the exploration interviews and validation interviews. Because tacit knowledge lacks structure, international experience are predominantly transferred informal (Södersten & Westman Wall, 2009) According to Antal (2001) the conversion from individual learning into organizational learning was exclusively driven by expatriates themselves because there were no active processes to extract the knowledge from these returned expatriates. *"According to the repatriates, they were given repatriation support through an informal ongoing dialogue rather than through a formalized process. Only one of the repatriates was given a possibility to share his experiences at the company upon repatriation, through debriefing and by writing an article on the company's internal website, while for the rest sharing of their experiences was only done informally and on their own initiative"(Vinogradova et al., 2012, p. 20).*

Cause 11 *Expat responsible for knowledge sharing*

Exploration interviews

Respondent no. 1 explains:"the knowledge sharing comes partially from the expat where he/she tells about her international experiences from the assignment. The other part comes from the company that requests data from the market where the assignment has been undertaken". Respondent no. 3 states: "the knowledge sharing comes from myself. I decide what I want to share or not. There is no link between me and the organization concerning this knowledge sharing or what should be shared. The responsibility for this knowledge sharing is upon me because the organization doesn't know what should be shared".

<u>Validation interviews</u>
Respondent no.6 stated:"Before the assignment I wasn't prepared by the organization because this was new to them. Therefore I was responsible for the knowledge sharing and not the organization". Respondent no. 7 states:"Due to the absence of a knowledge management system, expats are predominantly responsible for the knowledge that will be shared". Respondent no. 8 claims:"Our ambition is to transfer the knowledge upon the organization. Since three years we started structuring the knowledge transfer from expats on assignment upon the organization. At the moment we are busy worldwide to look, were is our knowledge located, what knowledge do we need and how do we take care that this knowledge will be applied and shared".

<u>Literature review</u>
Reviewing literature on this topic agrees upon the findings from the exploration interviews and validation interviews. According to Antal, (2001, p. 65)*"The analysis of the evidence provided in the interviews suggests that the initiatives taken to convert individual learning into organizational learning were exclusively driven by the expatriates themselves".* Vinogradova et al.,(2012) also acknowledge that this responsibility predominantly lies on the expat instead of the organization.*"The degree of support and contact that the HR representatives have with the expatriates during their assignments and upon repatriation varies among the respondents, but what is common is that this is a neglected issue and the responsibility to stay in touch with the company falls on the expatriate instead, something which is in line with what the literature identifies"(Vinogradova et al., 2012, p. 27).*

4.3 Cause and effect diagram refined

The purpose of this analysis and diagnosis step is to validate the causes retrieved during the problem definition step. By means of validation interviews and theoretical analysis more explanatory power is provided for the causes and their relationship. This analysis and diagnosis was necessary to validate these causes and to discover their underlying relationships. Important for the problem specification of this thesis is to discover what are the causes/root causes that finally effect the knowledge transfer of expats with international assignment experience upon other organization members. By means of the results from the validation interviews and theoretical analysis it was possible to refine the cause and effect diagram towards a more validated diagram that represents a more realistic representation of which causes direct or indirect influence this transfer. In figure 4 this refined cause and effect diagram is depicted. Within the next subsection a recap on the results will clarify moreover how these causes are related to the central problem. While there could be much more causes that relate to the central problem, this cause and effect diagram only represents the causes retrieved from the empirical-based investigation and the theoretical analysis that was feasible in the time span of this thesis.

4.3.1 Recap on causal relationships (CR)

As already identified, HR managers are responsible for initiating knowledge management systems (KMS) and the knowledge management (KM) within organizations(Skelin, 1999; Soliman & Spooner, 2000; Yahya & Goh, 2002). The majority of the respondents confirmed this while some respondents state that line-managers are responsible for the input of the KMS. While this minority state that line-managers are responsible for the input, they state that signaling the need and the initiation of a KMS comes from HRM employees. According to several respondents and (Antal, 2001a; Shen & Hall, 2009; Vinogradova et al., 2012) HR managers lack international experiences and therefore cannot manage the KMS/KM of international experiences optimally within organizations (**CR1**). According to Bhatt (2001) knowledge management can be defined as *" a process of knowledge creation, validation, presentation, distribution, and application"(Bhatt, 2001, p. 71). "The objective of KMS is to support creation, transfer, and application of knowledge in organizations"(Alavi & Leidner, 2001, p. 107).* While expatriate assignments are by far the most intensive mechanism to create international experiences (Gupta & Govindarajan, 2002; Lovvorn & Chen, 2011; Nummela et al., 2004), the respondents and (Antal, 2001a; Vinogradova et al., 2012) state that expat assignments are not designed to transfer knowledge back (**CR2**). According to Som (2009) the expatriate assignment cycle contains three phases: selection and preparation, actual assignment and repatriation. Because the knowledge management of international experiences is limited and the expatriate assignment is only designed to transfer knowledge to the host country, organizations lack to create, transfer and apply international experiences during these phases of the expatriate assignment cycle. According to the respondents, the preparation of the expat assignments concerning what international experience is needed upon assignment and what international experience is valuable for the organization is poor. Respondent no. 3 e.g. claims:"International experience is of major importance for doing successfully business. I'm convinced about this. The organization didn't prepared me at all for my assignment and they didn't explained what international experience is needed and what is of value for the organization"(**CR4**). Indistinctness about what international experience is needed and valuable results in the conversion from specific knowledge during the assignment into tacit knowledge (Antal, 2001a) (**CR7**). According to the majority of the respondents and (Antal, 2001a; Vinogradova et al., 2012) there was also during the actual assignment barely communication between the expats and headquarter (**CR3**). Not communicating results directly in a limited transfer of knowledge. Respondent no. 8 e.g. argues:"In general a lot of international experiences are transferred back upon the organization, because we have frequent contact with our expats. This communication during the expat assignment became more structured the last years" (**CR13**). When there is barely communication, specific knowledge overtime converts into tacit knowledge (Antal, 2001). Antal (2001) interviewed several expats for her research. One of them explained*:"for me it is all mixed up" (450-451). According to him, there are a lot of little things he learned abroad and which are relevant for his job in Germany now, but he found it difficult to identify them explicitly. In other words, what he had learned had been converted into tacit knowledge and was therefore not easy to express"*(Antal, 2001a, p. 66)(**CR6**). Due to the poor preparation and poor communication the degree of tacitness increases. According to the respondents the emphasis for the international experiences gained and that should be transferred are therefore predominantly on the explicit experience of the market(**CR8**). According to (Antal, 2001, p. 70)"*the majority of the respondents clearly felt that the gap between what they learned and what the organization has absorbed and used is too large. They consider it a problem that too little value is drawn for the organization from their learning"*(**CR14**)*."Whereas explicit knowledge is formal, systematic and can be articulated, tacit knowledge is personal and not easily expressed for the individual"(Södersten & Westman Wall, 2009, p. 9*(**CR9***)*. The respondents mutually agree that when these international experiences are stored predominantly in the heads of the expats, the chance for a loss of knowledge when something happens is inevitable. For example respondent no. 3 states: "When an expat leaves or something happens to him/her, than all the international experiences gained by this expat will be gone"(**CR15**). The reason why these international experiences are transferred predominantly informal is because tacit knowledge lacks structure (Herschel et al., 2001)(**CR10**). According to Vinogradova et al., (2012, p. 22)*"With the exception of one company using a form of debriefing upon return, the companies have no formal routines and procedures in place for capturing and enabling knowledge transfer".* Respondent no. 2 stated:"What we try to accomplish first within our organization is to transfer the international experiences of the culture in which we were adjusted. This happens informal. Due to the fact this happens informal it is difficult to document this or to create procedures for this"(**CR16**). Due to the tacit nature of the international experiences organizations are not aware what should be shared. Respondent no. 3 states: "the responsibility for this knowledge sharing is upon me because the organization doesn't know what should be shared"(**CR11**). Also the respondents state that they are responsible for the knowledge sharing because of the poor preparation before the assignment. Respondent no.6 stated:"Before the assignment I wasn't prepared by the organization because this was new to them. Therefore I was responsible for the knowledge sharing and not the organization"(**CR12**). When not the organizations but the expats are responsible for the

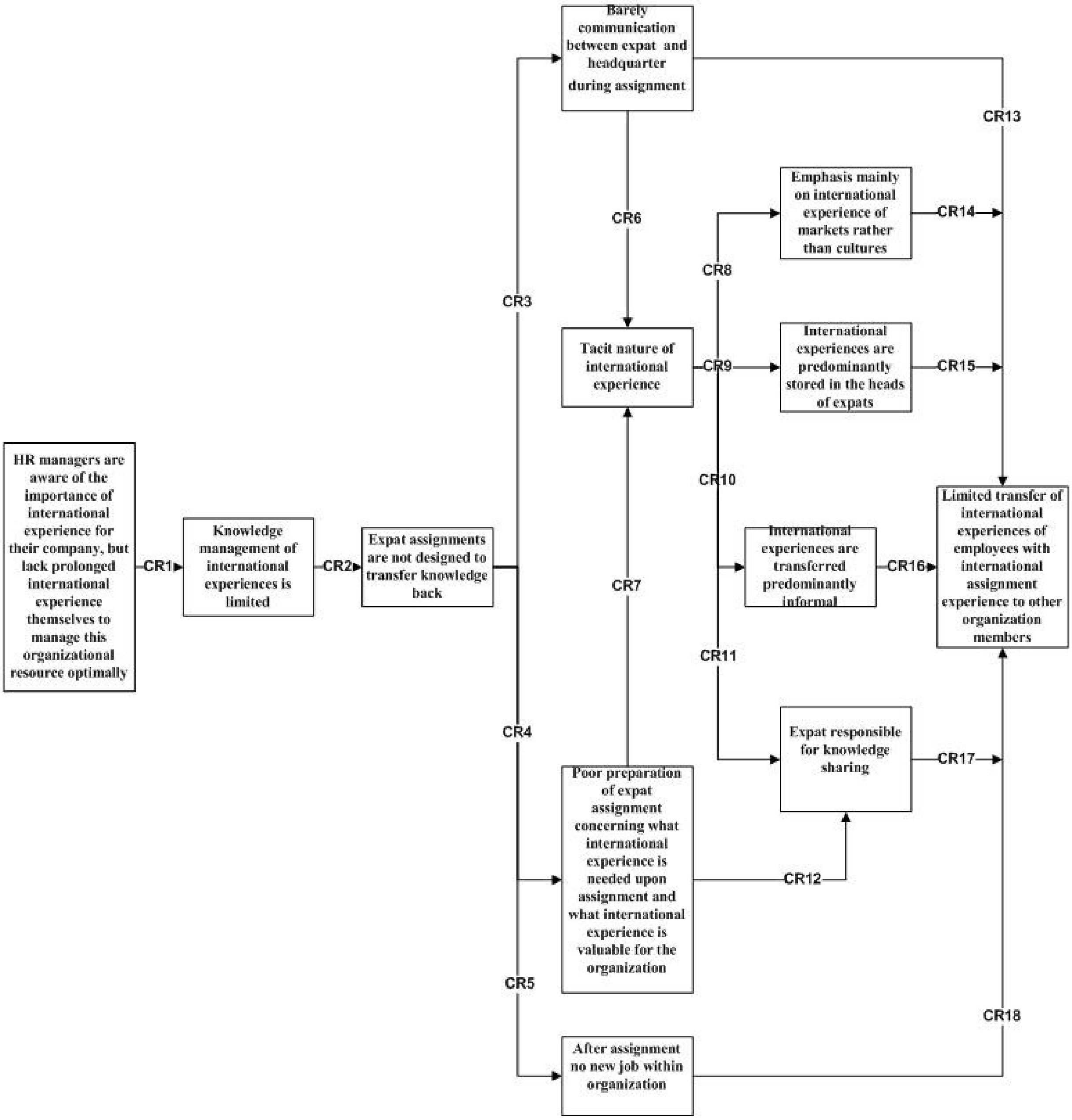

Figure 4: refined cause and effect diagram

knowledge sharing, this could limit the transfer from international experiences. Respondent no. 3 states: "the knowledge sharing comes from myself. I decide what I want to share or not. There is no link between me and the organization concerning this knowledge sharing or what should be shared"(**CR17**). Finally, during the last phase of the expatriate cycle organizations also lack to create, transfer and apply international experiences. During this phase it's of major importance for organizations to offer expats a new job if they want to capitalize upon the international experiences gained by their expats (Lazarova & Caligiuri, 2002; Stahl et al., 2009)(**CR5**). Lazarova & Caligiuri, (2002, p. 399) state: *"Despite the strategic and financial importance of repatriates, there is plentiful evidence that MNCs often fail to capitalize on these human investments, because many of their assignees leave the company after the assignment is completed"*. Respondent no.3 stated: " If there is no new job after assignment, expats will go to the competitors and all international experiences contained by this expat will be lost for the company. Respondent no.4 stated: "The reason why international experiences weren't transferred upon the organization, was because the expat left the company directly after assignment" Respondent no. 5 explained: " the person adjusted before me on this location left the company directly after the assignment. Therefore the international experiences contained by this person couldn't be transferred upon me(**CR18**).

4.4 Theoretical directions to solve the problems

The ambition with this thesis is to create a solution design that will optimize the transfer of experiences of expats with international assignment experience to other organization members. During the first step of the regulative cycle eleven causes were retrieved that affect somehow this transfer. During the second step of the regulative cycle these eleven causes were analyzed empirically and theoretically to increase explanatory power. With the new insights from the second step a refined cause and effect diagram has been made that illustrates how these causes relate to each other. Important to cope with the central research question in the best possible way, is by constituting knowledge questions for the next step of the regulative cycle that solve root causes instead of symptoms. In figure 5 the cause and effect diagram shows my ideas about root causes (RED) and symptoms (BLUE and GREEN). I propose that if HR managers have a better understanding of the concept 'international experience', they can manage this organizational resource better because than they know 'what' should be managed(RED). When these HR managers are provided with a solution design that conceives an effective knowledge management implementation that can be used for the expatriate cycle (BLUE), these managers will be able (because they know 'how') to optimize the knowledge management/ knowledge transfer of international experiences(GREEN). This proposal agrees upon the findings from Vinogradova et al., (2012), Canestrino & Magliocca (2010) and Antal (2001). *"The research suggests that if organizations are to optimize their learning from their international managers, a conscious knowledge-management approach to the entire expatriation cycle is needed"(Antal, 2001, p. 62).*

Based on the defined root causes the following knowledge questions are outlined:

1. What is 'international experience'?
2. How to implement an effective knowledge management approach?

In the subsequent chapter these proposed knowledge questions constitute the research directions for the theoretical investigation. Due to the time constraints of this thesis, the emphasis will be on retrieving guidelines from the literature that constitute a solution design for an effective knowledge management implementation. This solution design should support HR managers in 'how' they can implement an effective knowledge management approach that will optimize the transfer of international experience from expats with international assignment experience upon other organization members. Concerning the 1st knowledge question, solely an elaboration will be made of existing concepts that can be used by HR managers. These concepts should support HR managers in understanding 'what international experience is'.

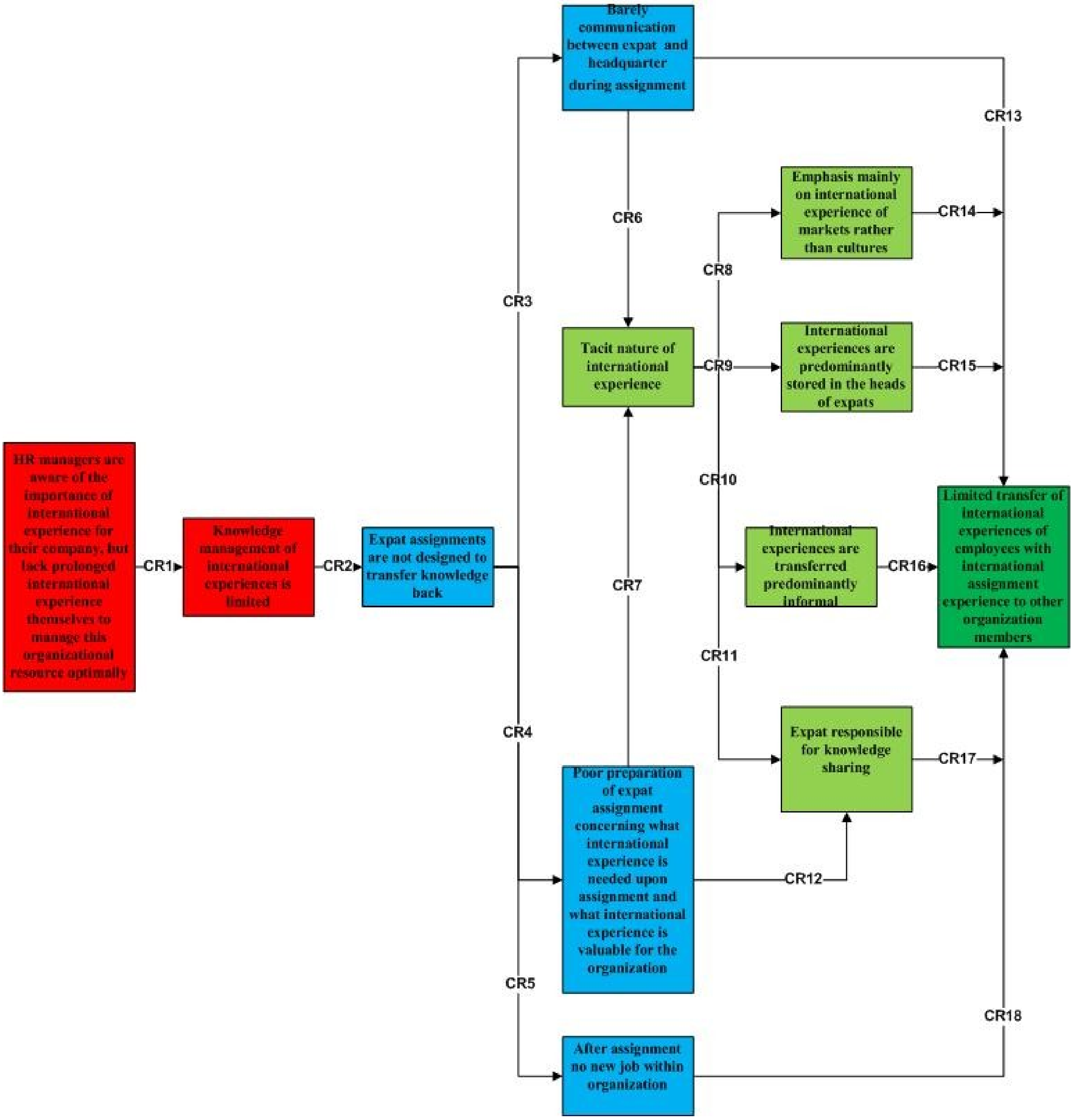

Figure 5: Cause and effect diagram: root causes and symptoms

5 Plan of action

The emphasis of the third step of the regulative cycle lies on creating a solution design that will optimize the transfer of international experiences from employees with international assignment experience upon other organization members. To constitute an effective solution design, the following activities will be undertaken: 1). a literature review will be performed on topic of the formulated knowledge questions in the previous chapter, 2). A solution design will be constituted on basis of design guidelines retrieved during the literature review, and 3). a practical implication of the solution design will be given. All these activities should contribute in creating an effective solution design that can be used by organizations to optimize the transfer of international experiences from expats with international assignment experience upon other organization members.

5.1 Theory-based investigation

Reviewing the results from the previous chapters clarify that: HR managers are aware of the importance of international experience for their company, but lack prolonged international experience themselves. Because they are in general responsible for initiating the knowledge management within the organization, it is logical that their lack in understanding results in a limited management of international experience. An obvious example of this is that expat assignments/expats are not used for transferring international experiences upon other organization members. To support HR managers in optimizing the transfer of international experience from expats with international assignment experience upon other organization members, it's important to perform a theory-based investigation concerning:

1. What is 'international experience'?
2. How to implement an effective knowledge management approach?

As mentioned before in the previous chapter, the emphasis will be on retrieving guidelines from the literature that constitute a solution design for an effective knowledge management implementation. This solution design should support HR managers in 'how' they can optimize the transfer of international experience from expats with international assignment experience upon other organization members. Concerning the 1st knowledge question, solely an elaboration will be made of existing concepts that can be used by HR managers. These concepts should support HR managers in understanding 'what international experience is'.

5.1.1. What is ‘international experience’?

PERSONAL EXPERIENCE

“A little experiment to verify my thoughts”

Before I started my thesis on this topic, I wanted to verify my thoughts about HR managers and international experience. As a little experiment I asked a couple of HR managers from Multinational companies the following questions:

How important is international experience for your employees and organization?
In general they all answered my question with: Yes, international experience is “very important” for us because we are active in the international market. If we want to do business successfully we as an organization and our employees need international experience.

Is international experience a prerequisite if employees want to work in higher management functions?
In general they all answered my question with: In general this is a prerequisite because we are a multinational company. Employees who have international experience are better able to manage a multinational company than employees without international experience. Having international experience is thus a big advantage for employees

After these two questions I summarized them:

So, international experience is very important for your organization and your employees. Employees with international experience have better chances of doing business successfully in an international environment and having international experience is a big advantage for employees and in general a prerequisite for higher management functions.

If this international experience is that important for your employees and organization can you explain me:

What is international experience?
In general they started to mumble, they needed to think a little bit and all the managers gave different answers. They all explained it is not that easy to explain.

How do you manage international experience (this knowledge)?
In general they said: We don’t

The above stated answers verified my thoughts about this paradox. These HR managers state on one side that international experience is very important for their employees and organization but on the other side they don’t exactly know what it is and within their organizations there is no knowledge management approach/system available to manage this. During the empirical-based investigation these findings were confirmed by the results of the interviews. Analyzing the reviewed literature for this thesis illustrates the same picture in which researchers acknowledge the importance of international experience but they lack to conceptualize what it is. A couple examples from the reviewed literature:

many of the repatriate’s state that they have learnt a lot during their assignments and that they believe that this knowledge is also valuable for the company.

expatriate managers return from foreign assignments with a wealth of different kinds of knowledge.

While expatriate assignments are by far the most intensive mechanism to create international experiences

Vinogradova et al., (2012) and Antal, (2001, p. 25) state: "*The ability to think differently and to challenge the traditional ways of managing the organization that the expatriates could offer is actively and passively resisted rather than capitalized upon. Unless organizations put in place processes and structures that facilitate the conversion of the individual knowledge to organizational knowledge, the resource will remain untapped"*. I state that organizations/HR managers are willing to put in place processes and structures for expat assignments that facilitate the conversion of individual knowledge to organizational knowledge if they know "what" should be converted/transferred. How to put in place processes and structures for something you don't know? One of the five central questions within the decision making for knowledge management systems that is incorporated in all the stages of the knowledge management chain is the questions "what"(what knowledge to create, what knowledge to capture, what knowledge to organize, what knowledge to access and what knowledge to use)(Soliman & Spooner, 2000, p. 342). The purpose of this thesis is to constitute a solution design that will improve the transfer of international experiences from expats with international assignment experience to other organization members. Reviewing literature for a single/best conceptualization of international experience reveals that there is no convergence among researchers about one universal concept that represents "international experience". Due to the time constraints of this thesis, it's not possible to constitute a valid and reliable concept of "international experience" myself. But to improve the transfer of international experience, the exact content of the concept is rather subjective to at least having a concept. Therefore the focus will be on providing HR managers with existing concepts that relate somehow to "international experience" and which can compensate for their lack in prolonged international experience. These HR managers can select from these concepts the concept that suits their expectation of international experience. The emphasis while reviewing the literature will be on: what do we expect from international experience/expats with international experience rather than on what "international experience" exactly is. In the subsequent section the following concepts will be elaborated and or discussed:

- Intercultural effectiveness/performance
    - Multicultural Personality Questionnaire
    - Intercultural Readiness Check
    - Intercultural Readiness Assessment
- Global leadership competence
    - Global Mindset
    - Global Mindset Inventory

5.1.1.1 Intercultural effectiveness/performance

According to Dodd (2007, p. 1)*"To enhance an intercultural performance, intercultural educators, trainers, and managers, have looked toward a growing body of data explaining intercultural expatriate effectiveness"*. Noticeable is that also these researchers used expatriates as unit of analysis for researching the concept of international experience/intercultural performance. Dodd (2007) states that the past 25 years revealed predominantly theories regarding culture, cultural communication and cultural sensitivity. The more provocative questions regarding to "how" organizations can best anticipate expats adjustment, changes in behavior and intercultural performance competencies were not answered. From a knowledge perspective it can be stated that the focus while researching intercultural expatriate effectiveness was predominantly on the explicit component of knowledge rather than on the tacit knowledge component. Dodd (2007) refers to this distinction as intercultural competence versus intercultural effectiveness. *"Intercultural competence involves knowing the* *appropriate communicative behavior used to reach the outcome (knowing the language) and Intercultural effectiveness applies communication to match the expected outcome of an intercultural exchange (actually using the language effectively)"(Dodd, 2007, p. 1).* Within the Netherlands there is an institute (Koninklijke Instituut voor de Tropen abbr. KIT) that prepares employees/expats of companies to be effective in a multicultural setting. KIT (2013) states:"*The development of intercultural competences is a necessity when working in an international environment. With intercultural professionals on their side, young potentials, executives and others working across borders gain a thorough understanding of how to be effective in a multicultural setting".* KIT (2013) uses the Multicultural Personality Questionnaire(MPQ) and Intercultural Readiness Check (IRC) to increase the intercultural performance of employees/expats. This MPQ is developed by Karen van der Zee and Jan Pieter van Oudenhoven (2000). The questionnaire measures five dimensions of personality relevant to adjustment and performance of expatriates (see appendix F.2) for more information). The ICR is developed by Karen van der Zee and Ursula Brinkmann (2001) and apparently is an extension of the MPQ. According to *BIrd (2008, p. 123)"The latter instrument was developed with a specific focus on expatriates whereas the IRC seems aimed at application to a broader range of personnel, not just those slated for international assignments"* The original IRC measured six dimensions that the developers argued where relevant to multicultural success(Van Der Zee & Brinkmann, 2004): intercultural sensitivity, intercultural communication, intercultural relationship building, conflict management, leadership, and tolerance of ambiguity. Subsequent refinement of these dimensions has resulted in an instrument of four dimensions (see appendix F.2) for more information). According to Karen van der Zee and Ursula Brinkmann (2004) whom evaluated the psychometric qualities on international inspiration and international (previous) experience of the IRC against the MPQ, *"Both instruments were equally strongly related to international inspiration, with open-mindedness (MPQ) and intercultural sensitivity (IRC) as most important predictors. The IRC scales explained more variance in international experience"*(Van Der Zee & Brinkmann, 2004, p. 285). *"The stronger link with experience may point at the fact that the IRC scales more strongly encompass trainable intercultural competencies than the MPQ scales that are aimed at stable traits"*(Van Der Zee & Brinkmann, 2004, p. 289). These researchers state that both scales of intercultural effectiveness are representative to measure "international experience", but that the IRC encompasses more trainable intercultural competencies. Besides the ICR and MPQ there a lot of intercultural effectiveness scales available which can be used to increase the intercultural performance. Table 6 provides an overview of these scales.

Intercultural effectiveness scales
OAI (Prudential's Overseas Assessment Inventory; used by several groups)
IDI (Intercultural Development Inventory, Hammer)
COI (Cultural Orientations Indicator, by Training Management Corporation)
GTPQ (Global Team Process Questionnaire, ITAP international)
HPI (Hogan Personality Inventory, Hogan Assessments)
Insights Discovery System (Insights world)
INCA (Intercultural Competence Assessment, Dorn & Cavalier)
BASIC (Behavioral Assessments Scale Intercultural Communication, Olebe & Koester)
CCAI (Cross-Cultural Adaptability Inventory, Kelley & Meyers)
CCCI (Cross-Cultural Counseling Inventory, LaFromboise, Coleman, & Hernandez)
CCSS (Cross-Cultural Sensitivity Scale, Pruegger & Rogers)
CCSAQ (Cultural Competence Self-Assessment Questionnaire, Mason)
FAST (Foreign Assignment Success Test, Black)
GAP (Test-Global Awareness Profile, Corbitt)
ICS (Intercultural Competency Scale, Elmer)
CONFLICT (Intercultural CONFLICT Style Inventory, Hammer)
IDI (Intercultural Development Inventory, Bennett & Hammer)
IOR (Intercultural Orientation Resources, Iorworld)

IRC (Intercultural Readiness Check, Brinkmann) ICSI (Intercultural Sensitivity Inventory (Bhawuk & Brislin) ISS (Intercultural Sensitivity Survey, Towers) Living and Working Overseas Predeparture Questionnaire (Kealey) MCAS (Multicultural Counseling Awareness Scale, Ponterotto) MCI (Multicultural Counseling Inventory, Sodowsky, Taffe, Gutkin & Wise) POI (Personal Orientation Inventory, Uhes & Shybut) PCSI (Peterson Cultural Style Indicator, Peterson) PCAT (Peterson Cultural Awareness Test, Peterson) Prospector (Spreitzer, McCall, & Mahoney) SRI (Selection Research International, various readiness tools) TCO (TCO International, various competencies measured) TICS (Test of Intercultural Sensitivity, Weldon, Carlston, Rissman, Slobodin & Triandis) ICE (International Candidate Evaluation, Tucker) EED (Evaluaton of Expatriate Development, Tucker) IMA (International Mobility Assessment, Tucker) EPS (selection tool by window on the world) MPQ (Multicultural Personality Questionnaire, see references for Brinkmann & Weerdenburg, 2003)

Table 6: examples of intercultural effectiveness scales (see SIETAR, 2006 for author references or visit http://www.intercultural.org/tools.php for more information)

According to Dodd (2007, pp. 7–8)"the OAI, Tucker's IMA, Hammer's IDI and CONFLICT scale exemplify instruments accessible for education as well as for business organizations. As already mentioned by Dodd (2007), the past 25 years of research established predominantly models/scales (Table 6) with the emphasis on intercultural competence rather than intercultural effectiveness. Dodd (2007, p. 1) argues that *"a comprehensive assessment of intercultural candidates that predicts a complex combination of intercultural effectiveness expectations has been elusive".* Therefore Dodd (2007) constituted the Intercultural Readiness Assessment (IRA). This assessments consists of the best predictive variables to explain intercultural effectiveness/performance (see appendix F.2).

5.1.1.2 Global leadership competences

Another concept that strokes with the expectations of international experience is the concept of global leadership. Global leadership can be defined as: *"the process of influencing individuals, groups, and organizations inside and outside the boundaries of the global organization, representing diverse cultural/political/institutional systems to contribute towards the achievement of the organization's goals"(Javidan, 2007, p. 13).* From this Global leadership perspective, global leadership competences are:*"Those universal qualities that enables individuals to perform their job outside their own national as well as organizational culture, no matter what their educational or ethnic background is, what functional area their job description represents, or what organization they come from"(Jokinen, 2005, p. 200).* According to *BIrd, 2008 (p. 114)"expatriate managers are the group single most associated with global leadership research".* Noticeable is that also these researchers used expatriates as unit of analysis for researching the concept of global leadership. Broadly the assessment tools to develop Global leadership can be categorized under: cultural difference assessments, intercultural adaptability assessments and global leadership competency assessments (BIrd, 2008).

Cultural difference assessments
Cross-cultural model extended (Taras & Steel, 2006) Cross-cultural model (Hofstede, 2001) Cross cultural competence (Trompenaars & Hampden-Turner, 2000) Cultural perspective questionnaire (DiStefano and Maznevski, 1995)
Intercultural adaptability assessments
Intercultural effectiveness scale (M. Mendenhall, Stevens, Bird, & Oddou, 2008) Global competence aptitude assessment (Hunter, White, & Godbey, 2006) Big Five personality inventories (McCrae & Costa, 2004)

Cultural intelligence (Earley & ANG, 2003) Intercultural development inventory (Hammer, Bennett, & Wiseman, 2003) Intercultural readiness check (K. Van Der Zee & Brinkmann, 2001) Multicultural personality questionnaire (Van Der Zee & Van Oudenhoven, 2000) Cross-cultural adaptability inventory (Kelley & Meyers, 1995)	
Global leadership competency assessments	
Global Mindset Inventory (Javidan & Teagarden, 2011) Global Competencies Inventory (M. E. Mendenhall, Stevens, Bird, & Oddou, 2008) Global Leadership Online (Grundling, Hogan, & Cvitkovich, 2011)	

Table 7: assessment tools to develop global leadership (source: BIrd, 2008, pp. 115–137)

According to BIrd (2008, p. 127) Global leadership competency assessments deviate from intercultural adaptability assessments in the way that they have adopted a broader focus and attempt to identify a variety of competencies, not just intercultural competences. According to *Story and Barbuto (2011, p. 377)"the global mindset has been proposed to be the only unique characteristic of effective global leadership".* This global mindset can be measured with e.g. the Global Mindset Inventory (GMI). Because this GMI is the world's first and only psychometric assessment tool that measures and predicts performance in global leadership positions(Javidan & Teagarden, 2011, p. 4), an extensive elaboration will be performed on the global mindset and GMI to provide HR managers with guidelines for conceptualizing "what" international experience could or should be within their organization.

<u>Global mindset</u>
"The 21st century is one of unremitting globalization"(M. E. Mendenhall et al., 2008, p. 1). This phenomenon is an ever-increasing social complexity that arises from the ongoing "*process of social, political, economic, cultural and technological integration among countries of the world" (Som, 2009, p. 4)* Globalization causes a teeming, unpredictable, ambiguous, ever-changing context that must be squarely faced by everyone (Lane, Maznevski, Mendenhall, & McNett, 2009). This global playing field for organizations has brought many challenges and opportunities(Lane, Maznevski, Dietz, & DiStefano, 2012; M. Javidan & Teagarden, 2011; Story & Barbuto, 2011; Lane et al., 2009).Therefore it can be argued that: *"In the twenty-first century, being a global leader is no longer a nice-to-have capability, it is a must have for those who want to create value for their organizations"*(Lane et al., 2012, p. 9).*"The bumper sticker wisdom that implores, "think globally, act locally," has become a reality and a necessity"(M. E. Mendenhall et al., 2008, p. 1).*"*How do we develop people who can thrive in the context of globalization?"(M. E. Mendenhall et al., 2008, p. 1),* can be answered with cultivating managers/employees with a global mindset(Lane et al., 2012; M. Javidan & Teagarden, 2011; Lovvorn & Chen, 2011; Story & Barbuto, 2011; Lane et al., 2009; BIrd, 2008; M. E. Mendenhall et al., 2008; Beechler & Javidan, 2007; Levy et al., 2007; Nummela et al., 2004; Gupta & Govindarajan, 2002).

Reviewing the literature for the global mindset brings us back to 1969. The global mindset is a concept first described by Perlmutter (1969) as three orientations used in managing multinational corporations: ethnocentric (home country orientation), polycentric (host country orientation), and geocentric (world orientation). Based on the work of Perlmutter (1969) Rhinesmith (1992) described the global mindset as a paradigm in which the world can be viewed as a whole in which leaders observe unexpected trends and opportunities. Noticeable is that Rhinesmith (1992) viewed the global mindset from an individual level. Kefalas (1998) expanded the work of Rhinesmith (1992) by conceptualizing the concept into two variables, conceptualization and contextualization. Kefalas (1998) states that Global managers need to think globally(conceptualization describes people with a global view of the world) and act locally(contextualization describes people's capacity to adapt to their local environments) . In his framework Kefalas (1998) described managers who have high scores in both dimensions as most global and low scores on both dimensions as least global. An operationalized concept of global mindset was first provided by Murtha et al., (1998). They operationalized the concept from an individual level perspective into three dimensions: integration, responsiveness and coordination. Kedia and Mukherji, (1999, p. 230) state*:"Managers have a number of mindsets that range from the domestically-oriented defender, and continuing on to the explorer, the controller, and the globally-oriented integrator. For global managers to be effective, they need to develop the global mindset of an integrator".* Gupta and Govindarajan, (2002) defined the global mindset as: *"a mindset that combines an openness to and awareness of diversity across cultures and markets with a propensity to synthesize across this diversity"(Gupta & Govindarajan, 2002, p. 117).* They conceptualized the global mindset into a framework that included: integration and differentiation. According to Gupta and Govindarajan, (2002) integration refers to the ability to integrate diversity across cultures and markets. Differentiation can be described as the openness to the diversity across cultures and markets. Beechler & Javidan (2007) described that the global mindset encompasses knowledge, cognitive ability, and psychological attributes that foster leadership in diverse cultural environments, which involve three major components: intellectual, psychological, and social capital. Levy et al., (2007) reviewed the concept of the global mindset and concluded that it must combine an acute sense of the global business world while simultaneously being culturally adaptable. After reviewing the concept of the global mindset they defined the global mindset as" *a highly complex cognitive structure characterized by an openness to and articulation of multiple cultural and strategic realities on both global and local levels, and the cognitive ability to mediate and integrate across this multiplicity"(Levy et al., 2007, p. 244).* According to Story & Barbuto, (2011, p. 379)"*The frameworks of global mindset described have many labels and characteristics but no consensus has emerged in the literature. The few empirical works testing global mindset have subsequently examined a wide variety of compatible but not identical variables."* Finally after more than 40 years of research on the concept of global mindset, Javidan & Teagarden (2011) from the Thunderbird School of Global Management accomplished not only to conceptualize the concept, but also to make the concept of global mindset measurable. According to Javidan and Teagarden (2011, p. 8)*" Their work is a product of multiple sources: the organizational literature covering research and practice, professional international business experience, interviews with 40 Thunderbird faculty, interviews with 217 senior international executives in over 20 cities around the world, a special invitation-only symposium with over 30 distinguished scholars, and data collected on over 6,000 respondents in 94 countries".* Overtime researchers established convergence among what is needed and Javidan and Teagarden (2011) made the concept measurable. They developed the Global Mindset Inventory as the tool to measure global mindset.

Global Mindset Inventory (GMI)

"The Global Mindset Inventory (GMI) has been developed through a very rigorous theoretical and empirical process. It has followed a multiphase multi-method research methodology and has impressive psychometric properties as evidenced by its strong reliability scores and its multidimensional validity properties"(Javidan & Teagarden, 2011, p. 7). According to Javidan and Teagarden (2011, p. 8)*"the Global Mindset is an umbrella concept that contains intellectual, psychological, and social dimensions"*. Javidan & Teagarden (2011) state that managers/employees whom posses these dimensions have the capacity to influence individuals, groups, organizations and systems in an international business environment.

Figure 6: conceptualization of the global mindset

Intellectual capital from an individual's global mindset perspective refers to knowledge and understanding of the global industry(understanding a global industry with global competitors; understanding a global business and its markets), global value networks(building global value networks; building and managing strategic alliances and networks; managing global networks and teams; working with global supply chains), global organization(understanding the global value proposition and business model of the organization). Javidan & Teagarden (2011) termed this as having a **global business savvy**. Besides this individuals need to have the ability to understand complex global issues and have the ability to solve these problems(finding solutions to problems and challenges; identifying opportunities and solutions in conflicting viewpoints; bridging and integrating multiple and diverse perspectives; recognizing merit in conflicting views or opinions; understanding the basis for different and conflicting points of view). Javidan & Teagarden (2011) termed this as **cognitive complexity**. Besides having a global business savvy and having the ability to deal with cognitive complexities, a **cosmopolitan outlook** (awareness of cultural similarities and differences; awareness of oneself in own and other cultures; knowledge and understanding of other groups histories and cultures; competence in other languages) is also very important for an individual's intellectual capital in a globalizing environment.

Psychological capital from an individual's global mindset perspective refers to traits that positively affect the capacity to influence individuals, groups, organizations and systems in an international business environment. According to Javidan & Teagarden (2011) the utmost important traits are: self-efficacy, optimism and resiliency termed as **self-assurance**. Beside self-assurance it is important that individuals have a cosmopolitan attitude(interested in other cultures and other ways of doing things; positive attitude toward international matters; respectful and appreciative of other cultures, their art forms, cuisine, and mores; passionate about cross-cultural experiences) and openness to new ideas (curious about ideas and people that are different; open-minded; enjoyment for learning about and experiencing new and different things). Javidan & Teagarden (2011) termed this as passion **for diversity**. Also a **quest for adventure** has been identified as an important aspect in which individuals enjoy challenging and testing themselves while taking some risks.

Social capital from an individual's global mindset perspective refers to assets based on the position an individual occupies in a network(*global connectivity*: able to contact many people; accessibility of contacts*, influence networks*: held positions of influence and prestige; well connected to people of influence and power) termed as **interpersonal impact** and assets that are derived from close and effective interactions with others in the network, rather than the structure itself(*emotional connection*: .

emotionally connected to people from own and other cultures; social warmth; able to lead; influence others; trusted and *interpersonal competence:* effective interactions with others regardless of their characteristics; social insight and skill; collaborative; diplomatic; helpful; team player) termed as **diplomacy**. Also **intercultural empathy** is emphasized by Javidan & Teagarden (2011) as an important social capital for employees whom want to develop the capacity to influence individuals, groups, organizations and systems in an international business environment.

The above discussed capitals/scales are comprised into the GMI(Appendix F.2) contains more extensive descriptions/definitions of these scales than summarized above). Javidan & Teagarden (2011) developed metrics and scientific instruments upon these scales to measures the performance of employees upon these scales. The overall score represents the average of the above stated nine scales and expresses an individual's global mindset profile. This GMI can also be used to compute a group's profile of the global mindset.

Within this subsection an overview of concepts has been presented. The MPQ, ICR, IRA and other mentioned intercultural effectiveness scales/models can be used by HR managers as guidelines for conceptualizing 'what' international experience could or should be within their organization. HR managers that are looking forward for an extensive concept of 'international experience' could use global leadership competency assessments. These assessments deviate from intercultural adaptability assessments in the way that they have adopted a broader focus and attempt to identify a variety of competencies, not just intercultural competences. The world's first and only psychometric assessment tool that measures and predicts performance in global leadership positions is the GMI. I would recommend HR managers to use this concept for 'international experience'.

5.1.2 Knowledge management

The previous subsection described several concepts that can be used as conceptualization of 'international experience'. Now HR managers have a better understanding of 'what' international experience can be, they are better able to manage this source of knowledge. To optimize the transfer of international experience, the focus within this section is upon 'how' HR managers can effectively manage this knowledge. During the problem definition step the concept of knowledge management was already introduced. Purpose of knowledge management is to support the creation, transfer and application of knowledge. Important remark from previous discussion on knowledge management is that knowledge management should be viewed as a cyclical process (de Jong & Roelofs, 2000). This cyclical perspective on knowledge management is in accordance with the knowledge creation model of Nonaka & Takeuchi (1995). *"In order for organizational knowledge creation to take place the entire conversion process has to begin all over again"(Nonaka & Takeuchi, 1995, p. 69).* Therefore the focus within this thesis will be upon knowledge management from a cyclical process perspective rather than a sequential process perspective. Overtime several researchers viewed knowledge management from this cyclical perspective (Dalkir, 2005; McElroy, 2003; Bukowitz, Williams, & Times, 1999; Meyer & Zack, 1996; Wiig, 1993). Based on the knowledge management cycle of Wiig (1993), Meyer and Zack (1996), Bukowitz and Williams (1999) and McElroy (2003), Dalkir (2005) developed the "Integrated KM cycle"(see Figure 7). This cycle is currently the best role model for a cyclical knowledge management approach. Therefore the main phases: knowledge capture and/or creation; knowledge sharing and dissemination; and knowledge acquisition and application will be elaborated in this subsection

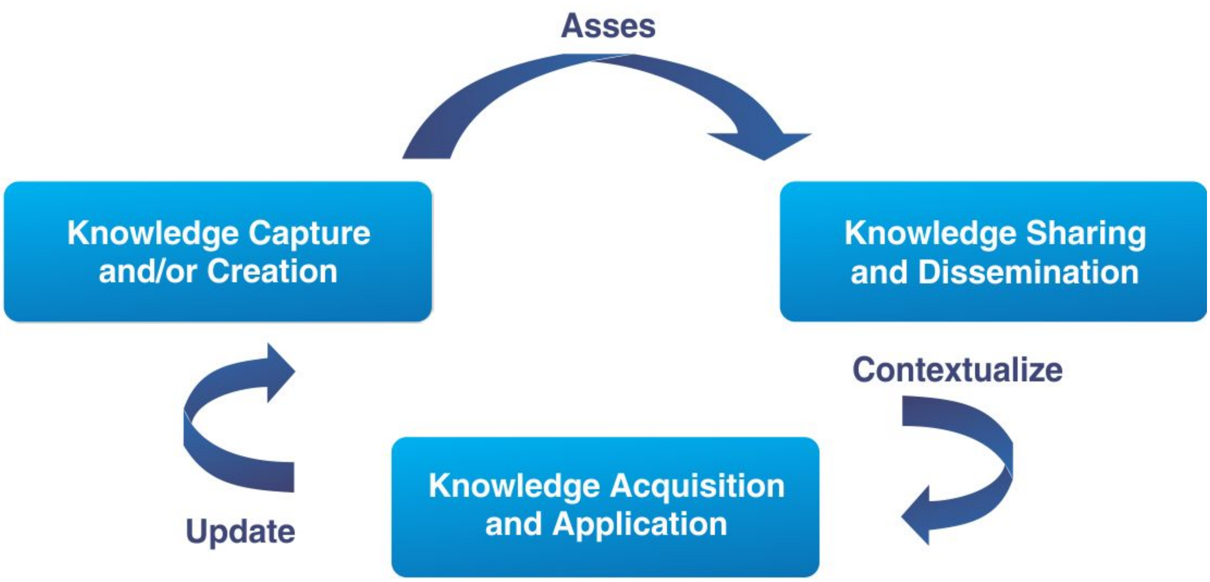

Figure 7: Knowledge management cycle source: (Dalkir, 2005)

Knowledge capture and/or creation

The first phase of the KM cycle begins with knowledge capture and codification. More specifically this step refers to eliciting/capturing tacit knowledge and organizing/coding explicit knowledge. Important is that in knowledge capturing a distinction needs to be made between capturing and identifying existing knowledge and the creation of new knowledge.

Knowledge	**Description**
Capture	identification and subsequent codification of existing (usually previously unnoticed) internal knowledge and know-how within the organization and/or external knowledge from the environment
Creation	development of new knowledge and know how innovations that did not have a previous existence within the company

Table 8: Knowledge capture distinction (source: Dalkir, 2005, p. 43)

"In most organizations, explicit or already identified and coded knowledge typically represents only the tip of the ice berg"(Dalkir, 2005, p. 78). Because of this it's important with knowledge management that the focus is also upon existing knowledge. For the knowledge that we know but don't have we need to facilitate the creation of new knowledge. The emphasis within this thesis will be on creation/capturing of new knowledge over capturing existing knowledge. As mentioned before indistinctness about what is important results overtime in expats not able to express anymore what they have learnt. Identifying existing knowledge is therefore very difficult. Important is that the creation of new knowledge is facilitated by organizations in such a way that expats are aware what is important for them and their organization. This because the actual knowledge creation is done by the individual and not by the organization. Nonaka and Takeuchi (1995) describe this knowledge creation process as socialization. According to *Dalkir (2005, p. 80)"learning at the individual level is something that cannot without some form of group interaction. Individuals thus learn from the collective, and at the same time the collective learns from individuals".* Once the new knowledge is created it needs to be captured/codified. Nonaka and Takeuchi (1995) refer to this process as externalization. During the codification process tacit knowledge is converted into explicit knowledge. This codification is of major importance otherwise it cannot be embedded into the corporate memory.

Dalkir (2005, p. 81) state*:" Unless knowledge is embedded into corporate memory, the firm cannot leverage the knowledge held by individual members of the organization".* The techniques which organization can use to capture depends on the type of knowledge, tacit or explicit. The emphasis within this subsection will be predominantly on techniques for capturing tacit knowledge. This because the nature of international experience is rather tacit. The minor part that is explicit (e.g. market data) is already well described and in general only need to be abstracted or summarized. Three major approaches to capture tacit knowledge from individuals and groups are: 1). interviewing experts, 2). learning by being told and 3). learning by observation (Parsaye, 1988). An intermediary like a knowledge journalist is often needed at this stage because it's always difficult when one type of knowledge is transformed into another(Dalkir, 2005).

1. interviewing experts

Two of the more popular techniques for optimizing the interviewing of experts are *structured interviewing* and *stories*. Conveying information in a story provides a rich context, causing the story to remain in the conscious memory longer and creating more memory traces than is possible with information not in context. Stories can greatly increase organizational learning, communicate common values and rule sets, and serve as an excellent vehicle for capturing, coding, and transmitting valuable tacit knowledge.

2. Learning by being told

In learning by being told, the interviewee expresses and refines his or her knowledge, and at the same time, the knowledge manager clarifies and validates the knowledge artifact that renders this knowledge in explicit form. This form of knowledge acquisition typically involves domain and *task analysis*, *process tracing* and protocol analysis and simulations. Task analysis is an approach that looks at each key task an expert performs and characterizes the task in terms of prerequisite knowledge/skills required, critically, consequences of error, frequency, difficulty and interrelationships with other tasks and individuals, as well as how the task is perceived by the person. Process tracing and protocol analysis involve asking the subject matter expert to "think aloud" as he or she solves a problem or undertakes a task

3. Learning by observation

Two types of discernible expertise: skill or motor based expertise and cognitive expertise.
Expertise is a demonstration of the application of knowledge. The learning-by-observation approach involves presenting the expert with a sample problem, scenario or case study that the expert then solves. Although we cannot observe someone's knowledge, we can observe and identify expertise. The key is to use audio or video to record what the experts know

According to *Dalkir (2005, p. 83)"all three approaches are applicable to tacit knowledge capture, but no one approach should be used to the total exclusion of the others. In many cases, a combination of these approaches will be required to capture tacit knowledge".* Once the tacit knowledge is captured together with the explicit knowledge these will reside in some type of knowledge repository. According to *Dalkir (2005, p. 96)"This is the recipient of organizational memory, and containers are usually some form of database on an intranet or extranet. The capture of such knowledge has, in a large part, already occurred, which means we can proceed more directly to codification of this content".*

The next stage in leveraging knowledge is knowledge codification. In this stage knowledge will be converted into a tangible, explicit form such as a document. The purpose of knowledge codification is that the knowledge can be communicated much wider and with less cost. According to *Dalkir (2005, p. 96)"documents can be disseminated widely over a corporate intranet, and they persist over time, which makes them available for reference as and when they are needed, both by existing and future staff. They constitute the only "real "corporate memory of the organization"*. Codification of explicit knowledge can be achieved with a variety of techniques such as cognitive mapping, decision trees, knowledge taxonomies and task analysis. Within this subsection I will only elaborate upon cognitive mapping. A cognitive map (see Figure x) also referred to as a knowledge map can be seen as an representation of a "mental model" of a person's knowledge. This map provides a good example of codified knowledge because it captures also the context. When sharing knowledge its utmost important that the context is still represented, otherwise it is just information. Dalkir (2005, p. 97) states*:"it is very important to include individual views, perceptions, judgments, hypotheses and beliefs as they form part of the interviewee subjective world"* Organizations can use these cognitive maps to better organize explicit knowledge and to store it in corporate memory for long-term retention.

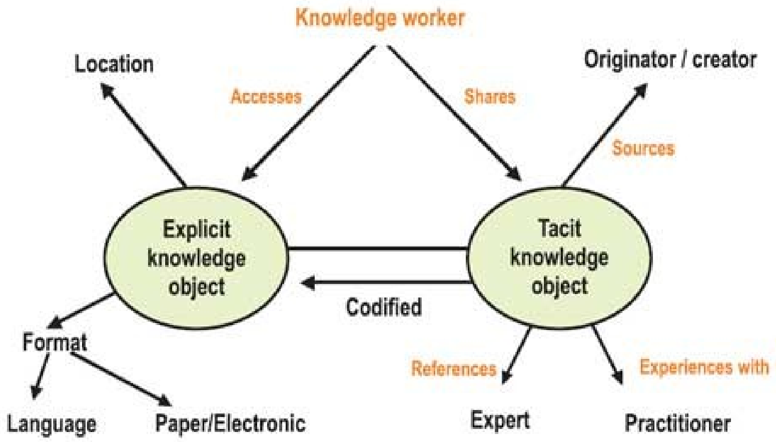

Figure 8: Cognitive map (source: Dalkir, 2005, p. 97)

<u>Knowledge sharing and dissemination</u>

Once knowledge is captured and codified, it needs to be shared and disseminated throughout the organization. This second phase of the KM cycle is crucial in leveraging the knowledge throughout the organization to those who need or can use this knowledge. *"Until knowledge is collectively accepted and institutionalized across the organization, organizational- level learning cannot occur and organizational memory can be developed"(Dalkir, 2005, p. 115).* The need for effective knowledge sharing and dissemination increases more and more in this "information era". According to "The Sydney Morning Herald"(2012)*"We spent 61 per cent of our office time dealing with emails, retrieving information and collaborating; and only 39 per cent actually performing tasks"*. Ineffective knowledge sharing and dissemination has tremendous effects. These figures illustrate how well organizations in general developed their tools and techniques for leveraging knowledge throughout the organization. According to Feldman & Sherman (2004) One IDC (International Data Corporation) estimate found that 90% of a company's accessible information is used only once. Dalkir (2005, p. 110) states*" The amount of time spent reworking or re-creating information because it has not been found or worse, going ahead and making decisions based on incomplete information is increasing at alarm rate"*. Therefore it is of major importance for organizations to develop and use effective tools and techniques for sharing and disseminating knowledge throughout the organization. The purpose of this subsection is to support organizations with solutions how they can share and disseminate the international experiences of their expats upon other organization members. Most important is that these tools incorporate “context” because context distinguishes between knowledge management systems and document management systems (Dalkir, 2005).

According to Ryu, Ho, & Han, (2003, p. 113)*”Knowledge sharing is the behavior of disseminating one’s acquired knowledge with other members”.“This knowledge sharing involves a process of communication whereby two or more parties are involved in the transfer of knowledge”(Lin, Hung, & Chen, 2009, p. 930).* Unfortunately organizations these days face difficulties in providing such social one-to-one knowledge exchanges to continue to exist in their traditional form (informal hallway, water cooler, coffee machine or even designated smoke areas) According to Dalkir (2005, p. 112)*”Technology offers a new medium through which employees who share similar professional interest, problems and responsibilities can share knowledge. This is typically through e-mail groups, discussion groups, and other interactions in some sort of virtual shared workspace. These groups are often referred to as communities of practice (CoPs)”.* CoP refers to "a group of people having common identity, professional interests and that undertake to share, participate and establish fellowship. A CoP can also be defined as a group of people, along with their shared resources and dynamic relationships, who assemble to make use of shared knowledge, in order to enhance learning and create a shared value for the group. While *community* refers to the group part, *practice* implies knowledge in action. Because Expats are in general dispersed around the globe, a community for Expats in which ‘international experience’ comes in action sounds like a great solution.

Wenger (1998) states that while there are a lot of different CoPs, in general they have three basic characteristics: joint enterprise, mutual engagement and shared repertoire. Joint enterprise refers to the glue that binds members together. In general reasons why people interact with one another will typically be because of personal goals and contribution towards the goals of the community. Mutual engagement refers to how members become part of a community (why they are committed to the community). With shared repertoire Wenger (1998) refers to the shared workspace in which members can communicate with one another, and store and share knowledge products. According to Wenger (1998) these online communities contain in general:

1. Member-generated content (e.g., profiles, home pages, ratings, reviews).
2. Member-to-member interaction (e.g., discussion forums, member yellow pages).
3. Events (e.g., guest events, expert seminars, virtual meetings, or demos).

While there are a lot of different CoPs whom share basic characteristics and elements, the ambition with every CoP is to create an environment for people to share knowledge that will result in a pool of rich innovation and knowledge. The question that derives from here is what are the determinants for such a pool in which community members are loyal and active in sharing. According to Lin, Hung, and Chen (2009) whom researched the knowledge sharing behavior in Professional Virtual Communities (PVC), the determinants for member’s knowledge sharing behavior depends on: contextual factors (norm of reciprocity and trust) and personal perceptions (knowledge sharing self-efficacy, perceived relative advantage, perceived compatibility). To prevent CoPs from failing due to members low willingness to share knowledge with other members, it is of major importance when designing a CoP to take these determinants in consideration.

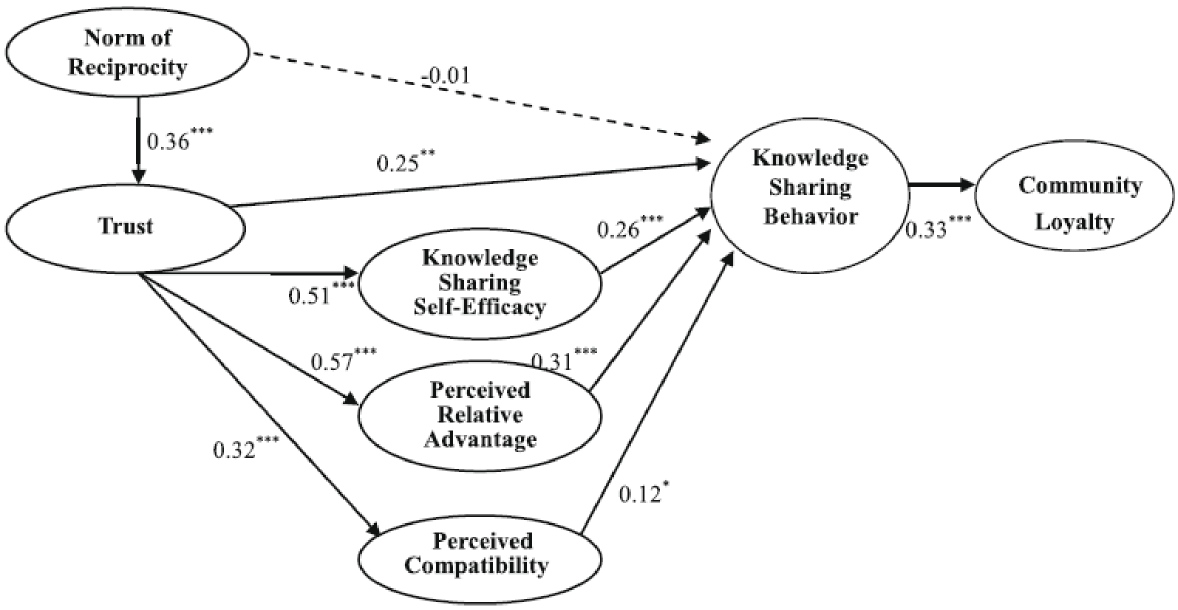

Figure 9: Determinants knowledge sharing behavior in PVC (source: Lin et al., 2009, p. 935)

In Table 9 an overview is presented of these determinants, their definitions, examples and techniques and tools. Incorporating these techniques and tools will optimize the knowledge sharing behavior of a CoP. Therefore these determinants are important guidelines for the constitution of the solution design.

Determinants	Definition	Example	Techniques/tools
Norm of reciprocity	People's salient beliefs that current knowledge sharing to VCs would lead to future request for knowledge being met (Davenport & Prusak, 1998)	When I share knowledge with other members, I believe that the members in this virtual community would help me if I need it.	Incentives which are represented in the community (reputable rewards, symbols, value-added-points)
Trust	The degree of belief in good intentions, behaviors, competence, and reliability of members with respect to sharing knowledge in VCs(Lee & Choi, 2003)	Members in this virtual community have reciprocal faith-based and trustworthy relationships	solid mechanisms that improve the interactive quality and ties of the relationships among members(face-to-face seminars, expert seminars, events, personal message boards, chat rooms, technical forums, and blogs)
knowledge sharing self-efficacy	The degree of confidence in member's ability to sharing knowledge that is valuable to the VCs(Kalman, 1999)	I have confidence in my ability to provide knowledge that other members in this virtual community consider valuable	on-line training programs, support mechanisms, and guidelines, to increase members' self-efficacy so that members are confident enough to share their knowledge in PVCs
perceived relative	The degree to which	Sharing knowledge with	on-line training

advantage	encouraging knowledge sharing is perceived to benefit the conduct of members(Moore & Benbasat, 1991)	members in this virtual community will help me in my job and improve my performance	programs, support mechanisms, and guidelines
perceived compatibility	The degree to which encouraging knowledge sharing is perceived to fit the value system and current needs of members(Moore & Benbasat, 1991)	Sharing knowledge with members in this virtual community fits my current needs.	on-line training programs, support mechanisms, and guidelines
Knowledge sharing behavior	The degree to which a member conducts knowledge sharing activities in VCs (Davenport & Prusak, 1998)	I frequently participate in knowledge-sharing activities and share my knowledge with others in this virtual community.	actively search for useful information on the benefits of knowledge sharing
Community loyalty	The degree to which a member promotes the virtual community to get new members to join and talks about the benefits of this VC (Srinivasan, Anderson, & Ponnavolu, 2002)	I frequently talk to people about the benefits of our virtual community	The above stated techniques and tools

Table 9: Overview enablers effective virtual community (source: Lin et al., 2009, p. 937)

<u>knowledge acquisition and application</u>

When knowledge has been captured, coded and shared, the final step of the KM cycle consists of putting knowledge in use. According to Dalkir (2005, p. 146)*"knowledge application refers to the actual use of knowledge that has been captured or created and put into the KM cycle".* This last step is of utmost importance, because when this step is not successfully accomplished, all of the KM efforts will have been in vain. Recalling the Nonaka and Takeuchi (1995) model we are still in the third quadrant. Important for the knowledge spiral to complete is the internalization of this knowledge. Imperative in this step of the KM cycle is to understand which knowledge can be used by whom, and how best to make it available to them so that they not only understand how to use it but believe that using this knowledge will lead to an improvement in their work. *"The easier it is for a knowledge worker to find, understand, and internalize the knowledge, the greater their success in actually applying this knowledge"(Dalkir, 2005, p. 149).* The focus in this section will be on retrieving guidelines for an effective application of knowledge through CoPs. This because creating a CoP for Expats seems as an ideal solution to solve the central problem of this thesis. Alavi and Tiwana (2002, p. 1035) state that:*"while virtual environments promise access to diverse, specialized knowledge, they intrinsically constrain the integration and application of that expertise. These constrains can render a virtual team incapable of rapidly drawing on their distributed expertise to solve emergent problems, even when the necessary expertise is available".*

An effective knowledge application in CoPs depends according to Alavi and Tiwana (2002) on how organizations handle the four crucial challenges (constrains) accompanied by virtual teams. They identified with their research the following challenges: 1). Constraints on transactive memory, 2). Insufficient mutual understanding, 3). Failure in sharing and retaining contextual knowledge, and 4).

Inflexibility of organizational ties. The first challenge refers to difficulties for identifying and retrieving knowledge contained by other individuals. In general directories of knowledge contain labels attached by team members. Alavi and Tiwana (2002, p. 1032) state: *"when team members use the identical labels to tag knowledge, they can relatively easily and efficiently access and share knowledge among themselves".* This uniformity for coding knowledge enables an effective transactive memory. When team members use different labels for coding knowledge, this will constrain the transactive memory. The second challenge refers to the ability of individuals to interrelate to the group as a whole. According to Alavi and Tiwana (2002, p. 1033)*"mutual understanding among team members enhances comprehension and interpretation of the information that is communicated among them".* It enables the team members to formulate their contributions with an awareness of what other team members do and do not know. When there is insufficient mutual understanding among the members of the virtual team, knowledge application is unlikely to occur effectively or efficiently. The third challenge conceives the importance of context for knowledge to be understood properly. Normally in face-to-face environments, visiting team members attending the same meetings, working in the same locale, and experiencing the same or similar organizational culture and environment all contribute to a shared understanding of the team's context. Within virtual teams these dimensions can vary among the team members what could result in team members who fail in retaining or sharing their context. This will affect the knowledge application negatively. The last challenge refers to the tie strength between the organizational units/team members. When team members are distant and their interactions are infrequent, the ties are considered weak which are not conducive to the discovery of new knowledge. For an effective knowledge application it is important that ties between organizational units/team members are close and frequent. According to Alavi and Tiwana (2002, pp. 1034–1035)*"KM systems can foster transitory strong ties within weakly coupled sub networks of individuals by building trust and by facilitating reciprocity in transactions".* To support managers with the constitution/designing of an effective knowledge applying virtual environment, they proposed several KMS approaches.

Knowledge integration challenges of virtual teams	**Proposed KMS approaches**
Shortcomings of transactive memory	• Searchable repositories of codified knowledge • Computerized yellow pages
Insufficient mutual understanding among team members	• Rich multiple communication channels and a shared space for real-time collaboration among team members. • Capabilities for rapid development and joint modifications of models and prototypes • Opportunities for frequent, rich communication to share uniquely held information.
Failure to share and retain Contextual knowledge	• Creation of notification profiles to disseminate "local" contextual knowledge to all team members • Persistent individual identities and project involvements • Trust building mechanisms • Peer-to-peer collaboration tools • Temporally stable history of individual contributions
Inflexibility of organizational ties	• Feedback recording and access mechanisms

Table 10: Knowledge application challenges in virtual team settings (source :Alavi & Tiwana, 2002, p. 1035)

5.1.3 Effective knowledge management implementation

The previous subsection described the cyclical knowledge management process of Dalkir (2005) supported by CoP tools/techniques that allow organizations to create an optimal knowledge creating, sharing and applying environment. Constituting a solution design on basis of a CoP approach to support the knowledge management process seems to be the solution to optimize the knowledge transfer. Still creating a CoP doesn’t guarantee that an optimal knowledge sharing environment is realized. According to Bhatti, Hussain, and Iqbal (2013) the realization of an optimal knowledge creating, sharing and applying environment depends on how knowledge management is implemented within the organization. One of the major pitfalls during the implementation is the predominant focus on technology (Kaya, Habaci, Kurt, Kurt, & Habaci, 2011; Porter, 1996). This results in an efficient approach rather than an effective approach. *"Knowledge management implementation fails when humans, processes and technology are not integrated"*(Bhatti, Hussain, & Iqbal, 2013, p. 56). To get a better understanding which variables are important for a successful implementation of knowledge management, Bhatti, Hussain, and Iqbal (2013) performed an extensive literature review on this topic. Bhatti et al., (2013, p. 56) state that*" The acceptance and realization of knowledge management importance brought forth many frame work models for its successful implementation. Each frame work model had varied success. They suggested different variables for successful implementation".* Despite all of these frame works, none of the models is universally accepted to play a successful role model for knowledge management implementation. After a comprehensive study of analyzing critical success factors for an effective knowledge management implementation Bhatti et al., (2013) constituted the following frame work.

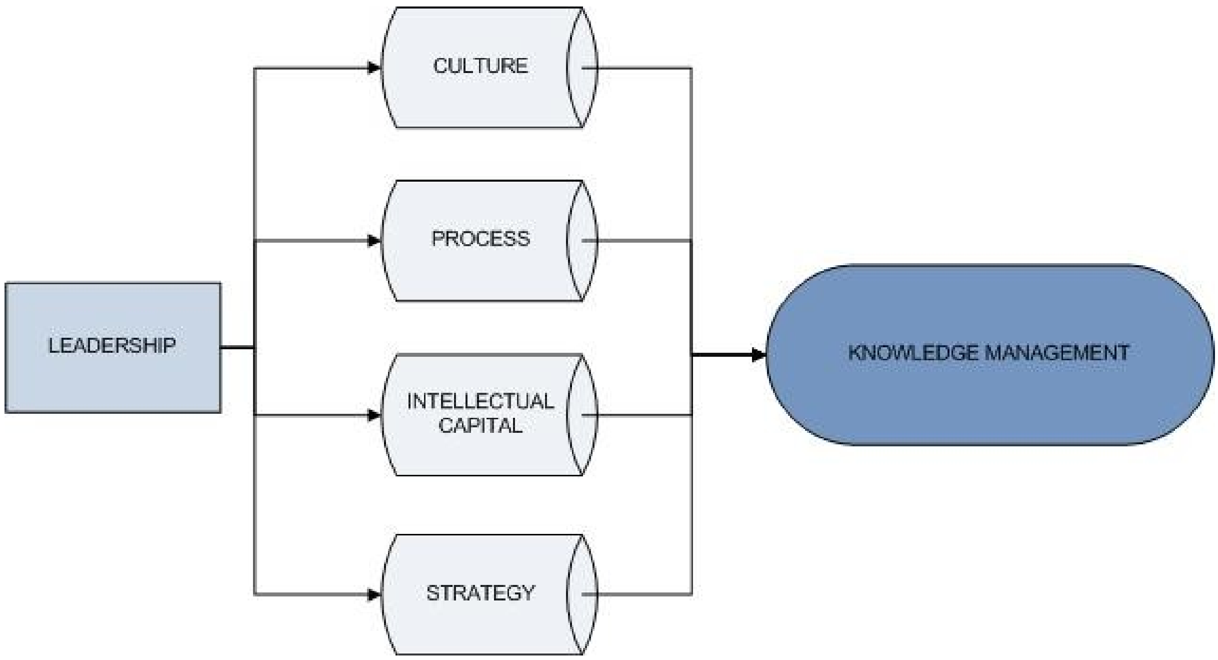

Figure 10: frame work for an effective knowledge management implementation(source: Bhatti et al., 2013, p. 58)

The frame work of Bhatti et al., (2013) focuses on the advocated and emphasized factor leadership, as an independent variable. Concluding remark from their study is that: *"leadership is one force which* *can integrate the knowledge management implementation in a successful way and achieve the desired results"(Bhatti et al., 2013, p. 56).* Knowledge management starts with leadership. This leadership will subsequently integrate the moderating variables: culture, process, intellectual capital and strategy. Bhatti et al., (2013) refers to these variables as the knowledge management enablers. These variables have a moderating effect on the dependent variable knowledge management. Currently the focus was solely on tools/techniques for a CoP that support an effective knowledge management process. To optimize the transfer of 'international experiences' through a CoP in the best possible way, design guidelines for the variables: leadership, culture, intellectual capital and strategy should also be included in the solution design. In the subsequent part these variables will be reviewed briefly to add some additional guidelines.

Leadership

Leadership within knowledge management is of crucial importance for integrating the knowledge management enablers. Despite the importance of leadership, not all leaders will be capable in integrating these enablers in such a way that an effective knowledge sharing environment is created. The extent in which leaders will succeed creating an effective knowledge sharing CoP depends upon their leadership style. The effectiveness of certain leadership styles is culturally-determined. According to Liu & Phillips, (2011); Huang, Davison, Liu, & Gu, (2008); Zakaria, Amelinckx, & Wilemon, (2004); and Bryant, (2003) Transformational leadership (TFL) is the most suitable leadership style for global virtual teams and will contribute in creating an effective knowledge sharing environment. According to (Bryant, 2003, p. 36)*"Transformational leaders are active leaders that have four distinguishing characteristics: charisma, inspiration, intellectual stimulation and individualized consideration".* These leaders develop between them and their followers a so called TFL climate. According to Liu & Phillips (2011, p. 45)*"under a TFL climate, members may internalize team attributes as their own and in turn, this internalization can lead to a strong sense of team identity which in turn should facilitate extra-role behaviors, such as knowledge sharing behavior".* According to Avolio & Yammarino, (2013) and Avolio, (1994) this climate can be created when a leader successfully utilizes the 4 "I s" of leadership. Tables 11 provides an overview of these elements.

TFL elements	Description
Individualized consideration	The degree to which leaders listen and attend to the needs of each employee, acts as a mentor or coach to the employees. these leaders give empathy and support, keeps communication open and places challenges for the employees. Respect is of major importance and contributions of each employee are celebrated in the team. the employees have a will and aspirations for self-development and have intrinsic motivation for their tasks.
Intellectual stimulation	Leaders encourage employees to be innovative and creative. New ideas are encouraged and never criticized publicly. The leaders focus on the "what" in problems and do not focus on the blaming part of it.
Inspirational motivation	The degree to which leaders articulate a vision that is appealing and inspiring to their followers. Leaders with inspirational motivation challenge followers to leave their comfort zones, communicate optimism about future goals, and provide meaning for the task at hand. Followers need to have a strong sense of purpose if they are to be motivated to act. Purpose and meaning provide the energy that drives a group forward. The visionary aspects of leadership are supported by communication skills that make the vision understandable, precise, powerful and engaging. The followers are willing to invest more effort in their tasks, they are encouraged and optimistic about the future and believe in their abilities.
Idealized influence	The degree to which leaders act as a role model. Transformational leaders must embody the values that the followers should be learning and mimicking back to

	others. If the leader gives respect and encourages others to be better, those influenced will then go to others and repeat the positive behavior, passing on the leadership qualities for other followers to learn. This will earn the leader more respect and admiration from the followers, putting them at a higher level of influence and importance. The foundation of transformational leadership is the promotion of consistent vision, mission, and a set of values to the members. Their vision is so compelling that they know what they want from every interaction. Transformational leaders guide followers by providing them with a sense of meaning and challenge. They work enthusiastically and optimistically to foster the spirit of teamwork and commitment.

Table 11: the 4 "I s" of TFL (source: Avolio, 1994)

Organizations that need to select a leader for creating a knowledge sharing environment can make use of the Multifactor Leadership Questionnaire(MLQ). According to Yukl (1999) the behaviors involved with TFL can be measured with this MLQ. Yukl (1999) composed also a list with practical implications for transformational leaders. These implications are listed in Table 12. By selecting an appropriate leader, organizations increase the chance for creating a successful knowledge sharing CoP.

Implications for transformational leaders
1. Develop a challenging and attractive vision, together with the employees.
2. Tie the vision to a strategy for its achievement.
3. Develop the vision, specify and translate it to actions.
4. Express confidence, decisiveness and optimism about the vision and its implementation.
5. Realize the vision through small planned steps and small successes in the path for its full implementation.

Table 12: Implications for transformational leaders (source: Yukl, 1999)

Strategy

The first moderator variable for an effective knowledge management implementation is strategy. Strategy within the field of knowledge management conceives aligning organizational processes, culture, and the KM-related information technology in such a way that knowledge creation, sharing and application is produced effectively (Zack, 1999). According to Choi, Poon, and Davis, (2008, pp. 235–236)*"A growing body of KM research has examined the range of KM strategies, and attempted to classify them. A synthesis of this research suggests that KM strategies can be primarily categorized based on two key dimensions: (i) KM focus and (ii) KM source"*. KM focus strategies can be categorized as explicit- and tacit-oriented strategies, while KM source strategies can be classified as internal- and external-oriented strategies. Table 15 provides an overview of these strategies with their description.

Taxonomy KM strategies	Description
KM focus explicit & tacit oriented	Explicit oriented strategy strategy attempts to increase organizational efficiencies by codifying and reusing knowledge mainly through advanced Its. Tacit oriented strategy strategy takes on the personalization approach where tacit knowledge is communicated through direct person-to-person contact and

	through socialization processes.
KM source Internal & external oriented	<u>External oriented strategy</u> strategy attempts to bring knowledge from outside sources via either acquisition or imitation and then transferring the knowledge throughout organization <u>Internal oriented strategy</u> strategy focuses on generating and sharing knowledge within the boundary of the firm.

Table 13: Taxonomy KM strategies (source: Choi et al., 2008, p. 236)

While the above stated strategies provide an good idea how KM strategies can be classified, the question rises which strategies contribute towards an effective knowledge management/organizational performance. According to Choi et al., (2008, p. 237)*"A relatively small number of studies have addressed the relationship between KM strategies and organizational performance because of the difficulty in measuring and quantifying the value of knowledge. These studies can be classified into two categories depending on how they implicitly define the relationship among KM strategies as being either complementary or non-complementary".* To clarify which KM strategies contribute towards organizational performance, Choi et al., (2008) performed empirical research on this topic. Results from their research suggest that integrating explicit-oriented with tacit-oriented strategies showed non-complementarity, which is negative for obtaining higher levels of organizational performance. KM strategies based on source shows that companies could benefit from KM by implementing external-oriented or internal-oriented strategies. According to Choi et al., (2008, p. 235)*"Combining the tacit-internal-oriented and explicit-external-oriented KM strategies indicates a complementarity relationship, which implies synergistic effects of KM strategies on performance".* When developing a KM strategy, combining focus and source will result in complementarity which is positive on organizational performance. When developing a KM strategy for a CoP, Lesser et al., (2000) state that the most important aspect of the strategy is mapping the knowledge needs. Only when you are aware what knowledge you want to create, share and apply with a CoP, you are able to develop an effective strategy to achieve this knowledge. While complementarity has a positive impact on organizational performance, it doesn't support the knowledge mapping. When using a CoP within this case to support the creation, sharing and application of 'international experiences', not having a clue what the conceptualization of 'international experience' is makes it impossible to develop a strategy to achieve this knowledge. The conceptualizations presented in chapter 5.1.1 are therefore of major importance.

<u>Process</u>
The second moderator variable is already extensively discussed in chapter 5.1.2 .

<u>Culture</u>
The third moderator variable that is of major importance for effective knowledge management is culture. According to (Bhatti et al., 2013, p. 56)*"culture drives the performance of any organization more than any other independent tool or management practice".* While knowledge management practitioners have often undervalued the profound influence of culture (Zakaria et al., 2004), within knowledge management this aspect is of crucial importance (Bhatti et al., 2013; Wang & Noe, 2010; Ardichvili, 2008). This importance resides from the fact that even though information and communication technologies impact knowledge sharing, team coherence and performance, it is the human component that facilitates or hinder the development of a shared knowledge culture and organizational learning (Zakaria et al., 2004). The focus within this thesis is upon creating a knowledge sharing culture for a CoP. The challenges faced by leaders that want to create a knowledge sharing culture for a virtual CoP are researched by Zakaria, Amelinckx, & Wilemon, (2004). According to Zakaria et al., (2004, p. 15)*"the ability to create a knowledge-sharing culture within a global virtual team rests on the existence (and maintenance) of intra-team respect, mutual trust,*

reciprocity and positive individual and group relationships". To support leaders with practical suggestions how to foster these determinants (effective knowledge sharing culture), Table 13 provides an overview of knowledge skills and abilities that are needed for the individual and the team within virtual CoPs.

At individual level	Description	At team level	Description
1. Self management	• Become one's own coach • Set personal agendas • Motivated to take appropriate action. • Behave proactively and manage themselves.	1. Establish team's goals	• Clearly establish goals and leader. and define team's roles. • Preliminary face-to-face meeting & series of team building exercises. • Reach consensus around goals and roles.
2. Communication	• Select appropriate transmission medium. • Learn to interpret the signals sent by team members • Clarify misunderstanding by overcoming language and cultural barriers.	2. Establish team's norms	• Develop a code of conduct and a set of norms. • Use specific modes of communication and acceptable response times. • Document archiving in shared space. • Establish task priorities.
3. Cultural sensitivity& awareness	• Cognitively understand the myriad differences. • Perceptively aware of the team members cultural values, and patterns. • Ability to identify and recognize potential cultural conflicts.	3. Team problem solving & conflict management	• Ability to solve complex problems by bargaining, and negotiating. • Develop creative mechanism by combining computer technology and videoconferencing. • Develop early warning systems to alert potential conflict.
4. Trust	• Develop trust based on perceived similarities, responsiveness and dependability. • Understand worthiness is assessed based on behaviors and not merely good intentions.	4. Team learning	• Learn from each other. • Build on each other's work. • Create a safe, secure team environment. • Encourage easy collaboration. • Create a 'community of practice'.
5. Comfort with technology	• Competent and confident to use information and communication technologies. • Openness to learn new technologies. • Changed mindset for use of technology to collaborate in new ways.	5. Balancing relationship & task team	• Take opportunities to build social ties. • Share learning experiences. • Get together and reconnect in space as much as possible.

Table 14: KSA for an effective knowledge sharing culture in CoP (source: Blackburn, Furst, & Rosen, 2003)
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Intellectual capital

The third moderator variable for an effective knowledge management implementation is intellectual capital (IC). IC is to be defined as the non-financial and non physical resources used by and within an enterprise, it is knowledge which can be converted into profits (Sullvian, 1999). While knowledge can be characterized as information in context, together with an understanding of how to use it, Intellectual Capital (IC) represents the main output of all efforts and steps taken within knowledge (Müller & Raich, 2005). According to Müller & Raich, (2005, p. 36)*"IC can be defined as intellectual material – knowledge, information, intellectual property and experience – merely everything that can be used to create wealth and value. It can be called the collective brainpower you find in enterprises"*. According to Mahmoodsalehi & Jahanyan, (2009) who performed an extensive literature review on this topic classified IC into three capitals. Table 14 provides an overview of these capitals

Human Capital	Structural Capital	Customer Capital
-Knowledge, skills and abilities of employees -Combined human ability to solve business problems -Inherent in people, not owned by the organization	-Processes -Trademarks -Information Systems -Proprietary databases	-Strength & loyalty of Customer relations -Customer satisfaction -Repeat business

Table 15: Sub-dimensions of IC (source: Mahmoodsalehi & Jahanyan, 2009)

Because these three capitals are complementary to each other, the intellectual capital can create value only by combining them (Rao & Osei-Bryson, 2007). Responsible for combining/ managing these capitals within the organization is the leadership within the organization (Bhatti et al., 2013; Müller & Raich, 2005). IC is an important knowledge management enabler because it constitutes a knowledge base from which employees can internalize information into new knowledge. Leadership that effectively manages this resource will increase chances for an effective knowledge management implementation. There is a saying that: "you can lead a horse to water, but you cannot make it drink". Successful KM requires the development of a "grass root desire among employees to tap into their company's intellectual resources"(Susanne, Thomas, & Wolfram, 2001). According to Bhatti et al., (2013, p. 58)*"The role of intellectual capital in knowledge economy needs to be studied for its ever growing role in knowledge economy"*. Despite this statement it's obvious that an effective knowledge sharing culture supported by the right tools/techniques within a CoP will increase the desire of employees to tap into the CoP's intellectual resources.

5.2 Solution design

This subsection conceives the constitution of an idealized solution design. This solution design will be constituted on basis of the design guidelines retrieved from the literature review. By composing these design guidelines, an overarching frame work model will be presented. This frame work can be seen as an artifact of this thesis and will support organizations to improve the transfer of international experiences from employees with international assignment experience upon other organization members. To constitute the solution design, first the specifications will be outlined. After defining these specifications, an idealized design will be presented.

5.2.1 Design guidelines

Based on the conducted literature review, organizations need an effective knowledge management approach to optimize the transfer of international experiences from expats with international assignment experience upon other organization members. The most suitable solution retrieved from the literature in chapter 5.1 to support this approach is a Community of Practice. To constitute a solution design for an effective CoP approach that will have a high chance of succeeding in the real world, the work of Bhatti et al., (2013) will be used as overarching frame work. I choose to use the work of Bhatti et al., (2013) because they performed an extensive literature review concerning critical variables/guidelines for a successful knowledge management implementation. Their constituted frame work has a high chance of succeeding in the real world because these variables were retrieved from knowledge management approaches that were actually implemented in organizations. Bhatti et al., (2013) state that the one force that is responsible for an effective knowledge management is leadership. Knowledge management initiated and supported by leadership should lead to the integration of the knowledge management enablers: culture, process, intellectual capital and strategy. These enablers supported by leadership have a moderating effect on knowledge management.

Understated the guidelines for an effective Community of Practice approach will be elaborated. Subsequently these will be used to constitute the idealized design.

1. Having an appropriate leader who is responsible for the knowledge management

Leadership is the utmost important variable for a successful implementation of knowledge management. Without leadership there is no effective knowledge management. When using a CoP to support effective knowledge management, an appropriate leader who is responsible for the CoP is mandatory. The extent in which leaders will succeed creating an effective knowledge sharing CoP depends upon: 1). their leadership style, and 2). how they implement/take into account the subsequent guidelines that support the knowledge management enablers: strategy, process, culture and intellectual capital. While the effectiveness of certain leadership styles is culturally-determined, transformational leadership has been identified as most suitable leadership style for CoPs. Transformational leaders are characterized by four distinguishing characteristics: Individualized consideration, Intellectual stimulation, Inspirational motivation, Idealized influence. These transformational leaders utilize the 4 "I s" of leadership in such a way that a transformational leadership climate is created between them and their followers. In this climate, followers internalize team attributes as their own which lead to a strong sense of team identity which in turn foster a knowledge sharing behavior. Organization can select an appropriate leader by means of the Multifactor Leadership Questionnaire.

2. Having a conceptualization of 'international experience'

A CoP stands central for a certain group of people that brings knowledge in action. When organizations want to use a CoP to support the 'knowledge management of 'international experience', than having a conceptualization of 'international experience' is of crucial importance. Only when you are aware what knowledge you want to create, share and apply with a CoP, you are able to develop an effective strategy to create this knowledge. Having a clear knowledge conceptualization for a CoP makes it easier for Expats to *share and retain their contextual knowledge*. This because using a conceptualization enables uniformity for coding the knowledge what results in an effective *transactive memory*. CoP members will also improve their *knowledge sharing self-efficacy* because they have a better understanding of what knowledge is valuable to other members, their *perceived relative advantage* because they have a better understanding of what is important not only for their co-members but also for them, and *perceived compatibility* because they have better insights in their current needs. When using a conceptualization like the Global Mindset, organizations can measure and predict performance. The Global Mindset uses an assessment tool which enables organizations to measure the improvements made by the CoP members. It can be stated that a conceptualization with an assessment tool that measures performance is of great value for a CoP.

3. Having an internet/intranet website

Organizations should develop an internet/intranet website for their CoP. This technology medium accompanied with the right tools supports not only the knowledge management process, but also the knowledge sharing culture, and manageability of the intellectual capitals. Due to the large quantity of tools and determinants, an overview is presented in Appendix F.3. In this overview organizations can see which tools for an internet/intranet website support which determinants of process, culture and intellectual capital.

4. Having events

Organizations should organize events for their CoP members. In general members in a virtual community have reciprocal faith-based upon trustworthy relationships. These trustworthy relationships are difficult to build only by virtual contact. When members meet in real life, trustworthy relationships are established quicker and are more profound. Organizations could use face-to-face seminars, guest events, expert seminars or live demos. All of these events will contribute towards trust and subsequently the willingness to share knowledge with other members. Due to the large quantity of tools and determinants, an overview is presented in Appendix F.3. In this overview organizations can see which events support which determinants of process, culture and intellectual capital.

5. Having a knowledge journalist

Organizations that are looking forward to manage predominantly tacit knowledge should use a knowledge journalist. International experience e.g. is rather tacit. CoP members have in general difficulties to convert their own tacit knowledge into explicit knowledge. Unfortunately this conversion is necessary otherwise it cannot be embedded into the corporate memory/shared with other CoP members (only informal). A knowledge journalist can use several techniques for this conversion process. Well-known techniques are structured interviews/stories, domain and task analysis, process tracing and skill based / cognitive expertise. While all of the techniques are applicable to capture tacit knowledge, no one technique should be used to the total exclusion of the others. In many cases, a combination of these techniques will be required to capture tacit knowledge.

5.2.2 Framework model for an effective Community of Practice approach

Within this subsection an overarching frame work model is constituted. Based on the model of Bhatti et al., (2013), this frame work can be used by organizations for an effective community of practice approach.

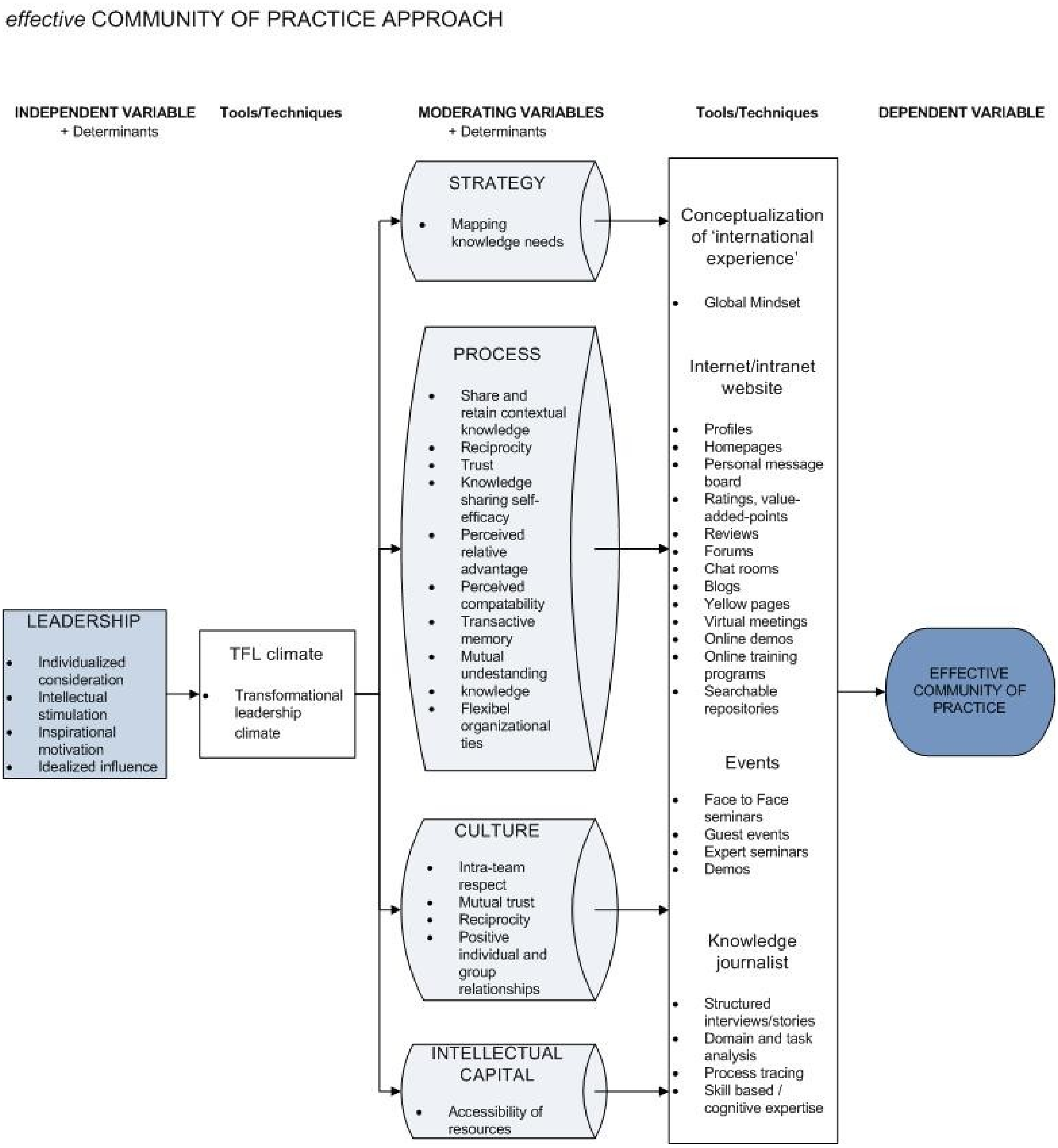

Figure 11: Frame work model for an effective Community of Practice approach

5.3 Practical implication of solution design

This subsection serves practitioners/HR managers in how to utilize this model in six steps to optimize the transfer of experiences of expats with international assignment experience to other organization members.

GLOBAL MINDSET

COMMUNITY OF PRACTICE

Successful in the global playing field

<u>Step 1: Selecting an appropriate leader who is responsible for the knowledge management</u>
The one force responsible for an effective knowledge management implementation is leadership. Therefore it is of utmost importance for organizations if they want to improve the knowledge transfer, to start with appointing a leader who is responsible for the knowledge management activities in their organization. Larger organizations make in general use of a Chief Knowledge Officer (CKO), while in smaller organizations this role can be appointed to employees who perform these leadership tasks beside their own tasks (HR manager). For selecting a role model leader from a CoP perspective, organizations can make use of the Multifactor Leadership Questionnaire(MLQ). This questionnaire will indicate if people have transformational leadership capabilities. These capabilities will contribute in creating a knowledge sharing environment. Important is that these capabilities are not prerequisites, but they will contribute towards the effectiveness of knowledge management. Once a leader is appointed, this leader is responsible for initiating and supporting the moderating variables.

<u>Step 2: Developing a knowledge strategy (part 1)</u>
The first task of the responsible leader is to develop a knowledge strategy. Within this thesis, the ambition is to make ‘international experience’ an organizational knowledge source. Currently this knowledge is held predominantly at the individual level (Expats). To realize this change, leaders first need to know what ‘international experience’ is. Only when you are aware what knowledge you want to create, share and apply, you are able to develop an effective strategy to achieve this knowledge. Once leaders selected a conceptualization for ‘international experience’ that suits the needs/expectations of the organization, they are able to develop a strategy. Within this practical implication the Global Mindset will be used as concept. Goal of the knowledge strategy will be cultivating a corporate Global Mindset. Now the leaders know what should be achieved, they are able to align organizational processes, culture, and the KM-related information technology in such a way that knowledge creation, sharing and application is produced effectively. Within this case, Leaders could support the knowledge management of international experiences from expats upon other organization members with an effective Community of Practice.

<u>Step 3: Developing an internet/intranet website</u>
The second task of the responsible leader is to initiate and support the development of an internet/intranet website. Knowledge sharing is the behavior of disseminating one’s acquired knowledge with other members. This knowledge sharing involves a process of communication whereby two or more parties are involved in the transfer of knowledge. Unfortunately organizations these days face difficulties in providing such social one-to-one knowledge exchanges to continue to exist in their traditional form (informal hallway, water cooler, coffee machine or even designated smoke areas). Because expats are in general dispersed around the globe, this traditional from is also

not applicable to them. This problem can be solved with an internet/intranet website. When organizations develop a website supported with the tools/techniques from the solution design, this website can be used effectively to support the knowledge creation, transfer and application of international experience.

Step 4: Preparation expats/start-up

When the internet/intranet website is established (knowledge base of website is still empty) it is time to start the knowledge creation process (fill the knowledge base). Organizations within this case use expats/expatriate assignments to start the knowledge creation process. To start this process as effectively as possible, leadership should undertake the following activities during the pre-departure phase of the assignment (besides the maybe already existing activities):

1. Introduction into knowledge creation/management
2. Introduction Global Mindset + Global Mindset Inventory (test)
3. Introduction Global Mindset CoP
4. Developing a knowledge strategy (part 2) + communication plan
5. Pre-departure training

1). Introduction into knowledge creation/management

Expats are in general employees with certain skills that are sent abroad for a couple of years because of these skills. In general these Expats are not knowledgeable about knowledge creation/management. If organizations want to use Expats to start-up the knowledge creation process, it is important that Expats get an basic understanding of how knowledge can be created and managed. Knowing how the process works will increase their contribution and commitment.

2). Introduction Global Mindset + Global Mindset Inventory (test)

An introduction into the Global Mindset is necessary, because this concept will stand central in the CoP. expats need to understand that this concept will be used by the organization to cultivate their mindset and the corporate mindset. All expats that will participate in the CoP need to make the GMI test. By making this test, expats will get a profound understanding of this concept and what knowledge and capabilities will contribute to them and are of value for the organization. The GMI test will indicate their current GM profile. This GM profile subsequently can be used for several purposes:

- GM profile indicates strengths and weaknesses of the expat. Knowing this, training and evaluation can be given more effectively.
- The GM profile can be used within the online CoP to indicate areas of expertise.
- The GM profile make the Expat aware of what is of value for him/her and for the organization

3). Introduction Global Mindset CoP

The Expats will receive a training on how the Global Mindset CoP works. Purpose of this training is to demonstrate how everything works (increase effectiveness) and to register the expats into the online CoP(profile etc.).

4). Developing a knowledge strategy (part 2) + communication plan

Together with the expat(s), the leader develops a vision. This vision within this thesis is an enriched global mindset for expat(s) and organization. Subsequently this vision will be tied to a strategy for its achievement. Together with the Expat(s), the leader formulates the knowledge objectives that should be achieved and transferred during the assignment to the host country.

<u>Example</u>
The Global Mindset conceives intellectual capital, social capital and psychological capital. Intellectual capital e.g. comprises: Global business savvy, cognitive complexity and cosmopolitan outlook. Global business savvy comprises: Knowledge and understanding of a global industry, knowledge and understanding of the global organization and knowledge and understanding of global value networks. Knowledge and understanding of global value networks comprises: knowledge of global supply chains, team management and network building. Network building from a global mindset perspective can be defined as: knowledge about building and managing networks.

One of the knowledge objectives that could be achieved by the expat that goes e.g. to brazil is, how can we build and manage a network in brazil, how deviates networking in the home country in comparison with brazil, what are the DO's and DON'T's etc. To cultivate knowledge about this topic, expats could visit a training in Brazil for networking. This training will clarify what is important when networking in Brazil. They could also attend networking days etc. etc.

By using the Global Mindset, Leaders can effectively develop a knowledge strategy that will result in effectively harvesting knowledge that is of value for employees and organization. Besides what should be transferred, it is important that Leaders should create together with the expats a good communication plan. In this communication plan, they plan the frequency of contact, how they contact, what are the knowledge objectives to discuss, what commitment is expected at least from them in the CoP etc.

5). Pre-departure training

Expats receive a pre departure training (cultural awareness training, orientation program, visit the host country) to reduce e.g. cultural shock. The lack of an adequate pre-departure training affects the employee placement in the host country and the expatriate capacity to acquire knowledge.

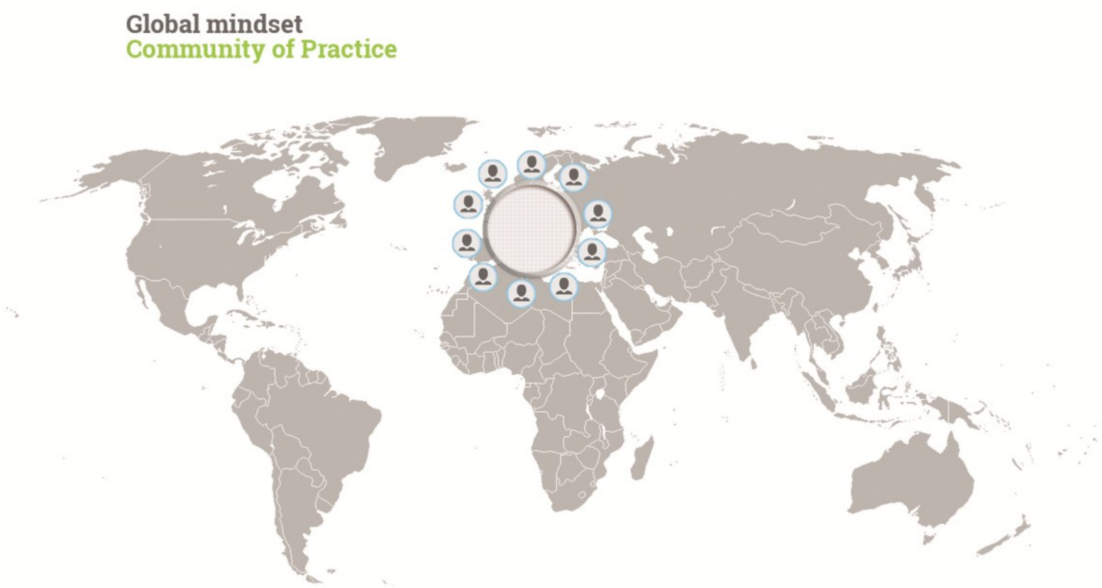

Figure 12: Knowledge base CoP empty during pre-departure phase

Step 5: Actual assignment

After the pre-departure phase, the actual assignment phase starts. During this period (in general 2-4 years) expats have frequent communication with the leader/HR manager as scheduled in the communication plan. Purpose of this communication is to capture and codify the predefined knowledge objectives of the Global Mindset. Due to the tacit nature of these experiences, it is mandatory to use a knowledge interviewer/journalist (leader/HR manager) to capture and codify this knowledge. The knowledge journalist can make use of structured interviews/stories, domain and task analysis, process tracing and skilled based/cognitive expertise. A combination of these techniques should result in codifying the tacit international experience into explicit knowledge.

Example (part from communication plan)

Date: xx-xx-xxxx
Time: xx-xx-xxxx

Expat: (name)
Knowledge journalist: (name)

Communication tool: Video conference
Knowledge objective: knowledge about building and managing networks in Brazil

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Video conference content

The expat will tell about his experience/knowledge creation regarding the predefined knowledge objective of the Global Mindset (story).During the story the knowledge journalist will ask also questions in a structured way that should identify predominantly procedural (know-how) knowledge. Besides the questions expat are also asked to "think aloud" concerning certain topics of importance (process tracing). after the story task analysis will take place to verify the main items of the objective. During this analysis the Expat will clarify in terms of prerequisite knowledge/skills required, critically, consequences of error, frequency, difficulty and interrelationships with other tasks and individuals, as well as how the task is perceived. Finally the Expat presents a problem upon of the main items he faced, and how he solved this problem.

After the video conference, the knowledge journalist will codify the captured knowledge and post this in the profile page (at the online CoP) of the Expat. This process will repeat for x quantity of times for the knowledge objectives that should be achieved, as predetermined in the knowledge strategy and communication plan. During the first couple of months/years the knowledge base of the online CoP will grow.

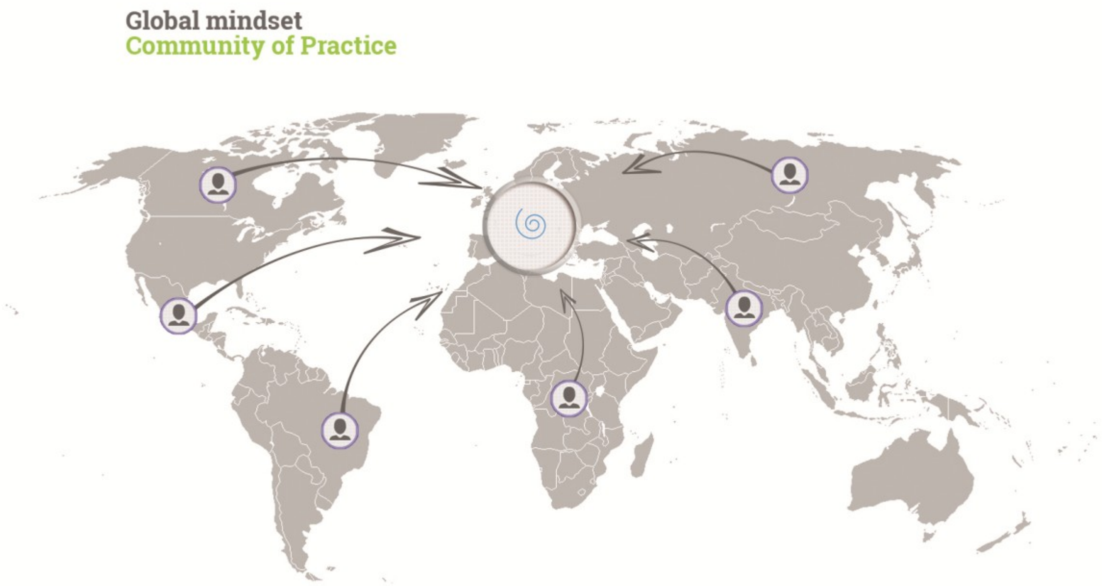

Figure 13: Knowledge base of CoP is growing during actual assignment

After a certain amount of the time, the knowledge base of the CoP starts to become also a pool of knowledge from which expats can internalize new knowledge from other expats. New expats that start their assignment can use the CoP to increase the cultivation of their global mindset, by learning from other expats.

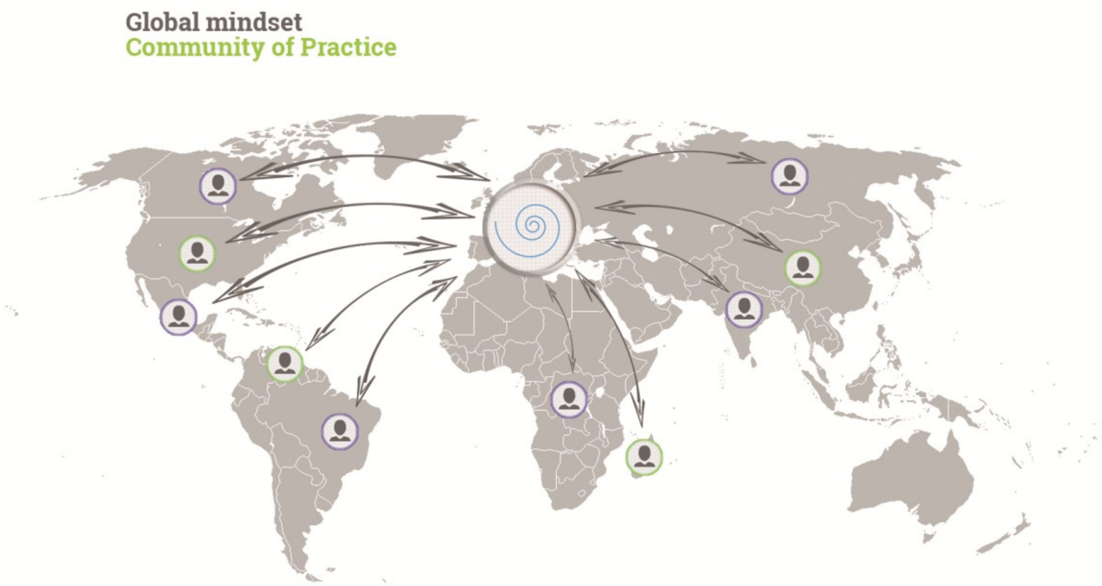

Figure 14: Knowledge base of CoP becomes pool of knowledge

Step 6: Events

Organizations need to keep in mind that one of the most important aspects for an effective CoP is trust. Without trust people don't accept new knowledge. Only when they trust the information of other expats, they will internalize this knowledge into their own knowledge base. Also trusts stimulates the reciprocal behavior within the community. If expats are not willing to share, the community won't be effective. The best way to create trust is through personal contact. When people have met in real life, they are willing to share quicker and easier with other community members. Leaders of the CoP should organize frequently face-to-face seminars, expert seminars, guest events and demos. All these activities will contribute towards trust among the CoP members.

6 Conclusions

Globalization thrives the need for employees with international experience. By far the most intensive mechanism for employees to gain international experience is through multi-year expatriate assignments. Unfortunately only a small minority of the employees has the opportunity to undertake an expatriate assignment, due to the high costs and in general anemic returns of these assignments. During the expatriate assignment this small minority collects valuable knowledge that could be used by other organization members/the organization to become more successful in their globalizing business environment. Despite the importance of this new knowledge source for organizations, there is only a limited informal transfer of these experiences from expats upon other organization members. When organizations don't transfer this knowledge from employees with international assignment experience to other organization members, valuable knowledge for the company will be lost when this individual leaves the company. Worse is that the international experience of cultures and markets isn't utilized within the company to cultivate also the mindset from those who didn't had the opportunity for any exposure. This limited transfer of knowledge restrains the company in being more successful in their globalizing business environment.

By means of a design oriented study among seven MNC's who work with expats, it was possible to create insights into the problem mess around this transfer problem. Results from this research first of all verified the importance of international experience as new knowledge source for MNC's. Respondents in this research have different backgrounds and are from different MNC's, who differ in organizational size, industry, etc. Mutually these respondents acknowledged that international experiences is of major importance if companies want to business successfully in their globalizing business environment. Despite this mutual consent they state that "international experiences" are a valuable resource for the organization but the transfer of these experiences are predominantly informal. The question that rises from the above stated results is: 'how is it possible that everybody states that international experience is of major importance if companies want to business successfully in their globalizing business environment, international experience is a valuable resource for these companies, but no one of them manages this knowledge source?' To clarify this mystery and to solve the transfer problem, explorative interviews were performed with HR directors/managers and expats to create insights into the problem mess. Transcribing and codifying these interviews resulted in a list of eleven causes that related somehow to the transfer problem. By means of validation interviews and theoretical analysis it was possible to create more explanatory power for the causes retrieved during the exploration stage. Not only was it possible to validate the causes, but also to identify the causal relationships between the eleven causes. Constituting the cause and effect diagram clarified the above stated mystery.

HR managers (department) who are in general responsible for initiating knowledge management projects in the organization lack profound international experience themselves. Not having profound international experience makes it very difficult to: 1). identify what 'international experience' is needed for employees to be successful in a globalizing environment, 2). to manage this resource optimally. On the other side, Expats who contain these 'international experiences' could not transfer (only informal) this upon HR managers (other organization members) because overtime explicit knowledge turns into tacit knowledge.

Concluding remark from the exploration and validation stage is that if HR managers have a better understanding of the concept international experience, they can manage this organizational resource better because than they know 'what' should be managed. When these HR managers are provided with an effective knowledge management approach, these managers will be able (because they know 'how') to optimize the knowledge transfer of international experiences from expats upon other organization members.

Reviewing the literature for a single/best conceptualization of international experience revealed that there is no convergence among researchers about one universal concept that represents "international experience". Due to the time constraints of this thesis, it was not possible to constitute a valid and reliable concept of "international experience" myself. But to improve the transfer of international experience, the exact content of the concept is rather subjective to at least having a concept. Therefore the focus was on providing HR managers with existing concepts that relate somehow to "international experience" and which can compensate for their lack in prolonged international experience. The literature review revealed that the MPQ, ICR, IRA and other mentioned intercultural effectiveness scales/models can be used by HR managers as guidelines for conceptualizing 'what' international experience could or should be within their organization. HR managers that are looking forward for an extensive concept of 'international experience' could use global leadership competency assessments. These assessments deviate from intercultural adaptability assessments in the way that they have adopted a broader focus and attempt to identify a variety of competencies, not just intercultural competences. The world's first and only psychometric assessment tool that measures and predicts performance in global leadership positions is the GMI. I would recommend HR managers to use this concept for 'international experience' because it enables to measure also the performance.

Reviewing the literature for an effective knowledge management approach revealed that the critical success variables for an effective knowledge management approach are leadership, culture, process, intellectual capital and strategy. Knowledge management starts with leadership. Leadership is the one force which can integrate the knowledge management implementation in a successful way and achieve the desired results. This leadership will subsequently integrate the moderating variables: culture, process, intellectual capital and strategy. These variables are also called knowledge management enablers and have a moderating effect on the dependent variable knowledge management. The most viable solution retrieved to support the knowledge management of international experiences from expats upon other organization members is a Community of Practice. A Community of Practice can be defined as a group of people, along with their shared resources and dynamic relationships, who assemble to make use of shared knowledge, in order to enhance learning and create a shared value for the group. While *community* refers to the group part, *practice* implies knowledge in action.

To optimize the transfer of international experiences from expats upon other organization members in the best possible way, it is important that this Community of Practice is effective. Therefore a solution design has been constituted for an effective Community of Practice approach. In this design the critical success variables are used as overarching guidelines. For each variable organizations can find what the most important determinants/tools and techniques are that determine/support the effectiveness within a Community of Practice. The general guidelines for an effective Community of Practice are:

- Having an appropriate leader who is responsible for the knowledge management
- Having a conceptualization of international experience
- Having an internet/intranet website
- Having events
- Having a knowledge journalist

To demonstrate that this approach will solve the problems related to a limit transfer, the subsequent table will clarify how the causes retrieved during exploration and validation stage will be solved by implementing an effective Community of Practice approach

Code no.	Problem description	Solution
1.	HR managers are aware of the importance of international experience for their company, but lack prolonged international experience themselves to manage this organizational resource optimally.	Using a conceptualization of international experience will compensate HR managers for not having prolonged international experience.
2.	Knowledge management of international experiences is limited	An effective Community of Practices comprises all the aspects of knowledge management. Implementing all these tools and techniques will optimize the knowledge management of international experience
3.	Expat assignments are not designed to transfer knowledge back	HR managers that know 'what' international experience is and 'how' it can be managed will use expat assignments to transfer knowledge back (because HR managers know that expat assignments are the richest source for creating international experience).
4.	Barely communication between expat during assignment and headquarter	The knowledge strategy + communication plan + knowledge journalist will force frequent communication between expat and headquarter.
5.	Bad preparation of expat assignment concerning what international experience is needed upon assignment and what international experience is valuable for the organization	Using a conceptualization for international experience + developing collaboratively a knowledge strategy + introduction into concept + test of concept + pre-departure training will result in expats good prepared for assignment and knowing what is important.
6.	After assignment no new job within organization	The nr. 1 reason why expats leave the organization is because they cannot use their newly acquired knowledge within their new job. With a Community of Practice these expats become Expert in the Community. Keeping these experts within the organization is of great value and therefore chances for a new job within the organization increase.
7.	Tacit nature of international experience	Conceptualizing international experience, developing a knowledge strategy, and frequent communication with a knowledge journalist all contribute towards converting

		the tacit nature of international experience into a more explicit nature.
8.	Emphasis mainly on international experience of markets rather than cultures	Using an extensive conceptualization of international experience + knowledge journalist will prevent focusing only on explicit knowledge.
9.	International experiences are predominantly stored in the heads of expats	Having an internet/intranet website + events + knowledge journalist will result in storing everything what is important also online and in the heads of other Community of Practice members.
10.	International experiences are transferred predominantly informal	Using an effective community of practice approach comprising structures and processes will increase the extent of formalization for transferring international experience.
11.	Expat responsible for knowledge sharing	Within an effective Community of Practice the Leader is responsible for the knowledge management (sharing). This leader collaboratively develops a knowledge strategy with the expat. According communication plan the knowledge journalist will capture and codify knowledge from the expat. Expat now is only partially responsible for the knowledge sharing.

Discussion

A design oriented study was conducted to find out how expat-experience can be transferred within multinational firms. To provide reliable solutions to this transfer problem, the content of the study was fourfold. First of all the problem statement (*A limited transfer of international experiences from expats with international assignment experience to other organization members restrains companies in becoming more successful in their globalizing business environment)* was verified. This verification was necessary because the problem was solely my own perception and acknowledged in the literature. Verifying the problem statement among multinational firms working with expats (practice) seemed to me as the ultimate verification. Despite I verified this problem statement only among five respondents, all of them have different backgrounds and are from different multinational firms, whom differ organizational size, industry, etc. Mutually they all acknowledged/verified this problem statement. Therefore these findings together with the findings from literature and my own experience made this problem a real problem that deserves to be studied. After verifying the problem statement, the second step was to explore the causes that limit this transfer and subsequently validate (step 3) these causes. Main reason (root cause) why this experience isn't transferred within multinational firms is because: HR managers (department) who are in general responsible for initiating knowledge management projects in the organization lack profound international experience themselves. Not having profound international experience makes it very difficult to: 1). identify what 'international experience' is needed for employees to be successful in a globalizing environment, 2). to manage this resource optimally. The best example of this is that expat assignments/expats which constitute the richest pool of international experience are not used at all for creating and transferring international experience. These and nine other (sub causes) were retrieved through 5 exploration- and 3 validation interviews with HR directors/managers and expats. Questionable is:' How could 8 conversations produce scientific reliable data/information for a Master thesis?' It is true that the philosophy behind interviews has its roots in the basic mode of human interaction(having a conversation), but it goes beyond the spontaneous exchange of information and data of everyday. Within this thesis I made use of the seven stages of an interview investigation: thematizing, designing, interviewing, transcribing, analyzing, verifying, and reporting. This approach can be seen as a discrete way to bring interview research beyond subjective relativism. Important when performing scientific research is that the results/knowledge produced with the selected research method are reliable in a scientific way. The trustworthiness, the strength, and the transferability of knowledge are in the social sciences commonly discussed in relation to the concepts of reliability, validity, and generalization. While the application of these concepts for this thesis are extensively discussed in chapter 2.3.1, this study deviates from other design oriented studies. In general solving business problems with a design oriented approach happens from an individual organizational perspective (van Aken et al., 2007). This increases the chance in providing the specific company with a relevant solution, but decreases the generalizability of this solution. To improve the generalizability one can involve more organizations who are faced with the similar problem. In this study 8 interviews have been executed among 7 different multinational firms that work with expats. Normally with a design oriented study, causes are valid when different respondents from a single company during the exploration interviews and validation interviews acknowledge same causes for a problem. In this study the chance that 8 respondents from 7 complete different multinational firms acknowledge the same causes is much smaller. But those causes that are similar have a much higher generalizability. To increase the validity of these results even more, theoretical analysis has been performed upon each cause. Within this study only the causes acknowledge by the respondents of 7 different companies and acknowledge by the literature within this field are used. Therefore these 8 conversations were sufficient to provide reliable data/information for this Master thesis. The last step comprised a literature review and the constitution of a solution design. During the literature review the focus was upon design guidelines that would solve root causes instead of symptoms. Combining these guidelines should result in a solution design that will optimize the transfer of international experience. To increase the chance for constituting a successful solution design , this theory-based investigation was executed predominantly by means of a reversed engineering approach. Instead of analyzing the literature for guidelines that could constitute the design, the emphasis was on successful solution designs that were deduced to create in this way the best possible solution design. By means of effective knowledge management theory and CoP practices I was able to constitute a solution design for an effective CoP approach. This CoP approach implemented within an organization and supported by tools/techniques will optimize the transfer of international experience from expats upon other organization members.

Most important finding from this research/contributions to theory and practice are:

1. HR managers who are in general responsible for initiating knowledge management projects in the organization lack profound international experience themselves. Not having profound international experience makes it very difficult to identify and manage this knowledge source. Recent research on this topic verified these findings: *"since those in charge of handling the international assignments do not have any international experience, it is quite obvious that there is a lack of knowledge and understanding regarding this issue"(Vinogradova et al., 2012, p. 31).*

2. Expat experience cannot just be transferred upon something (e.g. stored somewhere in a computer). If organizations want to benefit from this experience, it is very important that this knowledge will be internalized within the knowledge base of other organization members (they make this knowledge as their own). To support this, organizations need to view knowledge management as a continuous process. In this process knowledge is captured/or created first (by expat), subsequently shared and disseminated (made available to other organization members) and finally applied (within the mind of other organization members). This last step is of utmost importance, because when this step is not successfully accomplished, all of the knowledge management efforts will have been in vain.

3. Another important finding is that the knowledge management process is only a moderating variable for the effectiveness of knowledge management. One of the major pitfalls during the implementation of knowledge management is the predominant focus on technology. When humans, processes and technology are not integrated, knowledge management fails. Research indicates that for a successful knowledge management implementation, leadership is the dependent variable that enables the moderating variables strategy, culture, process and intellectual capital. When these are properly executed, this will result in effective knowledge management.

4. Another important findings is the importance of knowing what should be created (having a conceptualization). When developing a knowledge strategy, the most important aspect is to map the knowledge needs. Only when you are aware what knowledge you want to create, share and apply, you are able to develop an effective strategy to achieve this knowledge. Previously researchers in the field indicate that formalizing (processes and structures) the knowledge management of expat assignments would result in a better knowledge transfer. Partially this is true (focus on processes/technology). But to prevent organization from failing

due to emphasis on technology, it is highly important to have a conceptualization of international experience first. Only when having this conceptualization organizations are able to develop an effective knowledge strategy.

5. A validated cause and effect diagram illustrates how the causal relationships are between the well-known acknowledge problems in the field. Previously researchers acknowledged all of these problems, but never before somebody provided a cause and effect diagram that clearly indicates root causes and symptoms.

The results and conclusions from this study are important due to the unremitting globalization of the 21st century. Employees working for the fast growing quantity of MNC's need to be able to work in a global playing field. Managing international experience as new knowledge source within MNC's will create employees with an international mindset quicker. Employees with this international mindset will contribute in companies becoming more successful in their globalizing business environment. For future research, the proposed limitations form a basis for future research. Furthermore it would be interesting to investigate the constructs comprised by the conceptualizations of international experience. Currently these conceptualizations contain a lot of items. With Global Mindset Inventory e.g. these items are measured on a five-point scale. When knowledge journalists need to capture and codify knowledge about these items it is important that they have a thorough understanding how these items can be conceptualized. A five point scale won't provide insights for structured interview questions regarding e.g. networking.

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8 Appendices

Appendix A: Exploratory interview guide
A.1: Exploratory interview guide: internal stakeholder
A.2: Exploratory interview guide: external stakeholder

B: Interview transcripts exploratory interviews
B.1: Interview respondent no.1 : perspective from a HR director
B.2: Interview respondent no.2 : perspective from an Expat
B.3: Interview respondent no.3 : perspective from an Expat
B.4: Interview respondent no.4 : perspective from a HRM manager
B.5: Interview respondent no.5 : perspective from an Expat

C: Interview protocol exploratory interviews

D: Validation interview guide
D.1: Validation interview guide: internal stakeholder
D.2: Validation interview guide: external stakeholder

E: Interview transcripts validation interviews
E.1: Interview respondent no.6 : perspective from an Expat
E.2: Interview respondent no.7 : perspective from an HR director + senior advisor
E.3: Interview respondent no.8 : perspective from an HR manager

F: Additional information from thesis
F.1: Sample of 142 companies
F.2: MPQ, ICR, IRA and GMI
F.3: Overview