

Factors Influencing Decisions in the International Assignment: A Case from Indonesian Female Employees

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Abstract: The growing number of companies operating in global markets has led to the rising popularity of international assignment practices. Companies that are competing globally require employees to acquire global competencies and therefore international assignment has become a common practice to develop their talent. However, there is still a disparity between female and male participants as the low level of women's participation is affected by a variety of factors. Given the low level of women's participation in international assignments, this study is aimed to explore factors that influence their decisions to participate in international assignments, especially in the context of Indonesian women. Qualitative data were obtained from 9 participants working in multi-national companies through in-depth interview. The results confirmed previous literatures on some important factors women consider if they were offered an international assignment opportunity, namely family and career issues. Interestingly, the role of female assignees as their "role model" and Management Training program that includes global mobility emerged in this research as the significant factors these female employees consider in international assignment decisions.

1 INTRODUCTION

The increasing number of companies operating in global markets led to the growing popularity of international assignment practices. International assignment is viewed as a tool or medium to improve the global competence of individual employees (Dickman and Harris, 2005). In addition to its function as a career development tool, international assignment also helps companies to fill strategic positions with potential employees and address skills gap issues (Vorhauser-Smith, 2013). Consequently, Dragoni et al., Stroh et al. and Takeuchi found that companies that are competing at a global level require employees with global competencies, and therefore international assignment serves as a crucial tool to develop these talents (Bolino, Klotz and Turnley, 2016). Moreover, the increasing intensity of global competition among companies has increased the demand for expatriates, which became the key success factor of multinational companies (MNC) (Salamin and Hanappi, 2014). Due to the importance of international assignment in MNCs, the number of international assignees significantly increased up to an estimate of 25 per cent in the past decade since

2010 and is estimated to increase up to 50 per cent in 2020 (PricewaterhouseCoopers, 2010). However, women's participation in the international assignment program is still lacking compared to the participation of men (Harris, 2004) as women only fill 25 percent of the entire population of the international assignees while 75 percent participants are men (Dunlea, Thiel, Sojo and Westbrook, 2015).

Research have discussed some factors that make employees generally reluctant to live and work abroad, including family and career issues (Bolino, Klotz and Turnley, 2016). These factors serve as the top indicators of the lack of women's participation in international assignment. Surveys show that as many as 59 per cent of women face greater challenges than men in accepting international assignment offers (Brookfield GRS, 2016). In the context of Indonesian women, the female labour force participation is still much lower than men (International Labour Organization, 2016). In addition, the Indonesian traditional view that the major role of women is as a wife and mother and not as a breadwinner is still embedded in the society (Utomo, 2004). Therefore, MNCs operating in Indonesia are likely to experience greater challenge

in improving the participation of female employees in international assignments.

Developed from this particular problem, the research is aimed to explore factors affecting Indonesian female employees' decision to participate in an international assignment.

2 LITERATURE REVIEW

This research utilises previous studies on international assignment and women issues as its basis.

2.1 International Assignment

An international assignment is occurred when a company assigns a local employee to work overseas for a set period (Mercer, 2015). In 2005, Harris and Dickmann found that large MNCs see international assignment as a key to develop leaders at a global scale (Dickmann, Doherty, Mills and Brewster, 2008). In addition, Edstrom and Galbraith stated in 1977 that the function of the international assignment is to fill a certain position or skills gap and develop their management and company. Over time, companies find difficulty in financing their assignee to work on their international engagement, and there is a shortage of employees who agree to move abroad. These issues are addressed by a non-standard type of assignment where short-term assignment becomes the most popular method implemented in the companies (Tahvanainen, Welch and Worm, 2005).

2.2 Decision Making Factors in International Assignment

Regardless of their gender, the main consideration behind employees' reluctance to live and work abroad is family and career (Bolino, Klotz and Turnley, 2016). Brookfield Global Relocation Services found that most often the reason to refuse an international assignment is family (38%), their partner's income or career (18%), uncertain reward from the relocation (16%), a perception of insufficient compensation (15%), the relocation site itself (4%) and others (8%) (Brookfield GRS, 2016).

In accordance with the latest survey from Brookfield Global Relocation Services, the determining factors in deciding whether to pursue an international assignment among others are the employee's individual characteristics (e.g. gender,

age, and previous international experience), family (e.g. responsibility or role in the family, their partner's response to the assignment), the assignment itself (e.g. the duration, whether the relocation site has cultural similarities to their home country, and personal security) and variables within the company (e.g. rules concerning relocation, compensation and benefits) (Bolino, Klotz and Turnley, 2016).

2.3 Women and International Assignment

The low participation of women in international assignment remains relevant today. This issue is caused by several factors. One of the reasons for a woman to refuse the assignment is because of their married status, which makes them take up more crucial role in the family (Van der Velde, Bossink and Jansen, 2005). It is also found that women are less likely than men to be considered by the company for an international assignment (Linehan, Scullion and Walsh, 2001). When there is an opening for an international assignment and there are women who would want to apply, senior management will assume that women are not inclined to take the opportunity to relocate because of their marital status.

3 RESEARCH METHODOLOGY

This study was conducted using qualitative method to acquire the depth and breadth of data on the factors that affect Indonesian women's decision-making to pursue an international assignment (Raco, 2010). Data collection was done using an in-depth interview with eight female employees and an HR employee working for some MNCs. Gathering data both from employees as well as management (HR function) is required to satisfy data source triangulation as an effort to increase the research validity (Yazan, 2015). Employees involved in this research must have a minimum of two years working experience in the company to filter out employees that have not completed their employee induction and orientation period. In addition, employees are assumed to already know the working environment well.

Each interview was recorded from the beginning to the end. The process of recording the interview is approved by each participant. Each interview lasts for approximately 40 to 60 minutes depending on

their openness and flexibility in answering the interview questions. The next step after the interview is transcribing the contents of the recorded interviews into a verbatim or transcript format (Guion, Diehl and McDonald, 2001). The document containing the verbatim functions as a reference to conduct data processing. The data was processed using NVivo software which is used to organize data and conduct the coding process which is conducted in accordance with the method of Strauss and Corbin (Corbin, and Strauss, 1990). The analysis process used the grounded theory, which allows emergent categories developed during coding process that contributes in building the emerging theory (Glaser and Strauss, 1967). However, according to Robert Yin's case study research design approach, it is also necessary for researchers to conduct literature review relevant to the case prior to data collection. In this case, researcher included some literatures on social and cultural context of Indonesian women, which was used during data analysis (Yazan, 2015).

4 FINDINGS

Most of the participants are eager to benefit from the international assignment by gaining new experience and to grow professionally and personally. In addition, there are participants who seek to gain a promotion, use the international assignment as a stepping stone to their career or further education, increase their exposure, expand professional links and network, acquire new perspectives from other countries, seek greater compensation and learn about diversity.

However, the participation of female employees in the international assignment program is still lacking. Among other factors, the participation rate tends to be low due to the mobile nature of the work nowadays, which is reflected in the answers from most participants. An example is from Participant 7 (39 years old, married, Associate Director) who stated that "[...] with the current digitisation, there may be job positions that can be taken without having to relocate."

Although the participation is still lacking, the company is trying to balance the level of both female and male participants. This is supported by the following statement made by the HR Participant.

"[...] the ratio of women and men is now 50% [...] but it depends on women's willingness to geographically mobile or not. Indeed, the family tradition in Indonesia may make it difficult. But we

never make any restrictions, so we have a ratio of 50%." (HR Participant)

The lack of women's participation, especially in Indonesian, in international assignment is not because of the system applied by the company but because of the emerging factors, such as family, career and relocation site. In addition, factors of role model and whether the international assignment program is available during management training were also taken into consideration by the participants. The family factor is influenced by marital status and age. For married participants, they are reluctant to leave the country as they do not want to leave their families behind. However, there was also an unmarried participant reluctant to be internationally assigned due to her traditional view on the role of women in the family.

"[...] from the get go I have been told that the breadwinner duty is not on women [...] I am a woman. If I were to be far away from my parents and family, I would then abandon my responsibility regardless of whether I want to marry and what my plans are for myself right now. However, I feel that it is my principle from the start that I do not want to do this [international assignment] for work. I would gladly go abroad for further studies though." (Participant 6, 24 years old, unmarried, Senior Officer of Learning for Development).

Career factor is influenced by the type of employment and marital status of the employee. If the type of work is dynamic and heavy, they do not want to do the international assignment. Furthermore, for married women, they choose not to do the assignment as they are less ambitious to boost their career by pursuing the international assignment. The next factor is the relocation site which includes questions of security, how advanced the target country is, how the market will be, and others. The reluctance of taking up the international assignment due to the factors surrounding the relocation site is as follows.

"[...] If I am told to go to India, I would not go because the market is super messy [...] whereas, in Europe, they are more into the creative aspect of product marketing and how the communication works, which is something that I can handle better." (Participant 2, 25 years old, unmarried, Product Executive).

Moreover, the presence of role models also became a consideration which Participant 7 presented as follows.

"[...] aside from the people at a high-level position, I see that the people who fly out are the ones who are unmarried anyway [...] So I actually

want to do it but there has not been any role model who really breaks down the barrier and has the same condition and situation as me "(Participant 7, 39 years old, married, Associate Director).

The participants also pointed out the difference it will make had the international assignment was made available in the management training program. This would spark more interest in the international world early in their career as an entry-level employee as they already pursue the management training program in the first place. If the program management training has an international assignment, the participants may consider joining it.

5 DISCUSSION

It can be concluded from the interviews that most of the participants adhere to the no gender bias international assignment practice. Hence, the low participation of women is caused by a lack of desire to join the practice and not due to any gender bias practices. Due to the many factors that the female employees need to take into consideration, the company is hesitant to offer the position to them. This finding confirms previous study, which discovered that companies have a negative assumption of women's desire to grow, and in the end, male employees are chosen to be the international assignees (Adler, 1994). The low participation of women in the international assignment is also showed in MNCs that have a closed system of international assignee recruitment and selection. Thus, the low level of participation can be caused by a lack of information dissemination by the company on the existence and benefits of the program. The HR Participant stated that although they opened an equal opportunity for employees of all sexes and diverse backgrounds, they do not want to boast the existence of international assignment to the employees. The reason is because they do not want to make the program as something to be eagerly awaited by their employees, as they cannot promise that everyone will get a turn. From the company's perspective, all of the decisions need to be viewed from business needs ranging from the required position and the skills that entail.

Traditional view of women also plays a significant role in international assignment decisions. In the context of Indonesia, currently it is even more common for women to have a job (Utomo, 2004). However, according to previous literatures, although both spouses work, the wife

continues to be a secondary earner. By being a secondary earner, the wife is expected to generate extra income for the family with her career, which does not interfere with her primary role as a wife and mother (Utomo, 2004). The low participation of women can also be due to the universal idea shared by women in Indonesia, which requires them to get married and have children (Utomo, 2004). This puts aside orientation of career and influence the person to uphold family-oriented values. Therefore, this research is supported by earlier studies, which found that married women tend to decline the offer as they have a more important role in the family (Van der Velde, Bossink, Jansen, 2005).

6 CONCLUSION

The study found that most of the companies do not see sex as a determining factor in the international assignment selection and recruitment process, which shows that there is no gender bias performed at the policy level. However, women's participation is still classified as low and is caused by the deciding factors, which made them reluctant to join the program. In addition, there are several mobile jobs that can be performed which the participants are more inclined to take. In general, the most influential factors are career and family. The family factor is influenced by the employee's marital status. A married female employee pays more attention to this aspect due to their greater role in the family, especially when children are involved in their life.

Career is also a factor that the employees take into consideration in accepting an international assignment. Differences in the participants' responses are due to their age, marital status and the type of work they perform. The relocation site is also a factor in their decision. They consider the security level and distance of the relocation site, whether the location is favourable for the development of their career and how much of a minority will they be when they relocate. The absence of role models who have been or are currently doing international assignment is shown as a significant factor for married participants and for the ones with children. Due to the absence of role models who have taken their career to an international level, the female employees who wanted to join the program were discouraged as their situation and condition are limited yet they do not know how to resolve such issue.

7 IMPLICATIONS AND FUTURE RESEARCH

Since the availability of mobile job positions are also a trigger for the low level of participation in the international assignment, further research could explore whether international assignment is still essential to MNCs. If international assignment is not an important goal for female employees in Indonesia, the company should give them a project that is global in scale in the hope that they can still feel the euphoria of working internationally without having to relocate. Further researches could examine which form of global project and involvement that is suitable for the employees.

Moreover, it is also important to involve two groups of participants in the future research, where the first group includes female employees who already have been on an international assignment and the second group includes female employees that have been offered the job but declined. In doing so, the factors that they consider would be more diverse and in-depth because the participants are involved in the international assignment process. In addition, because in this study we acquired the data from HR personnel and employees who do not work in the same company, further researches should examine HR personnel and employees that are within the same company for their answers to be aligned and allows them to be analysed in an “apple to apple” manner.

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