

Chapter 7: Characteristics of the Local Organizations, the Dispatching Organizations, and the Respondents

In this chapter, we will offer a brief description of the local organizations in Japan and the dispatching organizations, as well as the characteristics of the respondents to the survey. We would like the reader to keep in mind, however, that since our brief descriptions of the local organizations and dispatching organizations do not necessarily involve selecting only one current expatriate respondent per organization, the analysis may not be absolutely correct in the strictest sense. However, we believe that it holds up to analysis sufficiently as an overall description.

1. Brief Description of the Local Organization

(1) Industries

Of the local organizations in Japan where the respondents were employed, 37.4% were in manufacturing industries and 61.6% in non-manufacturing industries, so that more than six-tenths were in non-manufacturing industries. The manufacturing companies were most commonly in the chemical industry (9.1%) or miscellaneous (9.1%). The non-manufacturing companies were most commonly in the financial and insurance industries (22.1%), service industries (11.4%), and other non-manufacturing industries (11.1%) (cf. Table 7-1).

Looking at the locations of the headquarters of the dispatching organization, we find that most of the European companies are in the manufacturing industries, while the companies from Oceania and Asia, especially Asia, are mostly in the non-manufacturing industries. Taking a more detailed look at the industries, we see that a commandingly large number of the North American companies are in the service industries (23.9%), while a rather large number of the European companies are in the chemical industry. Manufacturing companies from Oceania are often in the food industry, and the non-manufacturing industries are concentrated in the mining and transportation and communications industries, at 25.0% each. Furthermore, Asian companies are overwhelmingly concentrated (65.2%) in the financial and insurance industries.

(2) The Number of Employees and the Number of Expatriates

[1] The Number of Employees

There is a great deal of variation among the numbers of employees in the local organizations, but the average number of employees was 761.2. Note, however, that the differences among companies headquartered in different regions are

**Table 7-1: Industry of the local organization
(by the location of the headquarters of the dispatching organization)**

	Total	Foods	Textiles	Wood, furniture	Pulp, paper	Publishing, printing	Chemical industry	Oil, petroleum products	Plastic products	Rubber, leather goods	Steel	Ceramics	Nonferrous metals	Metals	General equipment
North America	100.0 (92)	2.2	0.0	1.1	0.0	0.0	6.5	0.0	0.0	0.0	0.0	0.0	0.0	1.1	1.1
Europe	100.0 (173)	4.6	1.2	1.7	0.0	0.6	11.6	0.6	1.2	0.0	0.6	0.6	0.0	0.0	3.5
Oceania	100.0 (12)	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Asia	100.0 (23)	4.3	0.0	0.0	0.0	0.0	4.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
N.A. (No Answer)	100.0 (7)	14.3	0.0	0.0	0.0	0.0	14.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	100.0 (307)	4.9	0.7	1.3	0.0	0.3	9.1	0.3	0.7	0.0	0.3	0.3	0.0	0.3	2.3

	Electrical products	Transport products	Precision equipment	Other Manufacturing industries	Total manufacturing industries	Forestry and fisheries	Mining	Commerce	Construction	Finance, insurance	Real estate	Transportation, communication	Service industries	Other non-manufacturing industries	Total non-manufacturing industries
North America	3.3	4.3	0.0	14.1	33.7	1.1	0.0	1.1	1.1	18.5	2.2	2.2	25.0	14.1	65.3
Europe	3.5	3.5	2.9	8.7	44.8	0.0	0.6	9.2	0.6	19.1	0.0	8.7	6.9	9.8	54.9
Oceania	0.0	0.0	0.0	0.0	25.0	0.0	16.7	8.3	0.0	25.0	0.0	16.7	0.0	8.3	75.0
Asia	0.0	0.0	0.0	0.0	8.6	0.0	0.0	8.7	0.0	65.2	0.0	13.0	0.0	4.3	91.2
N.A.	0.0	0.0	0.0	0.0	28.6	0.0	0.0	14.3	0.0	0.0	0.0	14.3	0.0	28.6	57.2
Total	2.9	3.3	1.6	9.1	37.4	0.3	1.0	6.8	0.7	22.1	0.7	7.5	11.4	11.1	61.6

greater than the differences among companies in different industries. Please refer to Table 7-2.

While the average number of employees in the manufacturing industries was 631.1, the average number in the non-manufacturing industries was 845.6. The differences based on the location of the company headquarters were even greater. North American companies had an average of 1,298.3 employees, European companies had 638.2, companies from Oceania had 53.2, and Asian companies had 92.8. We can therefore say that North American and European companies tend to be large, while those from Oceania and Asia tend to have fewer than 100 employees.

Table 7-2: Number of employees at the local organization (by the location of the headquarters of the dispatching organization, industry of the local organization)

	Total	Fewer than 10 persons	10–29 persons	30–99 persons	100–499 persons	500–999 persons	1,000 or more persons	N.A.	Average
Location of the headquarters									
North America	(92)								
	100.0	13.0	18.5	16.3	33.7	4.3	14.1	0.0	1298.3
Europe	(173)								
	100.0	19.1	18.5	21.4	25.4	4.0	11.6	0.0	638.2
Oceania	(12)								
	100.0	50.0	0.0	33.3	16.7	0.0	0.0	0.0	53.2
Asia	(23)								
	100.0	13.0	26.1	39.1	17.4	4.3	0.0	0.0	92.8
N.A.	(7)								
	100.0	28.6	28.6	0.0	28.6	0.0	0.0	14.3	47.3
Industry of the local organization									
Manufacturing industries	(115)								
	100.0	25.2	13.0	16.5	30.4	0.9	13.9	0.0	631.1
Non-manufacturing industries	(189)								
	100.0	14.3	22.2	24.3	24.3	5.8	9.0	0.0	845.6
N.A.	(3)								
	100.0	0.0	0.0	0.0	66.7	0.0	0.0	33.3	260.0
Total	(307)								
	100.0	18.2	18.6	21.2	27.0	3.9	10.7	0.3	761.2

[2] The Number of Expatriates and the Number of Nationalities

The average number of expatriates assigned to the local organizations was 21.9. About half the companies had 1 or 2 expatriate employees, but 3.3% had 100 or more, so there was a great deal of variation (cf. Table 7-3).

Table 7-3: The number of expatriates at the local organization (by the location of the headquarters of the dispatching organization, industry of the local organization, and the number of employees in the local organization)

	Total	1 person	2 persons	3-4 persons	5-9 persons	10-19 persons	20-29 persons	30-99 persons	100 or more persons	N.A.	Average
Location of the headquarters											
North America	(92)										
	100.0	23.9	20.7	16.3	15.2	7.6	5.4	4.3	5.4	1.1	46.6
Europe	(173)										
	100.0	33.5	13.9	15.0	13.9	12.1	2.9	4.6	2.9	1.2	12.1
Oceania	(12)										
	100.0	58.3	8.3	25.0	8.3	0.0	0.0	0.0	0.0	0.0	2.2
Asia	(23)										
	100.0	17.4	8.7	0.0	21.7	21.7	4.3	4.3	0.0	21.7	9.6
N.A.	(7)										
	100.0	28.6	0.0	28.6	14.3	0.0	0.0	0.0	0.0	28.6	2.8
Industry of the local organization											
Manufacturing industries	(115)										
	100.0	36.5	16.5	14.8	12.2	12.2	2.6	0.9	0.9	3.5	6.5
Non-manufacturing industries	(189)										
	100.0	26.5	13.8	15.3	16.4	10.1	4.2	6.3	4.8	2.6	31.5
N.A.	(3)										
	100.0	33.3	33.3	0.0	0.0	0.0	0.0	0.0	0.0	33.3	1.5
Number of employees in the local organization											
Fewer than 10	(56)										
	100.0	76.8	19.6	1.8	0.0	0.0	0.0	0.0	0.0	1.8	1.2
10-29	(57)										
	100.0	35.1	21.1	21.1	14.0	5.3	0.0	0.0	0.0	3.5	3.1
30-99	(65)										
	100.0	27.7	15.4	21.5	21.5	7.7	3.1	0.0	0.0	3.1	4.3
100-499	(83)										
	100.0	13.3	12.0	19.3	26.5	14.5	7.2	2.4	0.0	4.8	7.6
500-999	(12)										
	100.0	8.3	16.7	8.3	8.3	0.0	0.0	50.0	8.3	0.0	43.0
1,000 or more	(33)										
	100.0	0.0	3.0	6.1	0.0	39.4	9.1	15.2	27.3	0.0	148.2
N.A.	(1)										
	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0
Total	(307)										
	100.0	30.3	15.0	15.0	14.7	10.7	3.6	4.2	3.3	3.3	21.9

There were major differences according to the location of the headquarters of the dispatching organization. North American companies had 46.6 expatriates, European companies had 12.1, companies from Oceania had 2.2, and Asian companies 9.6, but these figures may reflect the sizes of the companies. As a matter of fact, the number of expatriates at local organizations with fewer than 10 employees was 1.2, the number at organizations with 10 to 29 employees was 3.1, the number at organizations with 30–99 employees was 4.3, the number at organizations with 100–499 employees was 7.6, the number at organizations with 500–999 employees was 43.0, and the number of expatriates at organizations with 1,000 or more employees was 148.2. There were also major differences by industry, so that companies in the manufacturing industries had 6.5 expatriates, while those in non-manufacturing industries had more, 31.5.

If we count the number of nationalities represented among the expatriates in a company, we find 3.0 overall, as Table 7-4 clearly shows. The largest group (32.6%) consists of local organizations with expatriates of one nationality, but as many as 8.8% have expatriates from 6 or more countries. This is very different from the overseas operations of Japanese companies. The number of nationalities among the expatriates differs greatly, depending on the location of the headquarters of the dispatching organization, the industry, and the number of employees in the local organization.

By location of the company headquarters, companies headquartered in Oceania were overwhelmingly likely, at 66.7%, to have expatriates from only one country, and their average was also low, at 1.6 countries. The highest figures were for North American and Asian companies, which had expatriates from an average of 3.6 and 3.7 countries, respectively. European companies, with expatriates from 2.7 countries, occupied the intermediate position between the two extremes. By industry, manufacturing companies had expatriates from 2.6 countries, while non-manufacturing companies had expatriates from 3.2 countries, so the expatriates in the non-manufacturing companies were of a greater variety of nationalities. Furthermore, there was a huge difference based on the number of employees in the local organization, so that companies with fewer than 100 employees had expatriates from fewer than 2 countries, while companies with 500 or more employees had expatriates from 7 or 8 countries.

Table 7-4: Number of countries of the dispatching organization headquarters among the expatriates in the local organization (by the location of the headquarters of the dispatching organization, industry of the local organization, and the number of employees in the local organization)

	Total	1 country	2 countries	3-5 countries	6 or more countries	N.A.	Average
Location of the headquarters							
North America	(92)						
	100.0	21.7	29.3	25.0	14.1	9.8	3.6
Europe	(173)						
	100.0	34.7	23.7	19.7	6.9	15.0	2.7
Oceania	(12)						
	100.0	66.7	25.0	8.3	0.0	0.0	1.6
Asia	(23)						
	100.0	43.5	8.7	4.3	8.7	34.8	3.7
N.A.	(7)						
	100.0	28.6	42.9	0.0	0.0	28.6	1.6
Industry of the local organization							
Manufacturing industries	(115)						
	100.0	34.8	22.6	25.2	5.2	12.2	2.6
Non-manufacturing industries	(189)						
	100.0	30.7	26.5	15.3	11.1	16.4	3.2
N.A.	(3)						
	100.0	66.7	0.0	33.3	0.0	0.0	1.7
Number of employees in the local organization							
Fewer than 10	(56)						
	100.0	51.8	35.7	5.4	1.8	5.4	1.7
10-29	(57)						
	100.0	42.1	31.6	10.5	0.0	15.8	1.7
30-99	(65)						
	100.0	41.5	29.2	12.3	0.0	16.9	1.8
100-499	(83)						
	100.0	21.7	16.9	33.7	9.6	18.1	3.1
500-999	(12)						
	100.0	8.3	16.7	16.7	41.7	16.7	7.1
1,000 or more	(33)						
	100.0	0.0	9.1	36.4	39.4	15.2	8.0
N.A.	(1)						
	100.0	100.0	0.0	0.0	0.0	0.0	1.0
Total	(307)						
	100.0	32.6	24.8	19.2	8.8	14.7	3.0

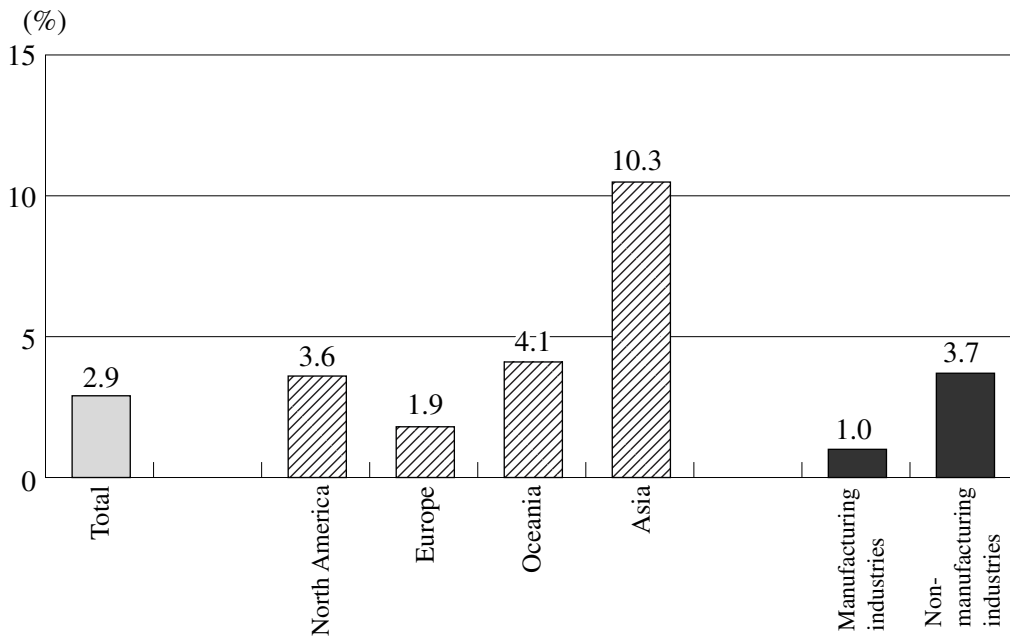
[3] The Percentages of Expatriates

When we figured the percentages of expatriates among all the employees of the local organizations, simply dividing the average number of expatriates by the average total number of employees, we found a total of 2.9% with major differences based on the location of the headquarters of the dispatching organization and the type of industry (cf. Figure 7-1).

Looking first at the companies by industry, we find that the figures are 1.0% for the manufacturing industries and 3.7% for the non-manufacturing industries, so that the percentage of expatriates is higher in the non-manufacturing industries, a tendency completely in line with the situation in Japanese multinational corporations.

By location of the headquarters of the dispatching organization, the lowest percentage is for Europe, at 1.9% while, on the other hand, the percentage for Asia, 10.3%, is extremely high. However, as we have already mentioned, this is also strongly influenced by the fact that most of the European companies are in the manufacturing industries, while most of the Asian companies are in the non-manufacturing industries and are particularly concentrated in the financial and insurance industries.

Figure 7-1: The percentage of expatriates (by the location of the dispatching organization and the industry of the local organization)



(3) The Nationality of the Company President

The nationalities of company presidents (including branch managers and office managers) in Japan are Japanese (22.1%), home country nationals (nationals of the country where the headquarters of the dispatching organization are located) (58.6%), or third country nationals (16.9%), so that about 60% of company presidents at the local organizations are home country nationals (cf. Table 7-5).

By location of the company headquarters, the percentage of Japanese presidents is relatively high at North American companies, but in companies from Asia and Oceania, there are overwhelmingly more home country nationals. As we may surmise from the previously mentioned fact that North American and European companies are relatively large, while the opposite is true for companies from Asia and Oceania, the president is usually a home country national in small companies with fewer than 30 employees, while, conversely, the percentage of Japanese and third country nationals tends to rise as the size reaches 100 employees or more. By period when the company began operations, the percentage of third country nationals was highest at companies that began operations in the 1970s or before, while the percentage for home country nationals was highest at companies founded since 1990. There were no consistent trends in the percentage of Japanese presidents based on the time that operations began.

It may seem too obvious to mention, but the nationality of the president differs depending on the capitalization of the company. As Table 7-5 makes clear, the percentage of presidents who are home country nationals is highest at branches and overseas offices of foreign-affiliated companies at 73.9%. The tendencies at wholly-owned subsidiaries of foreign companies or those in which foreign companies hold a majority (50% or more) of the shares are similar to the overall tendencies (58.6% of the total), but the percentage of Japanese presidents has risen at subsidiaries in which foreign companies hold a minority interest and at subsidiary-affiliated firms. The percentage of presidents who are third country nationals is nearly uniform and seems to be almost unaffected by the type of capitalization.

The nationalities comprising the third country nationals are shown in Fig. 7-2. The largest percentages are for British (19.2%), Australian (15.4%), and Canadian (11.5%) nationals, followed by nationals of Germany, Austria, the United States, and France. There were no Asians or Central or South Americans included among third country nationals working as top managers, at least not within the limits of this survey.

Table 7-5: The nationalities of company presidents (by the location of the headquarters of the dispatching organization, the number of employees in the local organization, the time when the local organization began operations, and the type of capitalization)

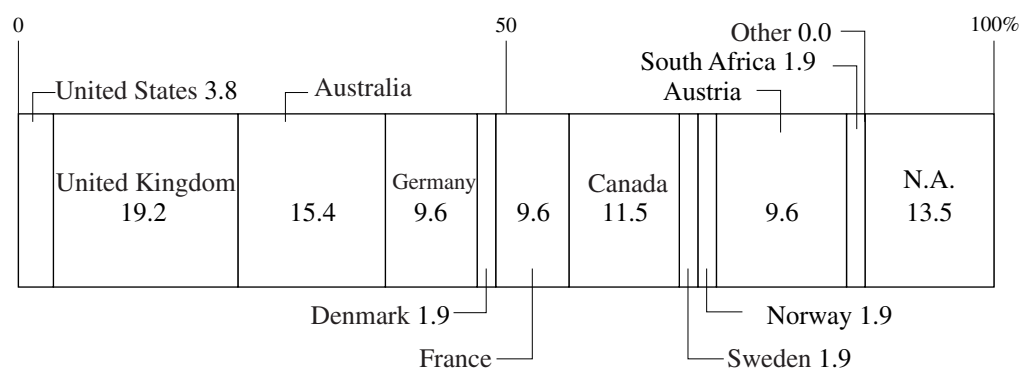
	Total	Japanese	Home country national	Third country national	N.A.
Location of the headquarters					
North America	(92) 100.0	26.1	51.1	21.7	1.1
Europe	(173) 100.0	22.0	60.7	15.6	1.7
Oceania	(12) 100.0	8.3	75.0	16.7	0.0
Asia	(23) 100.0	13.0	65.2	8.7	13.0
N.A.	(7) 100.0	28.6	57.1	14.3	0.0
Number of employees in the local organization					
Fewer than 10	(56) 100.0	3.6	85.7	8.9	1.8
10–29	(57) 100.0	19.3	70.2	10.5	0.0
30–99	(65) 100.0	24.6	63.1	9.2	3.1
100–499	(83) 100.0	27.7	41.0	26.5	4.8
500–999	(12) 100.0	58.3	33.3	8.3	0.0
1,000 or more	(33) 100.0	27.3	39.4	33.3	0.0
N.A.	(1) 100.0	0.0	0.0	100.0	0.0
Time when the company began operations					
1959 or before	(35) 100.0	22.9	37.1	34.3	5.7
1960s	(28) 100.0	28.6	46.4	21.4	3.6
1970s	(50) 100.0	10.0	60.0	26.0	4.0
1980–1984	(35) 100.0	22.9	60.0	14.3	2.9
1985–1989	(48) 100.0	33.3	56.3	10.4	0.0
1990–1994	(28) 100.0	28.6	67.9	3.6	0.0
1995 and after	(71) 100.0	15.5	71.8	11.3	1.4
N.A.	(12) 100.0	33.3	50.0	16.7	0.0

(To be continued on the next page)

Table 7-5 (continued)

	Total	Japanese	Home country national	Third country national	N.A.
Capitalization					
Branch or office of foreign company	(92)				
	100.0	6.5	73.9	16.3	3.3
Non-Japanese subsidiary (100% parent company capitalization)	(136)				
	100.0	22.1	54.4	21.3	2.2
Non-Japanese subsidiary (51%–99% parent company capitalization)	(17)				
	100.0	17.6	64.7	17.6	0.0
Non-Japanese subsidiary (50% parent company capitalization)	(7)				
	100.0	71.4	28.6	0.0	0.0
Non-Japanese subsidiary (10%–49% parent company capitalization)	(4)				
	100.0	75.0	0.0	25.0	0.0
Subsidiary-affiliated firm	(25)				
	100.0	36.0	52.0	12.0	0.0
Other	(14)				
	100.0	35.7	50.0	7.1	7.1
N.A.	(12)				
	100.0	58.3	41.7	0.0	0.0
Total	(307)				
	100.0	22.1	58.6	16.9	2.3

Figure 7-2: Nationalities of company presidents (third-country nationals)



(4) The Period When Operations Began

The periods in which the local organization began operations ranged across the decades, even though most started up in 1995 or later, so investment was not concentrated in any specific period. The average year that operations began was 1977.1 (cf. Table 7-6).

We were unable to discover any differences by location of the company headquarters other than the fact that Asia had the highest percentage of older companies, founded in 1959 or earlier. We were unable to find any particular differences by industry, either.

However, we saw a major difference based on the size of the local organization. That is, the larger the company, the earlier the date it went into operations. Such companies were small when they first began operations, and once they were running smoothly, they grew steadily.

Table 7-6: Period when the local organization was founded (by the location of the headquarters of the dispatching organization and the number of employees in the local organization)

	Total	1959 or before	1960s	1970s	1980–1984	1985–1989	1990–1994	1995 or later	N.A.	Average
Location of the headquarters										
North America	(92)									
	100.0	6.5	16.3	17.4	7.6	16.3	12.0	18.5	5.4	1979.0
Europe	(173)									
	100.0	12.7	6.4	16.8	12.1	16.8	8.1	24.3	2.9	1976.6
Oceania	(12)									
	100.0	16.7	8.3	8.3	16.7	8.3	8.3	33.3	0.0	1978.2
Asia	(23)									
	100.0	21.7	4.3	13.0	17.4	8.7	8.7	21.5	4.3	1969.7
N.A.	(7)									
	100.0	0.0	0.0	14.3	14.3	14.3	0.0	42.9	14.3	1988.0
Number of employees in the local organization										
Fewer than 10	(56)									
	100.0	1.8	3.6	8.9	3.6	12.5	10.7	57.1	1.8	1990.9
10–29	(57)									
	100.0	3.5	0.0	17.5	14.0	21.1	3.5	35.1	5.3	1985.9
30–99	(65)									
	100.0	4.6	9.2	16.9	21.5	18.5	13.8	12.3	3.1	1981.5
100–499	(83)									
	100.0	18.1	12.0	21.7	8.4	15.7	8.4	9.6	6.0	1969.7
500–999	(12)									
	100.0	25.0	33.3	16.7	0.0	8.3	16.7	0.0	0.0	1947.8
1,000 or more	(33)									
	100.0	33.3	18.2	12.1	12.1	9.1	6.1	6.1	3.0	1958.2
N.A.	(1)									
	100.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	1995.0
Total	(307)									
	100.0	11.4	9.1	16.3	11.4	15.6	9.1	23.1	3.9	1977.1

(5) Capitalization

Classified by the percentage of foreign capital investment, the local organizations were distributed as follows: 30.0% were branches or offices of foreign firms, 44.3% were non-Japanese subsidiaries 100% financed by the parent company, 5.5% were non-Japanese subsidiaries with majority parent company capitalization, so that about eight-tenths (79.8%) were companies local the majority of their capital from non-Japanese companies. In addition, 2.3% were subsidiaries with a 50:50 split between foreign and Japanese investment, 1.3% had foreign investment between 10% and 50%, and 8.1% were affiliates of subsidiaries of foreign companies (Table 7-7).

Viewed by location of the company headquarters, North American and European companies had the highest percentages of non-Japanese subsidiaries with 100% parent company capitalization, while the preponderance (50%-60%) of branches and offices among companies from Oceania and Asia is a feature worth

Table 7-7: The capitalization of the local organizations (by the location of the headquarters of the dispatching organization, industry of the local organization)

	Total	Non-Japanese branch or office	Non-Japanese subsidiary (100% parent company capitalization)	Non-Japanese subsidiary (51%-99% parent company capitalization)	Non-Japanese subsidiary (50% parent company capitalization)	Non-Japanese subsidiary (10%-49% parent company capitalization)	Subsidiaries-affiliated firm	Other Japanese enterprises (parent co. investment of less than 10%)	Other Japanese enterprise (100% Japanese capitalization)	Other	N.A.
Location of the headquarters											
North America	(92)										
	100.0	27.2	46.7	5.4	1.1	2.2	8.7	0.0	0.0	4.3	4.3
Europe	(173)										
	100.0	25.4	48.6	5.8	2.3	1.2	9.2	0.0	0.0	4.6	2.9
Oceania	(12)										
	100.0	50.0	25.0	0.0	8.3	0.0	8.3	0.0	0.0	8.3	0.0
Asia	(23)										
	100.0	60.9	17.4	8.7	4.3	0.0	0.0	0.0	0.0	0.0	8.7
N.A.	(7)										
	100.0	42.9	28.6	0.0	0.0	0.0	0.0	0.0	0.0	14.3	14.3
Industry of the local organization											
Manufacturing industries	(115)										
	100.0	15.7	57.4	7.0	2.6	0.9	8.7	0.0	0.0	2.6	5.2
Non-manufacturing industries	(189)										
	100.0	39.2	36.5	4.8	2.1	1.6	7.4	0.0	0.0	5.3	3.2
N.A.	(3)										
	100.0	0.0	33.3	0.0	0.0	0.0	33.3	0.0	0.0	33.3	0.0
Total	(307)										
	100.0	30.0	44.3	5.5	2.3	1.3	8.1	0.0	0.0	4.6	3.9

noting. By industry, branches and offices were most common in the non-manufacturing industries, and in the manufacturing industries, most companies were non-Japanese subsidiaries with 100% parent company capitalization.

(6) The Existence of Labour Unions

While 20.5% of the local organizations have labour unions, 77.5% do not. Viewed by location of the company headquarters, 43.5% of Asian companies have labour unions, which is a commandingly high percentage. On the other hand, 68.6% of older companies that began operations in 1959 or earlier have labour unions, but this signals the fact that more companies headquartered in Asia have been operating for a long time. Furthermore, this varies greatly depending on the number of employees at the local organization. The larger the company, the more likely it is to have labour unions. (Table 7-8)

2. Description of the Dispatching Organization

(1) The Current Assignment and the Dispatching Organization

[1] Features of the Current Assignment

Expatriates may be sent directly from the headquarters (parent company) of a multinational corporation or from one of the companies in the corporate group. We therefore looked at the question of which company the respondents were dispatched from.

The percentage of expatriates dispatched directly from the parent company was 76.9%, or nearly eight-tenths, while 16.3% were dispatched from a company in the corporate group under the parent company. There were almost no differences in these percentages based on location of the headquarters of the dispatching organization or industry. Yet older companies that had been operating in Japan since 1959 or earlier had more expatriates from companies in the corporate group (cf. Table 7-9). We see this as being due to the fact that companies that have been operating for a long time are under less direct control from headquarters, which gives them greater autonomy. They are therefore able to accomplish administrative tasks by dispatching the right person to the right place, even if that person comes from one of the group affiliates.

[2] The Dispatching Organization and the Location of Its Headquarters

The locations of the dispatching organization, in order of frequency, were the United States (23.5%), the United Kingdom (14.0%), Germany (12.7%), France (8.8%), and Switzerland (6.5%), followed by others. The distribution was therefore heavily weighted toward North America and Europe (cf. Table 7-10).

Table 7-8: Existence of labor unions at the local organization (by the location of the headquarters of the dispatching organization, the number of employees at the local organization, the time when the local organization began operations)

	Total	Yes	No	N.A.
Location of the headquarters				
North America	(92) 100.0	10.9	88.0	1.1
Europe	(173) 100.0	23.1	74.6	2.3
Oceania	(12) 100.0	25.0	75.0	0.0
Asia	(23) 100.0	43.5	52.2	4.3
N.A.	(7) 100.0	0.0	100.0	0.0
Number of employees at local organization				
Fewer than 10	(56) 100.0	0.0	100.0	0.0
10–29	(57) 100.0	7.0	93.0	0
30–99	(65) 100.0	20.0	78.5	1.5
100–499	(83) 100.0	30.1	63.9	6.0
500–999	(12) 100.0	58.3	41.7	0.0
1,000 or more	(33) 100.0	42.4	57.6	0.0
N.A.	(1) 100.0	0.0	100.0	0.0
Time when the company began operations				
1959 or before	(35) 100.0	68.6	28.6	2.9
1960s	(28) 100.0	21.4	78.6	0.0
1970s	(50) 100.0	14.0	86.0	0.0
1980–1984	(35) 100.0	25.7	74.3	0.0
1985–1989	(48) 100.0	14.6	81.3	4.2
1990–1994	(28) 100.0	7.1	92.9	0.0
1995 and after	(71) 100.0	7.0	90.1	2.8
N.A.	(12) 100.0	25.0	66.7	8.3
Total	(307) 100.0	20.5	77.5	2.0

Table 7-9: The expatriates' dispatching organizations (by the location of the headquarters of dispatching organization and the time the local organization began operations)

	Total	Parent company	Group affiliate company	N.A.
Location of the headquarters				
North America	(92) 100.0	78.3	16.3	5.4
Europe	(173) 100.0	76.9	18.5	4.6
Oceania	(12) 100.0	75.0	16.7	8.3
Asia	(23) 100.0	78.3	4.3	17.4
N.A.	(7) 100.0	57.1	0.0	42.9
Time when the company began operations				
1959 or before	(35) 100.0	65.7	31.4	2.9
1960s	(28) 100.0	78.6	17.9	3.6
1970s	(50) 100.0	84.0	8.0	8.0
1980–1984	(35) 100.0	74.3	20.0	5.7
1985–1989	(48) 100.0	70.8	20.8	8.3
1990–1994	(28) 100.0	85.7	7.1	7.1
1995 and after	(71) 100.0	78.9	14.1	7.0
N.A.	(12) 100.0	75.0	8.3	16.7
Total	(307) 100.0	76.9	16.3	6.8

However, when we look at the location of the headquarters on the same table, we first notice that the Netherlands and Belgium, which were completely unrepresented in the sample as the location of the dispatching organization are listed as locations of company headquarters. This tells us that as far as this survey sample is concerned, these two countries do have headquarters of multinational corporations, but that no one was dispatched directly to Japan from them. In other words, for both countries, the location of the headquarters and the location of the dispatching organization are different.

In order of percentage, the countries with the most corporate headquarters were the United States (25.7%), the United Kingdom (13.0%), Germany (12.4%), France (7.8%), and Switzerland (7.8%), followed by others.

Table 7-10: The Location of the headquarters and the dispatching organization

(a) Location of the dispatching organization

Total		United States	United Kingdom	Australia	Germany	Denmark	France	Finland	Canada	Switzerland
(307)										
100		23.5	14.0	3.3	12.7	3.9	8.8	2.6	4.9	6.5
Italy	India	Sweden	Norway	Netherlands	South Korea	Hong Kong	Belgium	New Zealand	Other	N.A.
2.3	3.3	3.6	0.3	0.0	2.3	1.6	0.0	1.6	3.6	1.3

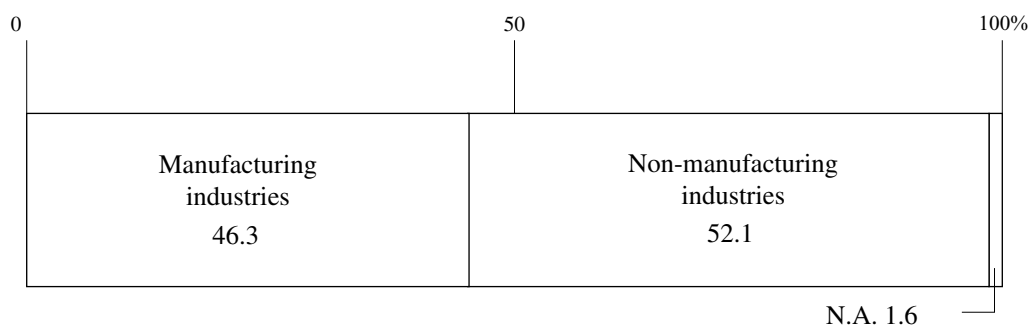
(b) Location of the headquarters

Total		United States	United Kingdom	Australia	Germany	Denmark	France	Finland	Canada	Switzerland
(307)										
100		25.7	13.0	2.6	12.4	4.6	7.8	2.6	4.2	7.8
Italy	India	Sweden	Norway	Netherlands	South Korea	Hong Kong	Belgium	New Zealand	Other	N.A.
2.0	2.6	3.3	0.7	1.0	2.0	1.3	1.0	1.3	2.0	2.3

(2) The Industries of the Dispatching Organizations

The dispatching organizations were 46.3% in the manufacturing industries and 52.1% in the non-manufacturing industries, so that the percentage of companies in the non-manufacturing industries was somewhat larger (cf. Figure 7-3).

Figure 7-3: The Industries of the dispatching organizations (N=307)



(3) The Number of Employees in the Dispatching Organization

The average number of employees in the dispatching organizations was 28,160, which makes it clear that most of the respondents were dispatched from large companies. In fact, about four-tenths of the expatriates were dispatched from companies with 10,000 or more employees (cf. Table 7-11).

Table 7-11: The number of employees in the dispatching organization (by the location of the headquarters and industry of the dispatching organization)

	Total	Fewer than 500 persons	500–999 persons	1,000–4,999 persons	5,000–9,999 persons	10,000–19,999 persons	20,000 or more persons	N.A.	Average
Location of the headquarters									
North America	(92)								
	100.0	15.2	3.3	23.9	17.4	15.2	21.7	3.3	19353.0
Europe	(173)								
	100.0	9.8	5.8	28.3	8.7	9.8	31.8	5.8	30160.7
Oceania	(12)								
	100.0	0.0	0.0	41.7	25.0	8.3	16.7	8.3	9849.7
Asia	(23)								
	100.0	8.7	4.3	13.0	17.4	4.3	43.5	8.7	66744.1
N.A.	(7)								
	100.0	57.1	0.0	14.3	0.0	14.3	0.0	14.3	2971.5
Industry of the dispatching organization									
Manufacturing industries	(142)								
	100.0	12.7	4.9	32.4	9.9	12.0	23.9	4.2	21231.2
Non-manufacturing industries	(160)								
	100.0	11.3	4.4	20.6	14.4	10.6	33.1	5.6	34907.3
N.A.	(5)								
	100.0	20.0	0.0	20.0	20.0	0.0	0.0	40.0	2656.7
Total	(307)								
	100.0	12.1	4.6	26.1	12.4	11.1	28.3	5.5	28160.1

There were major differences based on location of the company headquarters. A particularly high percentage of Asian companies had 20,000 or more employees, and these were massive companies, with the dispatching organizations having an average of 66,744 employees. Next came European companies, with an average of 30,161 employees. On the other hand, the smallest companies were headquartered in Oceania, with slightly fewer than 10,000 employees. By industry, dispatching organizations in the manufacturing industries averaged 21,231 employees, while those in the non-manufacturing industries averaged 34,907 employees, so that the non-manufacturing companies were 1.5 times larger.

(4) The Existence of Labour Unions at the Dispatching Organizations

Looking at the existence of labour unions at the dispatching organizations, we found that 56.4% had them and 39.4% did not, so that the majority of the companies had organized labour (cf. Table 7-12).

Table 7-12: Existence of labor unions at the dispatching organization (by the location of the headquarters of the dispatching organization, industry of the dispatching organization, and the number of employees in the dispatching organization)

	Total	Yes	No	N.A.
Location of the headquarters				
North America	(92) 100.0	23.9	69.6	6.5
Europe	(173) 100.0	71.1	25.4	3.5
Oceania	(12) 100.0	75.0	25.0	0.0
Asia	(23) 100.0	78.3	21.7	0.0
N.A.	(7) 100.0	14.3	71.4	14.3
Industry of the dispatching organization				
Manufacturing industries	(142) 100.0	65.5	30.3	4.2
Non-manufacturing industries	(160) 100.0	49.4	46.9	3.8
N.A.	(5) 100.0	20.0	60.0	20.0
Number of employees in the dispatching organization				
Fewer than 500	(37) 100.0	37.8	62.2	0.0
500–999	(14) 100.0	42.9	57.1	0.0
1,000–4,999	(80) 100.0	50.0	47.5	2.5
5,000–9,999	(38) 100.0	47.4	52.6	0.0
10,000–19,999	(34) 100.0	58.8	35.3	5.9
20,000 or more	(87) 100.0	79.3	19.5	1.1
N.A.	(17) 100.0	35.3	17.6	47.1
Total	(307) 100.0	56.4	39.4	4.2

By location of company headquarters, there were no regional differences other than the extremely small percentage of companies with organized workforces, 23.9%, in North America. Elsewhere, over seven-tenths of companies were organized into unions. By industry of the dispatching organization, we found that unionization was more advanced in the manufacturing industries. Moreover, as Table 7-13 clearly shows, the number of employees at the company had a major influence: the larger the company, the more likely it was to be unionized.

3. Characteristics of the Respondents

(1) Gender

By gender, the respondents were 96.1% male and 3.9% female, so that males were an overwhelmingly large percentage of the sample (cf. Table 7-13).

Table 7-13: Gender of the respondents

Total	Male	Female	N.A.
(307)			
100.0	96.1	3.9	0.0

(2) Age and the Years of Service

The respondents' ages were distributed almost evenly between the ages of 30 and 55 or older in five-year-increments, with the greatest concentration being in the age range of 40 to 44, and the average age being 43.0 (cf. Table 7-14).

Table 7-14: Respondents' ages (by current position)

	Total	20s	30-34	35-39	40-44	45-49	50-54	55 or older	N.A.	Average
President, chairman	(121)									
	100.0	0.8	9.1	11.6	19.0	14.9	23.1	20.7	0.8	47.1
Executive class	(58)									
	100.0	1.7	13.8	20.7	29.3	12.1	12.1	10.3	0.0	42.7
Head of department	(65)									
	100.0	3.1	21.5	23.1	23.1	10.8	10.8	7.7	0.0	41.3
Head of division	(23)									
	100.0	0.0	34.8	13.0	43.5	8.7	0.0	0.0	0.0	38.2
Head of section	(14)									
	100.0	0.0	35.7	35.7	21.4	7.1	0.0	0.0	0.0	37.0
Non-managerial, staff	(13)									
	100.0	30.8	38.5	30.8	0.0	0.0	0.0	0.0	0.0	32.5
Advisor, coordinator, or counselor	(11)									
	100.0	9.1	27.3	0.0	9.1	45.5	9.1	0.0	0.0	41.1
N.A.	(2)									
	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28.5
Total	(307)									
	100.0	3.6	17.6	17.3	22.5	13.0	14.0	11.7	0.3	43.0

There was a strong relation between age and position, with position and age increasing together. In other words, a plurality of presidents and chairmen were in their fifties, with an average age of 47.1, but section chiefs were concentrated in the early thirties and early forties, with an average age of 38.2. The average age of the non-managerial staff was even lower.

The expatriates averaged 12.9 years of service at the dispatching organization. The correlation between age and years of service was strong, with length of service years tending to increase with age. Seven-tenths of people in their twenties reported service years of less than 5 years, but slightly fewer than five-tenths of the respondents ages 55 or older had 30 service years or more. Position was similar to age, in that position and years of service tended to increase together (cf. Table 7-15).

(3) Nationalities

In order of frequency, the nationalities of the respondents were American (20.2%), British (17.9%), German (13.0%), French (8.8%), Australian (5.5%), and Canadian (5.2%), followed by others (cf. Table 7-16).

In proportion to the percentage of companies headquartered in various countries, as shown in Table 7-10, the United States and Switzerland have low numbers of respondents, while the United Kingdom and Australia have high numbers. This means that multinational corporations located in the United States or Switzerland dispatch large numbers of third-country nationals who hold something other than American or Swiss citizenship, while British and Australian expatriates are dispatched overseas as third-country nationals fairly often.

(4) Direct Supervisor at the Local Organization

When asked the nationality of their direct supervisor at the local organization, the largest number of respondents, 46.6%, stated that they were at the top and therefore had no direct supervisor. In addition, 24.8% said that their supervisor was of the same nationality as the parent company, 19.2% said that their supervisor was Japanese, and 8.1% said that their supervisor was a third-country national. It is clear that Japanese and third-country nationals also were widely distributed in the sample (cf. Table 7-17).

By location of the company headquarters, a large majority of expatriates at Asian companies had a supervisor who was of the same nationality as the parent company. By period when the company began operations, older companies that went into operation in 1959 or earlier had a higher percentage of Japanese and third-country nationals. It is evident that older companies are more likely to promote local human resources, in this case, Japanese, and that they make an active effort to dispatch third-country nationals. Yet we need to keep in mind that this tendency is apparent only in companies that have been operating in Japan for 40 years or longer.

Table 7-15: Respondents' years of service at the dispatching organization (by age and current position)

	Total	Fewer than 5 years	5-9 years	10-14 years	15-19 years	20-24 years	25-29 years	30 or more years	N.A.	Average
Age										
20s	(11) 100.0	72.7	27.3	0.0	0.0	0.0	0.0	0.0	0.0	3.7
30-34	(54) 100.0	44.4	37.0	16.7	1.9	0.0	0.0	0.0	0.0	6.1
35-39	(53) 100.0	24.5	28.3	22.6	24.5	0.0	0.0	0.0	0.0	9.3
40-44	(69) 100.0	13.0	20.3	29.0	24.6	13.0	0.0	0.0	0.0	12.1
45-49	(40) 100.0	20.0	17.5	22.5	12.5	17.5	7.5	2.5	0.0	13.2
50-54	(43) 100.0	14.0	11.6	11.6	11.6	11.6	18.6	20.9	0.0	18.2
55 or older	(36) 100.0	5.6	5.6	2.8	8.3	19.4	5.6	50.0	2.8	26.2
N.A.	(1) 100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0
Current position										
President, chairman	(121) 100.0	19.8	18.2	14.0	13.2	12.4	7.4	13.2	1.7	14.9
Executive class	(58) 100.0	19.0	25.9	20.7	13.8	8.6	0.0	12.1	0.0	12.9
Head of department	(65) 100.0	21.5	16.9	21.5	21.5	7.7	3.1	7.7	0.0	13.0
Head of Division	(23) 100.0	17.4	21.7	39.1	13.0	4.3	4.3	0.0	0.0	10.7
Section chief	(14) 100.0	35.7	42.9	0.0	7.1	7.1	7.1	0.0	0.0	8.4
Non-managerial, staff	(13) 100.0	61.5	23.1	7.7	7.7	0.0	0.0	0.0	0.0	5.2
Advisor, coordinator, or counselor	(11) 100.0	27.3	27.3	27.3	9.1	9.1	0.0	0.0	0.0	10.2
N.A.	(2) 100.0	50.0	50.0	0.0	0.0	0.0	0.0	0.0	0.0	4.5
Total	(307) 100.0	22.8	21.5	18.2	14.3	9.1	4.2	9.1	0.7	12.9

(5) Household Situation in Japan

[1] Family Structure

Expatriates' family structures were such that 59.0% brought their entire families, 23.5% brought some of their family members, 3.9% came alone (leaving

Table 7-16: Nationalities of respondents

Total	United States	United Kingdom	Australia	Germany	Denmark	France	Finland	Canada	
(307) 100	20.2	17.9	5.5	13.0	4.2	8.8	2.6	5.2	
Switzerland	Italy	India	Sweden	Norway	South Korea	Austria	New Zealand	Other	N.A.
3.3	2.3	2.9	3.9	1.0	2.3	1.0	1.6	3.6	0.7

Table 7-17: The nationality of the direct supervisor (by location of the headquarters of the dispatching organization, the time when the local organization began operations)

	Total	Same nationality as the parent company	Same nationality as the dispatching organization	Japanese	Third-country national	No direct supervisor	N.A.
Location of the headquarters							
North America	(92) 100.0	18.5	1.1	22.8	8.7	47.8	1.1
Europe	(173) 100.0	26.0	1.2	19.7	7.5	45.7	0.0
Oceania	(12) 100.0	8.3	0.0	8.3	16.7	66.7	0.0
Asia	(23) 100.0	56.5	0.0	4.3	8.7	30.4	0.0
N.A.	(7) 100.0	0.0	0.0	28.6	0.0	71.4	0.0
Time when the company began operations							
1959 or before	(35) 100.0	22.9	2.9	37.1	17.1	20.0	0.0
1960s	(28) 100.0	25.0	0.0	17.9	10.7	46.4	0.0
1970s	(50) 100.0	30.0	0.0	8.0	12.0	48.0	2.0
1980-1984	(35) 100.0	31.4	2.9	20.0	8.6	37.1	0.0
1985-1989	(48) 100.0	27.1	2.1	22.9	6.3	41.7	0.0
1990-1994	(28) 100.0	11.3	0.0	25.0	7.1	53.6	0.0
1995 and after	(71) 100.0	19.7	0.0	11.3	2.8	66.2	0.0
N.A.	(12) 100.0	33.3	0.0	33.3	0.0	33.3	0.0
Total	(307) 100.0	24.8	1.0	19.2	8.1	46.6	0.3

their families behind), and 12.7% were single. Unlike employees sent abroad by Japanese companies, only a small percentage of expatriates came to Japan alone, and they were the exception rather than the rule. We were unable to find any differences in family structure by location of headquarters of the dispatching organization (Table omitted), but there were major differences based on age. A high percentage of people in their twenties, 63.6%, were single, but most respondents in their thirties and forties had brought their entire families. Furthermore, more than six-tenths of respondents over the age of 50 had brought only some of their family members (cf. Table 7-18).

Table 7-18: Family structures of the respondents (by age)

	Total	Brought entire family	Brought some family members	Came alone, leaving family behind	Single	N.A.
20s	(11) 100.0	36.4	0.0	0.0	63.6	0.0
30-34	(54) 100.0	74.1	7.4	3.7	14.8	0.0
35-39	(53) 100.0	83.0	1.9	0.0	13.2	1.9
40-44	(69) 100.0	78.3	4.3	2.9	14.5	0.0
45-49	(40) 100.0	52.5	27.5	5.0	12.5	2.5
50-54	(43) 100.0	18.6	65.1	9.3	4.7	2.3
55 or older	(36) 100.0	25.0	69.4	5.6	0.0	0.0
N.A.	(1) 100.0	100.0	0.0	0.0	0.0	0.0
Total	(307) 100.0	59.0	23.5	3.9	12.7	1.0

[2] Accompanying Family Members

When we looked at the question of who the accompanying family members were, when the expatriate had brought all family members or only some family members, we found that 92.2% had brought their spouse, 45.7% had brought all their children (including grown children), and 9.4% had brought some of their children (cf. Table 7-19).

When it came to bringing one's children to Japan, there were major differences depending on age. That is, more than 90% of respondents in all age groups, with a few exceptions, brought their spouses, but the percentage who brought all their children began to fall among respondents who were in their late forties, and among

respondents age 55 or older, the percentage had dropped to no more than 2.9%. On the other hand, the percentage of respondents who had brought some of their children began to increase among respondents who were in their late forties, to about two-tenths. In any case, only a minority of respondents in their fifties brought children, and most came only with their spouses. It goes without saying that this is because their children were already adults.

Table 7-19: Accompanying family members of respondents (by age)

	Total	Spouse	All children	Some children	Other	N.A.
20s	(4) 100.0	75.0	25.0	0.0	0.0	25.0
30-34	(44) 100.0	93.2	40.9	2.3	2.3	6.8
35-39	(46) 100.0	87.0	65.2	2.2	0.0	10.9
40-44	(57) 100.0	94.7	75.4	3.5	0.0	3.5
45-49	(33) 100.0	90.9	51.5	21.2	6.1	6.1
50-54	(37) 100.0	91.9	18.9	21.6	0.0	0.0
55 or older	(34) 100.0	97.1	2.9	14.7	0.0	2.9
N.A.	(1) 100.0	100.0	0.0	0.0	0.0	0.0
Total	(256) 100.0	92.2	45.7	9.4	1.2	5.5

(6) The Status of the Expatriate Assignment

Looking at the status under which the expatriates were assigned to Japan from the dispatching organization, we found that 45.0% were expatriate assignees (to a non-Japanese branch or office), 26.4% were official transferees, and 21.2% had been seconded from a dispatching organization, and these three categories accounted for 92.6% of respondents. Yet we found that the assignment status varied according to the capitalization of the local organization. In fact, Table 7-20 shows that expatriate assignees were more common in the branches and offices of foreign firms, while official transferees were more common in the affiliates of subsidiaries of foreign companies.

Table 7-20: Assignment status of expatriates (by capitalization)

	Total	Long-term business trip	Expatriate assignee to non-Japanese branch or office	Seconded employee	Official transferee	Overseas trainee	Other	N.A.
Branch or office of foreign company	(92)							
Non-Japanese subsidiary (100% parent company capitalization)	100.0	1.1	55.4	12.0	26.1	0.0	5.4	0.0
	(136)							
Non-Japanese subsidiary (51%–99% parent company capitalization)	100.0	0.7	47.8	23.5	23.5	0.0	2.2	2.2
	(17)							
Non-Japanese subsidiary (50% parent company capitalization)	100.0	11.8	29.4	29.4	29.4	0.0	0.0	0.0
	(7)							
Non-Japanese subsidiary (10%–49% parent company capitalization)	100.0	0.0	57.1	42.9	0.0	0.0	0.0	0.0
	(4)							
Subsidiary-affiliated firm	100.0	0.0	25.0	50.0	0.0	25.0	0.0	0.0
	(25)							
Other	100.0	0.0	20.0	28.0	44.0	0.0	4.0	4.0
	(14)							
N.A.	100.0	0.0	28.6	21.4	35.7	0.0	7.1	7.1
	(12)							
Total	100.0	0.0	25.0	16.7	33.3	0.0	16.7	8.3
	(307)							
	100.0	1.3	45.0	21.2	26.4	0.3	3.9	2.0

(7) Number of Years on Assignment So Far

Looking at the length of time that the respondents had been on assignment in Japan, we found that 14.0% had been here less than a year, 21.5% had been here 1 or 2 years, and 17.6% had been here 2 or 3 years, so that 53.1% of expatriates had been here less than 3 years. However, 23.1% of respondents were long-term expatriates who had been in Japan for 5 or more years (cf. Table 7-21).

There was a clear correlation between the number of years on assignment and position: the higher the position, the longer the number of years on assignment. For example, 30.6% of presidents and chairmen had been on assignment for 5 or more years, while 25.9% of executives had also been on assignment for 5 or more years, but none of the rank-and-file employees had been on assignment for that length of time.

(8) Country of Employment Before Japan

When we asked the expatriates where they had worked immediately before coming to Japan, the largest group of respondents, 65.8%, said that they had been

in the country (the country is usually the country where the company headquarters are located) where the dispatching organization is located. (cf. Table7-22).

Table 7-21: Expatriates' number of years on assignment in Japan (by position)

	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	5 years or more	N.A.
Chairman, President	(121)							
	100.0	9.9	18.2	18.2	9.1	13.2	30.6	0.8
Executive	(58)							
	100.0	15.5	15.5	13.8	12.1	17.2	25.9	0.0
Head of department	(65)							
	100.0	18.5	21.5	24.6	15.4	3.1	16.9	0.0
Head of division	(23)							
	100.0	13.0	39.1	17.4	8.7	4.3	17.4	0.0
Section chief	(14)							
	100.0	14.3	21.4	14.3	35.7	0.0	14.3	0.0
Non-managerial, staff	(13)							
	100.0	23.1	23.1	7.7	23.1	15.4	0.0	7.7
Advisor, coordinator, or counselor	(11)							
	100.0	18.2	36.4	9.1	9.1	9.1	18.2	0.0
N.A.	(2)							
	100.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
Total	(307)							
	100.0	14.0	21.5	17.6	12.7	10.4	23.1	0.7

Table 7-22: Respondents' country of employment before assignment to Japan (by the location of company headquarters)

	Total	Country where the dispatching organization is located	Other	N.A.
North America	(92)			
	100.0	66.3	27.2	6.5
Europe	(173)			
	100.0	64.2	31.2	4.6
Oceania	(12)			
	100.0	66.7	25.0	8.3
Asia	(23)			
	100.0	73.9	21.7	4.3
N.A.	(7)			
	100.0	71.4	14.3	14.3
Total	(307)			
	100.0	65.8	28.7	5.5

(9) Previous Overseas Employment Experience

[1] Number of Overseas Assignments So Far

When we asked the respondents how many times they had experienced overseas assignments, including their current assignment in Japan, 45.0% reported 1 experience, 23.1% reported 2 experiences, and 14.7% reported 3 experiences, bringing the total percentage of expatriates who had experienced 1, 2, or 3 periods of overseas employment to 82.8%. Those who had experienced 4 or more overseas assignments were rare, only 15.6%, and even fewer, 8.1%, had experienced 5 or more overseas assignments. Yet 5.2% of respondents reported 6 or more overseas assignments. Thus the average number of overseas assignments was 2.2 (cf. Table 7-23).

Table 7-23: Number of overseas assignments so far (by age)

	Total	Once	Twice	3 times	4 times	5 times	6 times or more	N.A.	Average
20s	(11) 100.0	81.8	9.1	9.1	0.0	0.0	0.0	0.0	1.2
30-34	(54) 100.0	63.0	31.5	3.7	1.9	0.0	0.0	0.0	1.4
35-39	(53) 100.0	64.2	20.8	9.4	1.9	0.0	0.0	3.8	1.4
40-44	(69) 100.0	43.5	24.6	21.7	5.8	0.0	2.9	1.4	2.1
45-49	(40) 100.0	30.0	20.0	17.5	15.0	5.0	7.5	5.0	2.9
50-54	(43) 100.0	27.9	23.3	16.3	14.0	7.0	11.6	0.0	3.0
55 or older	(36) 100.0	19.4	16.7	22.2	13.9	11.1	16.7	0.0	3.4
N.A.	(1) 100.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	2.0
Total	(307) 100.0	45.0	23.1	14.7	7.5	2.9	5.2	1.6	2.2

However, the higher the age range, the more people have experienced multiple overseas assignments. For example, the percentage of respondents who have experienced 5 or more overseas assignments is 12.5% at ages 45-49, 18.6% at ages 50-54, and 27.8% at ages 55 or more, so the percentage clearly rises with age.

[2] Patterns of Multiple Overseas Assignments

When we asked respondents who indicated that they had had 2 or more overseas assignments whether there were any patterns as to region, 19.5% replied that they had always gone to the same country (specific country specialization),

26.0% said that they had always gone to the same region (North America, Europe, Southeast Asia, etc. specialization in a specific region), and 49.7% said that they had been sent to a variety of regions (multi-regional experience). We may therefore say that overseas assignments to multiple regions are more common than overseas assignments with specialization in a specific country (cf. Table 7-24).

By location of the company headquarters, specific country specialization, in which expatriates were sent only to Japan, were most common in North American companies, while the most common pattern in European companies was assignment to a variety of regions. The samples from Oceania and Asia were too small to be included in this investigation.

Table 7-24: Country-specific and regional patterns in multiple overseas assignments (by the location of the headquarters of the dispatching organization)

	Total	Always assigned to the same country	Always assigned to the same region	Assigned to various regions	N.A.
North America	(50)				
	100.0	32.0	30.0	38.0	0.0
Europe	(103)				
	100.0	12.6	26.2	55.3	5.8
Oceania	(4)				
	100.0	0.0	50.0	50.0	0.0
Asia	(9)				
	100.0	33.3	0.0	44.4	22.2
N.A.	(3)				
	100.0	33.3	0.0	66.7	0.0
Total	(169)				
	100.0	19.5	26.0	49.7	4.7

[3] The Number of Countries Assigned So Far

Table 7-25 shows the results of our asking the respondents how many countries they had been assigned to, including their current assignment in Japan. The most common answer was “unclear,” at 43.0%, but we believe that this was due to some confusion about whether the respondents should include their current assignment in Japan. Yet, as with the previous figures, this is because the percentage of expatriates who responded with “unclear” was highest among the younger age cohorts who had stated that they had had only one overseas employment experience. In any case, 11.7% said that they had worked in 1 country, 22.5% in 2 countries, 9.8% in 3 countries, and 13.0% had worked in 4 countries, but we could see a tendency for experience in a greater number of countries among the higher age groups.

Table 7-25: The number of countries assigned to so far (by age)

	Total	1 country	2 countries	3 countries	4 countries or more	N.A.	Average
20s	(11) 100.0	9.1	27.3	0.0	0.0	63.6	1.8
30–34	(54) 100.0	16.7	16.7	5.6	1.9	59.3	1.8
35–39	(53) 100.0	1.9	20.8	5.7	5.7	66.0	2.5
40–44	(69) 100.0	13.0	29.0	4.3	10.1	43.5	2.4
45–49	(40) 100.0	20.0	15.0	17.5	22.5	25.0	2.9
50–54	(43) 100.0	9.3	27.9	11.6	25.6	25.6	3.4
55 or older	(36) 100.0	11.1	19.4	25.0	25.0	19.4	4.2
N.A.	(1) 100.0	0.0	100.0	0.0	0.0	0.0	2.0
Total	(307) 100.0	11.7	22.5	9.8	13.0	43.0	2.9

Table 7-26: The cumulative years of overseas employment so far (by age)

	Total	Less than 3 years	Between 3 and 5 years	Between 5 and 7 years	Between 7 and 10 years	Between 10 and 15 years	Between 15 and 20 years	20 years or more	N.A.	Average
20s	(11) 100.0	27.3	9.1	0.0	0.0	0.0	0.0	0.0	63.6	2.0
30–34	(54) 100.0	5.6	9.3	16.7	7.4	0.0	1.9	0.0	59.3	5.4
35–39	(53) 100.0	0.0	1.9	17.0	7.5	5.7	3.8	0.0	64.2	7.7
40–44	(69) 100.0	5.8	2.9	7.2	10.1	18.8	10.1	2.9	42.0	10.1
45–49	(40) 100.0	2.5	5.0	7.5	7.5	15.0	22.5	12.5	27.5	13.3
50–54	(43) 100.0	2.3	7.0	11.6	11.6	18.6	7.0	18.6	23.3	13.0
55 or older	(36) 100.0	0.0	2.8	5.6	5.6	13.9	13.9	38.9	19.4	18.8
N.A.	(1) 100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0
Total	(307) 100.0	3.9	4.9	10.7	8.1	11.4	8.8	9.4	42.7	11.6

[4] The Cumulative Years of Overseas Employment

Table 7-26 shows the results of our asking the expatriates for the cumulative total years of overseas employment including their current assignment in Japan. In this case, too, “unclear” was the most common answer at 42.7%, we believe that this was due to confusion about whether the respondents should include their current assignment in Japan. Yet the percentage of expatriates who responded with “unclear” was highest in the younger age cohorts who had stated that they had had only one overseas employment experience.

Even so, most of the respondents had cumulative overseas experience of between 5 and 15 years, and the average was 11.6 years. We saw a tendency for the cumulative years of overseas experience to increase with age, and as many as 38.9% of the expatriates age 55 or older had 20 or more years of overseas experience.

4. Summary

(1) Description of the Local Organizations

Of the local organizations where the respondents were employed, 37.4% were in the manufacturing industries, and 61.6% were in the non-manufacturing industries, so the percentage of respondents in the non-manufacturing industries was about 10 points higher than the percentage in the manufacturing industries. By location of the company headquarters, there were more manufacturing companies among the European companies and more non-manufacturing companies among the companies from Oceania and especially from Asia.

There was a wide range of numbers of employees among the local organizations, but the average number of employees was 761.2. While the average number of employees in the manufacturing industries was 631.1, the average number in the non-manufacturing industries was 845.6, so that the non-manufacturing companies were slightly larger. There was an even greater difference by location of the company headquarters, so that North American and European companies were large, while the companies from Oceania and Asia were small, with fewer than 100 employees.

The number of expatriates assigned to the local organizations averaged 21.9 per company. There were major differences by location of the company headquarters, with 46.6 expatriates at North American companies, 12.1 at European companies, 2.2 at companies from Oceania, and 9.6 at Asian companies, but this also reflects the differences in the numbers of employees.

When we asked how many nationalities there were among the expatriates in a local organization, we found that the overall average was 3.0. A plurality of companies, 32.6%, had only one nationality of expatriates, but there were also a

few companies, 8.8%, that employed expatriates from 6 or more countries.

Expatriates as a percentage of all employees (percentage of expatriates) averaged 2.9%. Here there were major differences based on the location of the company headquarters and the industry. By industry, the manufacturing industries had 1.0% expatriates, while the non-manufacturing industries had a higher percentage, 3.7%. By location of the headquarters, European companies had the lowest percentage, at 1.9%, while on the other hand; Asian companies had an extremely high percentage at 10.3%.

The nationalities of the presidents (including branch managers and office managers) of the local organizations in Japan were 22.1% Japanese, 58.6% home country nationals (from the country where the corporate headquarters are located), and 16.9% third-country nationals, so about six-tenths of presidents of local organizations were home country nationals.

While most of the local organizations had begun operations in 1995 or later, they were distributed among the decades, and investment was not concentrated in any specific period. The average company began operations in 1977.1. By location of the headquarters, most Asian companies were older, having begun operations in 1959 or before, and the larger companies were older and tended to have begun operations earlier.

The distribution of percentage of capitalization of the local organization by foreign firms was as follows: branches or offices of non-Japanese companies 30.0%, non-Japanese subsidiaries with 100% parent company capitalization 44.3%, non-Japanese subsidiaries with majority parent company capitalization 5.5%, so the percentage of firms that were at least half capitalized by foreign companies was 79.8%, or about eight-tenths. These were followed by subsidiaries with 50:50 capitalization by Japanese and non-Japanese parent companies 2.3%, and subsidiaries with 10%-50% parent company capitalization 1.3%, while affiliates of subsidiaries of non-Japanese companies were 8.1%. By region, non-Japanese subsidiaries with 100% parent company capitalization were most common among North American and European companies, while 50% to 60% of the companies based in Oceania or Asia were branches or offices of non-Japanese companies.

Of the local organizations, 20.5% had labour unions and 77.5% did not. This varied greatly depending on the number of employees in the local organization, and the larger the company, the more likely it was to have unions.

(2) Description of the Dispatching Organizations

Some expatriates are dispatched directly from the headquarters of a multinational company (parent company), while others are dispatched from a company in the corporate group. When we looked at the question of where the expatriates had been dispatched from, we found that 76.9% had been dispatched

directly from the parent company, while 16.3% had been dispatched from a company in the corporate group, so that nearly eight-tenths were dispatched directly from the parent company.

The locations of the dispatching organizations in order of frequency were the United States (23.5%), the United Kingdom (14.0%), Germany (12.7%), France (8.8%), and Switzerland (6.5%), followed by others. The distribution centered on North America and Europe. On the other hand, the locations of the headquarters, also arranged in order of frequency, were the United States (25.7%), the United Kingdom (13.0%), Germany (12.4%), France (7.8%), and Switzerland (7.8%), followed by others.

By industry, 46.3% of the dispatching organizations were in the manufacturing industries, while slightly more, 52.1%, were in the non-manufacturing industries.

The overall average number of employees in the dispatching organizations was 28,160, and most of the respondents had been dispatched from large companies.

As for the existence of labour unions at the dispatching organizations, 56.4% had unions, and 39.4% did not, so the majorities have been organized into unions. By location of the headquarters, North American companies had an extremely low percentage of unionization, only 23.9%, but there were no differences among the other regions, which were all more than seven-tenths unionized.

(3) Characteristics of the Respondents

The genders of the respondents were 96.1% male and 3.9% female, so that there was a preponderance of male respondents.

The ages of the expatriates were distributed almost equally in five-year increments between 30 and 55 or more, but concentrated in the age range of 40 to 44, and the average age was 43.0. There was a strong relation between age and position, and the higher the position, the older the person was likely to be.

The expatriates had an average of 12.9 years of employment at their dispatching organization. There was a strong correlation between age and the years of service, so that the older respondents tended to have worked at the dispatching organization longer.

The most common nationalities of the expatriates were, in order, American (20.2%), British (17.9%), German (13.0%), French (8.8%), Australian (5.5%), and Canadian (5.2%).

Asked what kind of person their direct supervisor at the local organization was, the largest number of respondents, 46.6%, were themselves the top manager and had no direct supervisor, 24.8% had a supervisor who was of the same nationality as the parent company, 19.2% had a Japanese supervisor, and 8.1% had a supervisor who was a third-country national. Both Japanese and third-country supervisors were widely distributed among the sample.

Asked about their family situations, 59.0% said that they had brought their

entire family, 23.5% said that they had brought part of their family, 3.9% had come to Japan alone (leaving their family behind), and 12.7% were single. There were clear differences in family structure based on age. A high percentage, 63.3% of expatriates in their twenties were single, but most expatriates in their thirties or forties had brought their entire family. Furthermore, more than six-tenths of respondents in their fifties had brought part of their family.

When we asked which family members comprised the entire families or partial families accompanying the expatriate, we found that 92.2% had brought their spouse, 45.7% had brought all their children (including grown children), and 9.4% had brought some of their children. In the matter of bringing children along, there was a significant difference based on age.

When we looked at the question of the status under which the expatriates were assigned to Japan from the dispatching organization, we found that 45.0% were expatriate assignees (at a branch or office of a non-Japanese company), 26.4% were official transfers, and 21.2% were seconded employees. Together, these three statuses accounted for 92.6% of the total. Yet the assignment status differed depending on the type of capitalization of the local organization.

Asked how long their assignment in Japan had been so far, 14.0% said that they had been here less than a year, 21.5% between 1 and 2 years, and 17.6% between 2 and 3 years, so that 53.1% of expatriates had been in Japan 3 years or less. However, 23.1% were long-term expatriates, who had been in Japan for 5 or more years. We saw a clear correlation between length of assignment and position, and the higher the position, the longer the assignment.

Asked which country they had worked in immediately before coming to Japan, 65.8% stated that they had worked in the country (the country is usually the country where the company headquarters are located) where the dispatching organization are located.

When we asked how many times the respondents had experienced overseas employment, including their current assignment in Japan, 45.0% said that they had done so once, 23.1% had done so twice, and 14.7% had done so 3 times. The total for once, twice, and 3 times is 83.2%, so the percentage for 4 or more times is low at 15.6%. However, 5.2% of the respondents had experienced 6 or more overseas assignments. Thus the average number of overseas assignments was 2.2, and the number of overseas assignments was much higher among people in the older age groups.

We asked respondents who reported two or more overseas assignments whether their employment had followed any regional patterns. It turned out that 19.5% had specialized in a specific country, 26.0% had specialized in a specific region, and 49.7% had experienced assignments in multiple regions. By location of the company headquarters, specific country specialization, in which expatriates had been assigned only to Japan, was most common at North American companies,

while most of the expatriates from European companies had experienced assignments to multiple regions.

Asked how many countries they had worked in so far, a plurality of expatriates answered “unclear”, but 11.7% had worked in 1 country, 22.5% in 2 countries, 9.8% in 3 countries, and 13.0% in 4 or more countries. Furthermore, older people were more likely to have experienced assignments to several countries.

Most of the respondents had between 5 and 15 years of cumulative overseas work experience, and the average number of years was 11.6. Older people tended to have more years of overseas experience, with 38.9% of respondents age 55 or older having 20 or more years of overseas work experience.