

The Expatriate Role on Knowledge Transfer of the Mining Sector in Mongolia

by

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A Thesis Submitted to the
Graduate Faculty in Partial Fulfillment of the
Requirements for Degree of

Master of Business Administration

Major: International Human Resource Development

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June, 2012

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ACKNOWLEDGEMENT

I was ordinary Mongolian girl when I came to Taiwan. Institute of International Human Resource Development of National Taiwan Normal University, all my professors and classmates made out of me young researcher who is presenting this thesis study to you. This achievement would be impossible without my dear adviser Dr. Lai. Your patience and advice that you have for me are the most important reinforcement. I will be always grateful to you as hundred other advisees that you leaded to success. Dear Dr. Tony your words and your stories gave me so much different view to life. I learned from you how much is important to stand by yourself. Do what you love and always be positive. You words inspirational to me. Dear Dr. Pai Po Lee you are my role model from you I learn and see how diplomat and international exposed academic must be.

Of course my achievement will be impossible without unconditional love of my families: Ganbat family my parents and siblings I love you all. I do my best to be good kid, Kutucu family my second family in Turkey no matter distance and time I love you all you are in my hurt, Kimura family my Japanese family who hosted me as their own kid. Even though I am adult I love you and remember all the happy days that I had with you.

I never could make this study without my ten participants. I really appreciate your support and participation. All of you were so positive and willing. All of you taught me some lesson. I hope together we can make some positive change in Mongolian and especially in Mongolian mining sector. Thank you all. Special thanks to Ms.Otgon Suren Balgan from Leighton Asia, Odmunk Batchuluun, Munkhtulga Baasanjav, Anudari Orgil, Munktuguldur Ganbaatar, Mungubayar Yondon who helped me to contact with my participants.

I really would like to thank my friends who helped me and believed me. Especially Monique Yearwood i think you the best I happy and honored to be your friend. Undram Sainzaya who always thinks that I can do whatever it is. I did it my dear! Love you! Bilguun Unurbileg who is the best second adviser you always you encouraged me to be researcher. Of course to all my friends I love you all. Thanks for loving me for who I am.

Let us all be blessed by eternal blue sky!

ABSTRACT

The knowledge-related roles of the expatriates are becoming one of the most appealing academic research topics. The purpose of this research is to identify the role of the expatriates on knowledge transfer of the mining companies in Mongolia. The objectives of this study are to: identify the role of the expatriates on knowledge transfer, identify what kind of knowledge is transferred by the expatriates, and identify the main factors and obstacles, which are impacting the expatriates on knowledge transfer process. Research was implemented by qualitative approach. Ten expatriates who fulfilled participation requirement was interviewed. Findings of the study revealed that expatriates who assigned to Mongolian mining companies play diverse role as knowledge transferor. Beside main job responsibility all the expatriates are in charge of advising, leading, guiding and training their co-workers. Managerial, organizational and technical related knowledge mostly transferred by expatriates to Mongolian employees. Main influential factor and obstacle is managerial support and language ability of the local employee. Findings of the study will assist mining organizations clearly see where the weaknesses are and how to improve that in the future with expatriates' involvement. This study contributes to the existing literature. Study was one of the groundbreaking studies about expatriates in Mongolia and knowledge management in the mining industry of Mongolia.

Keywords: knowledge transfer, knowledge management, expatriate

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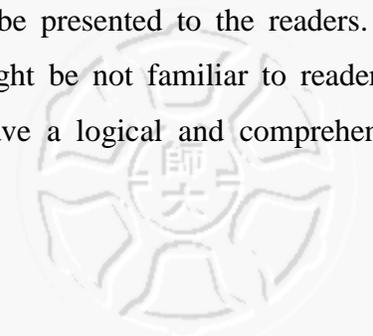
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CHAPTER I. INTRODUCTION

Chapter Overview

The first chapter of this study presents an introduction into the research. The background, problem statement, purpose of the research, research questions, significance of the study, and delimitation and limitation will be presented to the readers. Lastly, this chapter will present definitions and terms, which might be not familiar to readers due to country specialty. This chapter will assist readers to have a logical and comprehensive understating of the present research study.



Background of the Study

For any business to survive and compete in today's globally competitive market place, the concept of knowledge creation and transfer must be understood and embraced across the organizations. The development and implementation of an effective knowledge management strategy is an absolute necessity (McLaughlin, 2007). Research has shown that knowledge management is positively related to the reductions in production costs, faster completion of new product development projects, team performance, firm innovation capabilities, and firm performance including sales growth and revenue from the new products and services (Arthur & Huntley, 2005). With regard to knowledge, the issue of transferability is important, not only between organizations, but, even more critically, with the organizations (Grant, 1996). There are different ways to transfer knowledge. The use of international assignments has become one of the integral parts of the headquarters in order to transfer business strategy and organization culture. Expatriates act as a link between headquarters and host organizations. Thus, a significant amount of information and knowledge moves through their hands, particularly in the case of tacit knowledge. Expatriates are the basic mechanism, by which tacit knowledge is transferred in organization (Bonanche & Brewester, 2001).

After reviewing a number of literatures related to the expatriate's role on knowledge management, the researcher identified that there has not been very much researches focusing on the role of expatriates in knowledge transfer. Particularly, there are no researches related to expatriates in Mongolia and their role in Mongolian mining organizations. It is important for Mongolian mining companies to identify the role of the expatriates, in order to utilize and take advantage of the knowledge and experience of expatriates. Mongolia's mining industry is the basic resource of the country's economy, and currently mining sector is in the developing phase, which requires the experience and knowledge of expatriates.

Statement of the Problem

In recent years, the Mongolian economy has been booming due to vast exploration of the mining fields. Foreign direct investment, especially in the mining sector, has triggered large foreign exchange inflows and international reserves are at an all-time high (IFM report, 2010). Multinational mining companies, who own shares, are expanding their activity by expatriates' assignments. Oyu Tolgoi project, sponsored by the Mongolian Government, Ivanhoe Mines and Rio Tinto, are expected to generate substantial economic benefits for the people of Mongolia. Ivanhoe Mines and Rio Tinto proposed to invest 5 billion USD, over the first five years of the project. Oyu Tolgoi would then produce 500,000 tons of copper and 330,000 ounces of gold a year for the next 45 years, making it one of the largest mines in the world. Over the life of the project, the companies propose to invest a total of 7.5 billion USD real terms (World Growth International Report, 2009). Investment and development will require highly skilled expatriates' professionals of all level in all sectors. Expatriates have a vital role to smoothen and activate operation of Multinational companies in their host countries (Welch & Shuler, 1999).

Mongolia is one of the recently opened countries to the foreign market, Mongolians lack of experience in terms of running large scale and international business in different fields (Fiscor, 2007). Additionally, during the transition period, many highly educated middle age Mongolians, who graduated from Former Soviet Union countries, left Mongolia to find better working conditions and higher salaries in developed countries like the US, Great Britain, Japan, Australia, Korea etc. Approximately 200,000 Mongolians are living and working in 60 different countries (National Statistical Office of Mongolia, 2010). According to the Atlantic Research Technologies L.L.C, Senior Management Executive Search and Recruitment World Wide positions that will

be in demand in Mongolia for Expatriates are: CEO's, COO's, CFO's, VP's, presidents, managing directors, general managers, country managers, sales and marketing directors, national sales managers, financial controllers, specialists, plant managers, manufacturing directors, supply chain directors, sourcing managers, and others. It is inevitable that Mongolia will need high skill and knowledge of expatriates and their participation in all levels of industry and business. It is also obvious that Mongolian HR practitioners must recruit large amount of expatriates from different countries. Therefore, it is important to identify what is the role of expatriates on the knowledge transfer process in the organizations. However, knowledge management and expatriate issues are relatively new research fields, in terms of Mongolian organizations. There are almost no related previous researches on that topic. Therefore, it is necessary to address above issues as a research topic.

Earlier expatriates were only associated with the ethnocentric approach and indicated the practice of using parent-country nationals for staffing key positions in foreign-owned subsidiaries. Consequently, the primary goal of expatriates' parent organizations has been able to exert control and achieve global integration across subsidiaries (Black, 1988; Shuler 1993; Tung, 1993). Although over the last decade or so, the nature of the expatriate assignment has gradually changed. The old approach of expatriate "just get the job done"—is no longer relevant. Today, expatriates are expected to engage in local staff development and improvement of skill by transferring different type of knowledge. Research reveals various possible strategic targets for expatriates in that area (Minbaeva & Michailova, 2010). To be practical and successful with expatriates in the future, it is important to figure out the current situation and analyze expatriates experiences on knowledge management, specifically on the knowledge transfer issue. Additionally, the researcher assumes that result of the study will have a positive effect on the expatriate's reputation in Mongolia. Currently, majority of Mongolians have inappropriate stereotypes that expatriates are taking local employees' positions and getting higher salary comparing to local employees. Thus, it is important to provide concrete facts about expatriates' contribution to the host country and organizations.

Purposes of the Study

This study will identify the role of expatriates on knowledge transfer in mining companies of Mongolia and what type of knowledge transferred by them. It will also identify

main factors and obstacles, which are impacting expatriates' in order to transfer knowledge. Based on the research results, mining companies will be possible to improve or change certain conditions, which are negatively impacting the transfer process in order to achieve a competitive advantage additionally findings will reveal where is the gap and weakness of Mongolian employees in mining sector.

Research Questions

To identify the role of the expatriates on the knowledge transfer process, the following questions will be used as the main inquiry of this study:

1. What is the role of expatriates on knowledge transfer process in mining companies of Mongolia?
2. What type of knowledge is transferred by the expatriates to Mongolian mining companies?
3. What are the main factors and obstacles affecting expatriates during the knowledge transfer process?

Significance of the Study

Due to the globalization needs, core competencies have to be effectively transferred across units and borders. It has been proven by many studies that expatriates play a vital role on strengthening core competencies of the organizations (Conn & Yup, 1997). According to the resource-based view, a firm performs well over time because it develops a distinctive strategic competence that allows it to overcome its competitors (Dunphy, Turner & Crawford, 1997). Without managing the valuable knowledge of expatriates, it will be impractical to strengthen core competence in host organizations. Therefore, it is important to identify the role of the expatriates on knowledge transfer in the mining companies of Mongolia. To support knowledge transfer in organizations, it is necessary to identify and analyze what type of knowledge transferred, what factors and obstacles are affecting the knowledge transfer process.

Currently Mongolia is under the new stage of economic growth (IMF report, 2010). Mining companies are leading the rapid growth of the economy. Therefore, for those organizations, it is important to utilize all the resources of the organization without littering. Particularly, human resource is fundamental for the organization's competitive advantage.

Expatriates play a vital role in strengthening the competitive advantage in the organization, by transferring valuable knowledge and supporting local employees on new skills and knowledge development. Expatriate managers not only transfer technical or managerial knowledge, but also culture and information (Dowes & Thomas, 2000). The flow of the knowledge between subsidiaries, and from subsidiaries to home office, from individuals to individuals is important because of the increasing independence of foreign subsidiaries (Harzing, 1999). In such a case, it is important for Mongolian mining organizations to clearly identify the role of the expatriates and their contribution to the organizations in order to increase competency. In this research, the target is to identify the role of the expatriates on knowledge transfer and to try to answer what type of knowledge is transferred to the host organization. It is significant to mining companies to identify above aspects because result of the study will assist them to have a clear picture on the current utilization of the expatriate's knowledge. In the existing literature, the lack of awareness concerning links between knowledge management and HRM is surprising (MacNeil, 2003). Especially there are a limited number of references and literatures on expatriates, knowledge management and human resource issues related to Mongolia, particularly to the Mongolian mining industry. This study is one of the groundbreaking studies, for the related fields and contribution to the Mongolian HR field literature.

Delimitation and Limitation

Delimitation

This study will analyze the role of the expatriates on knowledge transfer in the Mongolian mining company. Study not concerned with the exchange of the knowledge between host country nationals. Role of the expatriates on knowledge transfer will be reflected from the perspective of expatriates by themselves. Study excludes host country nations contribution to knowledge transfer and their standpoints towards to expatriates role. Study will only reflect expatriates standpoints and experience. Result of the study will be drawn from the self-evaluation of the expatriates.

Limitation

This study has several limitations. In the implementing phase of this thesis study, the researcher encountered some difficulties in trying to conduct interviews via the internet with expatriates. Second limitation of this study is shortage of the literature related to Mongolian HR

field and mining industry of Mongolia. Additionally as mentioned above link between knowledge management and HRM is lacking, comparing to the other fields of HRM this subject is relatively new.

Definitions of the Terms

Expatriate- refers to any person temporarily working outside of the country for which he or she holds passport on international assignments for “a period exceeding 6 months per period cover” (Guo, 2007).

Mining Industry –the complex of the branches of production engaged in the exploration for deposits of minerals and in the extraction from the earth and primary processing (concentration) of these minerals (thefreedictionary, 2011).

Mining Company - Company that owns and manages mines (wikipedia, 2011).

Knowledge Management- Knowledge management is the process of identifying, capturing, organizing and disseminating the intellectual assets that are critical to the organization’s long term performance (Debowski, 2006).

Knowledge Transfer – the process through which one unit (group, department or division) is affected by the experience of another additionally it can be observed through changes in the knowledge or performance of recipient units (Argote & Ingram, 2000).

Mongolian-landlocked country in Central Asia. Mongolia bordered with Russia to the north and China to the south, east and west. Ulaanbaatar is the capital and largest city, is home about 45% of the population (wikipedia , 2011).

Oyu Tolgoi- gold copper project is located in the South Gobi Desert, about 550 km due south of Ulaanbaatar and 80 km north of the Chinese-Mongolia border. Oyu Tolgoi deposit may be one of the richest copper-gold ever discovered. When it’s fully developed, many believe that it will rank alongside great mines, such as Grasberg or Escondido (Fiscor, 2007).

Tavan Tolgoi- is the 10th biggest reserves of the coal in the World. Enrichment of coked coal of 6th layer is 66.9%, in other words one of the best qualities of the coking coal (Tavantolgoi, 2011).

CHAPTER II. LITERATURE REVIEW

Chapter Overview

This chapter presents review of the relevant literature which assisted to researcher to draw out the research issue. Literature review tried to emphasis background of the related research fields. Point out why those issues are important to study and tried to deliberately explain in details. Some part of the review might be absolutely new for readers because of the country specialty therefore literature attempted to explain each issue in details.

Mining Sector in Mongolia

Mongolia is an East Asian country with relatively spare population and rich with diverse natural resources that covers vast area of land. Economic activity in Mongolia has based on herding and agriculture although development of extensive mineral deposits of copper, coal, molybdenum, tin tungsten, and gold have emerged as a driver of industrial production. Mining sector contribute to country economy 21.8% of GDP and agriculture 15% of GDP beside that dominant industries in the composition of GDP are trade, service, transportation, communication and tourism in recent decade (ADB report, 2010). According to the IMF, the country's GDP rate will double in 5 years and quadruple in a decade (International Monetary Fund, 2009). Oyu tolgoi and Tavan Tolgoi, two mines in the south, of Mongolia are expected to provide much of the new wealth. According to the World Growth Organization, Oyu Tolgoi will produce 500,000 tons of copper and 330,000 ounces of gold a year for the next 45 year, making it one of the largest mines in the world. The mining sector was expected to play an important role in the country's future economic development. The Government adopted several long term programs to explore for and develop metallic and nonmetallic minerals, such as coal, copper, gold, oil, and silver. The Government also encouraged foreign investment and participation in exploration exploitation and processing of the minerals. Mining accounted for about 30% of the country's industrial output 60% of its export revenue (Mongolia Development Gateway, 2005). Those projects will require huge investments, over the duration of the project companies' estimate to invest a total of 7.5 billion USD in real terms. Investment will be not just in the mining sector, besides that, other sectors like infrastructure-transportation, communication, construction,

education, retail, other related business and sectors will boost with it. The scale of the boom will be vast the whole new towns will need to be built around the mines. Many challenges will be posed to this rapid development. One of the greatest will be the strain on the labour market (Business Asia, 2000). The changes in the structure of the economy, greater openness and competitions, as well as greater use of the technology have all resulted in increased demand for skilled and educated labor. But those changes from a low base-Mongolian are far from being a high skill-intensive economy. The skills that are in increasing demand include analytical skill, behavioral skill, practical knowledge of English and IT and technical skills. In today's complex and changing environment, the challenge is to build above mentioned skill and knowledge. According to the World Bank report, (2010) about 37% percent of firms reported that Mongolian skilled technicians performs worse than their counterparts; In terms of the skills Mongolians labour force lack the most following skills; analytic skill, critical and creative thinking, behavioral skills, communication skill, work discipline, leadership and teamwork. The other two big gaps are in practical knowledge: English 59%, IT 37% and technical/ professional skills 23%. In other words we can describe current situation as mismatch between the skills that workers bring to the labor market and those demanded by the labor market. Additionally to this situation, during the transition period, many highly educated middle age Mongolians, who graduated in the Former Soviet Union, left to find better working conditions and higher salaries in developed countries like the US, Great Britain, Japan Australia Korea etc. Approximately 200,000 Mongolians are living and working in 60 different countries (National Statistical Office of Mongolia, 2010). Currently it is inevitable that Mongolia will need high skill and knowledge of expatriates and their participation in all level of industries and businesses. It is obvious that Mongolian HR practitioners' specially mining companies' HR practitioners must recruit large amount of expatriates from different country. Currently construction and mining companies are recruiting foreign workers to respond to the inadequacy of skill of the local labor force. The number of the employment permits issued or renewed to foreign workers in 2005 was 14,210 with a total of 5828 foreign workers working in Mongolia at the end of 2005 (World Bank, 2006). To strengthen competitive advantage and to increase productivity, companies will spend resources on recruitment of the expatriates. Especially joint ventures and foreign companies will be in this count. Currently there are several large joint ventures are operating in Mongolia: Erdenet Mining Corp., : Erdenet 49% and Samsung Corp. of the Republic of Korea 51% joint

venture, Shim Technology :Erdenet 30% shares and Metal-Tech Ltd. of Israel 70%, Ivanhoe Mines Ltd. Etc (Mining journal, 2004). Therefore it is important to investigate role and contribution of the expatriates who are currently working in Mongolian mining companies.

The Needs of Expatriation

Expatriate-employees come from a country that is different from the one in which they are working. Organizations send expatriates overseas or into a multinational work setting expect those expatriates to perform, whether that involves building a dam, managing a factory, negotiating a contract, teaching children to read, or developing and training local staff. Edstrom & Galbraith (1977) suggested that the presence of expatriates in subsidiaries satisfies three main needs:

- a. To fill positions when no local talent is not available
- b. To provide training for managers
- c. To expose members of the organizations in general and expatriates managers in particular, to a process of socialization that will reinforce the culture links between the home office and subsidiaries.

In the position-filling function the expatriates fills a vacuum in knowledge in developing subsidiaries. In other words, the expatriate managers are expected to transfer knowledge from the home office to her new assignment. By standing as a contact between the two units, expatriate manager contributes to the absorptive capacity of the firm (Cohen & Levinthal, 1990). Those types of expatriation was the main target of this thesis study. Doves and Thomas (2000) found that young subsidiaries have a proportionally larger population of expatriates than old subsidiaries. Mining companies in Mongolia are mostly very young subsidiaries which lack of experienced experts.

Black and Gregersen (1999) identified two principal objectives of sending expatriates: To generate knowledge for the organization and to develop global leaders. The first objectives involve knowledge transfer from headquarters to subsidiary, as well as learning from that subsidiary. The second objective involves long-term development of global leaders. In order for an executive to develop a global perspective on business, it is an imperative to have time working abroad. More specifically, they found three general practices among successful expatriations: a focus on knowledge creation and global leadership development; a selection of

people whose technical skills are exceeded or matched by their cross-cultural abilities; and the use of a deliberate repatriation process well planned in before. According to Fish & Wood (1993) the integration of international business and expatriate career management is an important consideration for any firm wanting to succeed internationally.

The Expatriate Role in Knowledge Transfer

One of the important research fields of international human resource is expatriates. Expatriates can be used for number of various reasons: for management development, control coordination, special staffing needs and organization development purpose: knowledge transfer and settling organizational culture (Edström & Galbraith, 1977). Traditionally expatriates has been associated with ethnocentric approach and indicated the practice of using parent-country nationals for staffing key position in host country (Minbaeva & Michailova, 2010). Mainly most important role of the expatriate was well defined control and coordination (Harzing, 2002). Business scholar had a wide focus on expatriation topic especially focus was on the selection, pre-departure training, adjustment, successful expatriation and recently repatriation become popular field to conduct studies (Bonance & Brester, 2001; Delios & Bjorkman, 2000; Dowes & Thomas 2000; Tsag 1999).

Over the recent two decades expatriates assignment concept changed within the globalization and high technological intensive business world. Old understanding of the expatriates: -just get job done- is no longer relevant. Nowadays expatriates are expected play in local staff development, support skill and knowledge transfer. Research reveals various possible strategic targets for expatriates in that area (Minbaeva & Michailova, 2010). The knowledge-related function of expatriates is complementary to traditional function of coordination and control. Delios & Bjorkman (2000) noted that expatriates with control and coordination responsibility transfer parent organization's knowledge and professional skill to hosting organizations. The ability of the parent organizations to transfer knowledge depends on the skills of the individuals who are directly involved in the transfer process, because ultimately it is the individuals who are imparting and receiving knowledge (Argyris & Schon, 1978). One of the main responsibilities of expatriates is to bring and transfer skill from parent organizations in to the host countries (Bonanche & Brewer, 2001). The research topic on the role of the expatriates as transferor of the knowledge to host organizations becoming new trend in human resource

management studies (Bonance & Brester, 2001; Delios & Bjorkman, 2000; Dowes & Thomas 2000; Tsag 1999). According to the Executive Report on New Forms of International Working by the Center for Research into Management of the Expatriates (2002), organizations appear to be making increasing use of all type expatriate assignments. Moreover skills /knowledge transfer is among the main reasons for using each type of assignment. After reviewing and analyzing related literatures researcher figure out that there are not much research on the role of expatriates on knowledge transfer process especially no relevant research have been conducted in Mongolia. But current situations caused in labour market of Mongolia insisting researchers and practitioners to concern about those issues. As mentioned before to respond to the current mismatching situation Mongolian organizations are increasing recruitment of the expatriates. Therefore focus of the current research is knowledge transfer to Mongolian mining companies through expatriates. Purpose of this study is identify what is the main role of the expatriates on knowledge transfer, what type of knowledge transferred by expatriates, what is the main factors which affecting expatriates on knowledge transfer, what is the obstacle that they face during the knowledge transfer process. In order to respond to research questions researcher attempt to link human resource and knowledge management fields together specifically expatriate and knowledge management issues. According to the studies of Hansen (1999) the greatest benefit of the knowledge management will only be achieved when it is coordinated with HR and in alignment with company strategy. Knowledge and human resource are critical organizational resource which provides a sustainable competitive advantage in a competitive and dynamic economy (Davenport & Prusak, 1998; Foss & Pedersen, 2002; Grant, 1996; Spender & Grant, 1996).

The success of knowledge transfer depends on the appointment of competent expatriates. Previous research by Bjorkman & Schaap (1994) indicated that most importantly, good expatriates must possess superior managerial and technical skills. Beside this, however good expatriates must also have a genuine desire to impart years of hard-earned professionals know-how to local employees, commit to localization and work themselves out of jobs (Rogers, 1999). Especially for the current situation when many mining companies are facing skill mismatching issue in order to solve and to build competitive advantage it is necessary to rely on staffing and selecting expatriates who has specific knowledge, skill, abilities or competencies (Brown & Duguid, 1991). Result of the studies on knowledge transfer and sharing shows that successful

knowledge transfer is positively related to reduction in production cost, faster completion of new product development projects, team performance, firm innovation capabilities and firm performance including sales growth and revenue from new products and service (Arthur & Huntley, 2005; Collins & Smith, 2006). Transfer of knowledge, especially when transferred it has tacit components, may require numerous individual exchange (Berthoin, Lenhardt, & Rosenbrock, 2001; Nonaka, 1994; Szulanski, 1996). When an MNC decided to transfer knowledge, particularly tacit knowledge, between subsidiaries they often assign employees to the foreign operation. In other words, expatriates are among the basic mechanism to transferring knowledge (Bonache & Brewster, 2000; Downes & Thomas, 2000; Inkpen, 1998). So it is obvious that personal involvement play critical role on the knowledge transfer. Additionally desirable attributes of good expatriates for knowledge transfer are ability to communicate, integrity and role model, willingness to learn from and respect local employees and patience. However, little research has been conducted on how individuals transfer knowledge what are the impacting factors. In the following section of the study researcher attempted to provide literature review on knowledge management especially on knowledge transfer.

The Knowledge for Knowledge Management

Before to talk about knowledge transfer it would be logical to describe first about what is the knowledge and what is knowledge management, why knowledge management issues are becoming important to all the organizations and conclude discussion by presenting knowledge transfer issue in detail. There are many literatures on knowledge and knowledge management topic. Researchers have not yet reached consensus on the knowledge definition for example Debowskii (2006) defined knowledge as a process of translating information (such as date) and past experience into meaningful set of relationships which are understood and applied by individuals. Other researcher Nonaka (1994) considered that knowledge is based on the information and justified by one's belief. Other researchers believe that all information is considered as knowledge, but knowledge is more than just information, knowledge includes information and know-how (Machlup, 1980; Zander & Kogut, 1995). Comparing many definitions of knowledge from the literature review this study sympathizes following definition: knowledge is information processed by individuals including ideas, facts, expertise, and

judgments relevant for individual, team and organization performance (Alavi & Leidner, 2001; Bartol & Srivastava, 2002).

Most of the literature differentiates two type of knowledge: explicit and tacit. Explicit knowledge is knowledge that can be shared with others- it can be documented, categorized, transmitted to others as information and illustrated to others through demonstrations, explanations and other forms of sharing (Debowskii, 2006). Comparing explicit knowledge to tacit knowledge, tacit knowledge has far harder component to identify and manage. Knowledge which draws on the accumulated experience and learning for a person and which is hard to reproduce or share with others called tacit knowledge (Debowskii, 2006). If we can duplicate explicit knowledge tacit knowledge is hard to duplicate, replace or interpret, as it grounded in a blend of experience, research and induction which may have been refined over many years. The difficulty of translating this knowledge into tangible product or process raises two issues for the organization: how to identify who holds such knowledge, and how to enable others to access it when they need it.

Managing Knowledge in Knowledge Transfer

Main concern of this research is how expatriates transfer explicit and tacit knowledge that they own to Mongolian mining companies. Because for any organization to survive and complete in today's globally competitive market place the concept of knowledge management and transfer must be understood and embraced across the organization (McLaughlin, 2007). Traditionally that knowledge has not been treated with degree of systematic, deliberate or explicit effort as devoted to managing human, material and financial resources. But recent decade organizations are changing, many of them have invested considerable time and money into knowledge management initiatives including development of knowledge system which consist from technology to facilitate knowledge collection, transfer, sharing, storage and distribution of knowledge (Wang & Noe, 2000). So what is knowledge management? According to the Debowskii (2006), knowledge management is the process of identifying, capturing, organizing and disseminating the intellectual assets that are critical to organization's long-term performance. The purpose of the knowledge management is helping companies create, share, and use knowledge more effectively. Effective knowledge management reduce errors, create less work, provides more independence in time and space for knowledge workers, generate fewer questions,

produce better decisions, reinvent fewer wheels, advance customer relations, improves service and develops profitability (Karlsen & Gottschalk, 2004).

From the beginning of the development of knowledge management research, researcher defined knowledge transfer differently in the different time period for example in 1994, Singley & Anderson (1994) defined KT as how knowledge acquired in one situation applies to another. Szulanski (2004) defined differently according to researcher knowledge transfer typically has been used to describe the movement of the knowledge between different units, divisions, or organizations and individuals. Recently Wang and Noe (2010) defined knowledge transfer as process which involves both the sharing of knowledge by the knowledge source and the acquisition and application of knowledge by the recipient. Knowledge transfer receives much attention from the researchers and practitioners (Argote & Ingram, 2000). Knowledge transfer include movement, training, communication and observation of personnel, technology transfer, replication routines, patents, scientific publication and presentation, interaction with suppliers and customer, alliances, and other form of the inter-organizational relationships.

The Personal Role in Knowledge Transfer

Main resource of the knowledge transfer is individuals who have specific knowledge and skill. Prusak (1996) stated that knowledge and experience is created and resides in a person's mind and both knowledge and experience therefore remain person-bound. Torbiorn (1997) suggested that the transfer of knowledge and experience across national boundaries may require the continued transfer of staff in order to apply company norms or know-how, to set up activities, and educate. Garvin (1993) also argued that it is very difficult to become knowledgeable in passive way; personnel rotation programs are one of the most powerful methods to transfer knowledge and experience. The significance of the personal role then should not be underestimated, especially in global business, where an understanding of cultural difference, such as business behaviors attitudes, mindsets and language can be critical to an organization success. Knowledge must be viewed as originating in the person, as it is shaped by one's initial reserve of knowledge and the inflow of the new information (Fahey & Prusak, 1998). This means that every person carries unique knowledge and experiences. For example after reading same book every person will have different opinion and understating depending on their previous knowledge and experience. As every individual builds her or his own knowledge by

transforming and enriching information knowledge cannot easily be transferred to another person. Knowledgeable employees can teach or train employees in a certain field by passing on their knowledge in lectures, meetings, presentations, on-the-job training, by demonstrating how to approach certain task (Bender & Fish, 2000). The characteristic of knowledge and experience described above shows that it is significant for the organization to retain knowledgeable people. For current study researcher concern expatriates as a main figure in organization who transfer and facilitate knowledge transfer. If hosting organization is unable to fully utilize expatriates knowledge it will cause financial loss and waste of time. Certain knowledgeable people are irreplaceable. Especially if expatriates who carries knowledge and skill that are not held by local staff. Not just technical skill and knowledge transferred though expatriates organization culture, management skill, knowledge about products or services, financial skill or market skills are all can be transferred. Researcher is emphasizing in this study knowledge transfer through person because nature of the knowledge demand direct contact in order to make transfer possible. Most of cases technology can never substitute for rich interactivity, communication and learning that are inherent in personal contact (Fahye & Prusak, 1998). Development in world-wide communication systems, such as e-mail or videoconferences can speed up information transfer to accelerate business or reduce travel for business meeting, but in developing and retaining expertise it cannot fully substitute for face-to face contacts or long term assignments (Dowling, Welch & Schuler, 1999). Organizations must be very careful and professionals when they recruit expatriates. Allen and Alvarez (1998) argued that organizations too often fail to reward or recognize the new skill and knowledge acquired from expatriates. By not considering the expatriates' career motivation and not offering task where knowledge can be utilized, organizations may be confronted with expatriates choosing to leave the organization (Fish & Wood, 1997). As we know unsuccessful expatriates are costly Swaak (1997) argued as expatriates cost three to four times their base salary, they should be treated as investment. Therefore a main objective of this research is to reveal experience of expatriates who are currently working Mongolian in mining company on knowledge transfer issue.

Barriers of Knowledge Transfer in the Organizations

21th century distinct from past industries advanced technology, rapid growth of economy, internet technology demand to produce knowledge as a major source of the wealth.

Organizations will need to rely on their people as resource in order to provide core competences and create new advantages of the organization. However managing knowledge transfer, managing people with knowledge are very difficult mission for the HR of the organizations. Main obstacles of the organization are creating friendly and save environment where knowledge carries will share, transfer and develop their existing knowledge. Most of the organizations fail to create such environment and waste resources. Researchers indicate that the management of the individual learning to ensure its transfer to collective organizational knowledge is notoriously difficult to control (Dixon, 1999; Senge 1990). Due to their wider skills, expertise and work responsibilities knowledge workers in this case expatriates have greater needs in order to transfer their knowledge and experience. Therefore they need to be managed differently (Storey, 1992). Management cannot simply relay on the traditional “command and control approach, which is based on scientific management assumption concerning the rigid roles of management and workers i.e that management ‘think’ and workers must “do” (Taylor, 1911).The different approach required to manage expatriates who are transferring knowledge to hosting organization. Organization must have specific HRM strategy to retain and develop high quality employee/ expatriates/ who are identified as crucial for current and future success of the organization. Organization must try to utilize the knowledge and skill of employee to create intangible assets, which cannot be easily replicate by their competitors (Boxall & Steeneveld, 1999). However as researcher indicated there are persistent barriers in the organization which preventing the communication and sharing of the tacit knowledge between knowledge worker, management teams and employee. Hislop (2002) argued that the success of any knowledge management initiative is highly dependent on the workers willingness to share their individual information, and those workers attitude towards knowledge transfer will be influenced by perceptions of the fairness of their psychological contract with the organization. Therefore organizations must be sensitive and aware of the factors and obstacles which are affecting to knowledge workers/ expatriates/. After identifying obstacles and factors organization will be able to remove or improve the current situation in order to fully utilize knowledge resource.

After reviewing all the related field literature we can summarize that in order to be successful in international business arena organization must spend resource in knowledge management. Especially young subsidiaries of multinational companies should take an advantage from the headquarters specialist, experts/expatriates/ in order to develop local

employee skill and knowledge. Knowledge transfer process is the key aspect of knowledge management which opens access to knowledge. Without knowledgeable individuals it is impossible to implement knowledge transfer. Individuals or in this study expatriates carry unique knowledge and plays main key role in knowledge transfer process. Any advanced technology cannot substitute unique knowledge of expatriates. Therefore it is important for Mongolian mining companies identify role of expatriates, recognize main factors and obstacles which are impacting to expatriates in order to fully utilize available knowledge resource. Current skill mismatching situation in Mongolia demanding practitioners and researcher conduct relevant research. Without academic research result it is complicated to encourage individuals and companies to support knowledge management. This study will help managers and HR practitioners carefully manage knowledgeable expatriates and same time develop local employee.

Researcher designed framework of the study in based on literature review. Following framework included most influential factors on knowledge transfer process. After discussion with professor framework was designed and existing knowledge management frameworks were concerned.

CHAPTER III. METHODOLOGY

Chapter Overview

This chapter will introduce to readers research method, research procedure, research sample, measurement instrument, data collection and data analysis approach. The chapter further describes the research procedure and the research sample which will assist the reader to have a clear understanding of the research findings. In the end of the chapter the measurement instrument, data collection, and data analysis methods are presented. The chapter deliberately presents each research method procedure.

Research Framework

With advice and assistance of the knowledge management professor research framework was structured by researcher based on the literature review. The role of the expatriate in knowledge transferring across multinational companies has emerged as a new area of inquiry in the international human resource management HRM literature, and organization practices of expatriation have become a subject of recent debate (Bonance & Brester, 2001; Delios & Bjorkman, 2000; Doves & Thomas 2000; Tsag 1999). People are the heart of knowledge management and knowledge transfer. The success of the organizations depends on the ability to effectively manage source of the knowledge/expatriates/. Organization must create friendly and safe environment in order to encourage and fully utilize knowledge of the expatriates. In order to create such environment organizations must understand basic factors which are affecting expatriates on knowledge transfer. Therefore purpose of the research is to identify role of expatriate on knowledge transfer, what type of knowledge are transferred, what are the main factors and obstacles are affecting to knowledge transfer process. Researcher created following framework to address above questions into framework. All factors which were included in framework selected by researcher because those factors were most repeatedly emphasized by previous studies and considered as most influential.

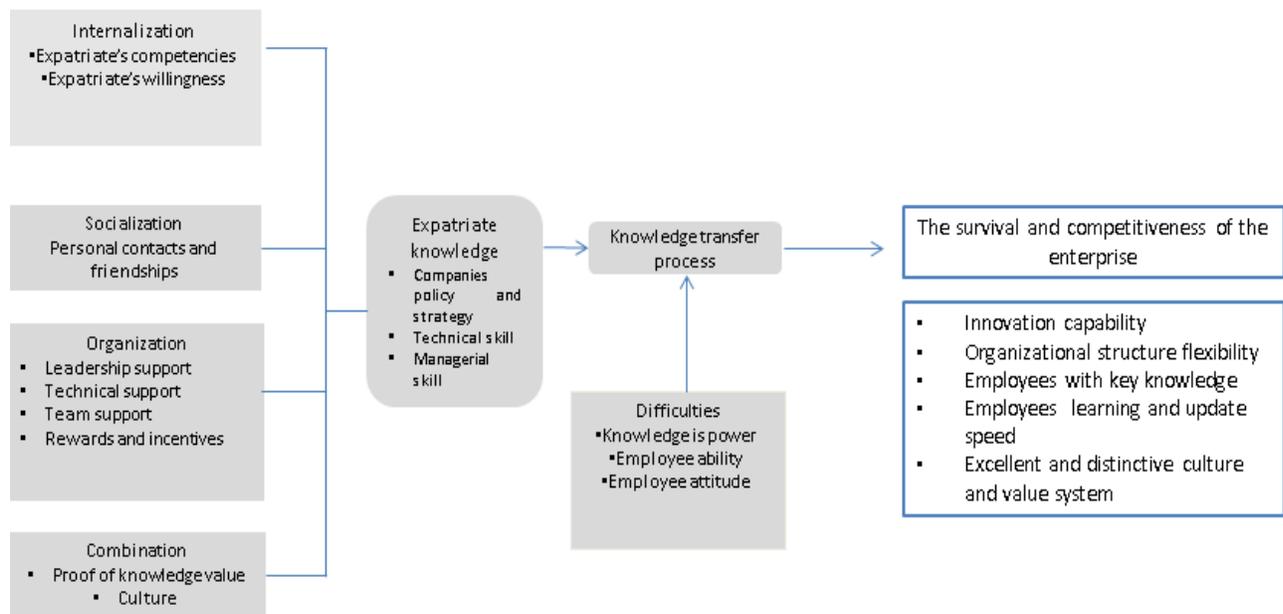


Figure 3.1 Research framework

Source: by Dr. Cheng Ping Shih

Detailed Explanation of the Framework

Internalization

Expatriate's competency and willingness

The ability of an organization to transfer knowledge depends on the skill of the individuals who are directly involved in the transfer process, because ultimately it is the individuals imparting and receiving knowledge (Argyris and Schon, 1978). Therefore expatriates must have high competence and professionalism in order to transfer knowledge to organization. Additionally expatriates must have a genuine desire to contribute in knowledge transfer process. Knowledge transfer requires the willingness of a group or individual to work with others and share knowledge to their mutual benefit.

Socialization

Personal contacts and friendship

Knowledge transfer process might occur anywhere if transferor and receipt are willing to it. Personal contacts and friendships outside of the organization are affecting sharing and transferring process greatly.

Organization

In order to encourage knowledge transfer organizations must have friendly and supportive environment. This study aims four main organizational factors that affect knowledge transfer process: leadership, technical support, team support and rewards.

Leadership support

Leaders will have to play an important role in establishing some of the key condition required to facilitate knowledge transfer (Goh, 2002). As role models through their action leaders can trigger and encourage willingness to share and transfer knowledge.

Technical support

One of the popular mechanisms of the knowledge transfer is Information Communication Technology. Email, tele-conference, fax, video-conference, internet and different soft wares are the essential tools used in by the organizations in order to transfer and share knowledge. Under the right policy and appropriate utilization, ICT is the major contributor to organization knowledge management system.

Team support

Expatriates were required to fill the gap in the skill and knowledge where locals lack of experience. Therefore in order to complete successful knowledge transfer local staff or local team must create friendly environment, be enthusiastic and willing to learn and absorb new knowledge contributed by the expatriates. Additionally local staff asked to help expatriates feel accepted, provide support in new culture and assist them in adjustment process. By creating such positive environment for expatriates team or local staff directly contributing to successful knowledge management.

Rewards and incentives

Even though it is very difficult to measure, observe and keep a track of knowledge transfer process, organization must do their best to reward and support expatriate who are successfully transferring and delivering new knowledge to the belonging organization. Barlet and Ghoshal (1998) suggest that one way to encourage knowledge transfer is to base rewards to groups. According to previous studies a lack of incentives and rewards has been suggested to be a major barrier to knowledge management (Yao, Kam, & Chan, 2007).

Combination

Proof of knowledge value

In order to trigger openness and willingness of expatriates and recipients, organization must emphasis and deliver clear message that right knowledge makes positive changes in the organization. Within a successful knowledge transfer all the participating sides can benefit. Research has shown that knowledge management is positively related to the reductions in production costs, faster completion of new product development projects, team performance, firm innovation capabilities, and firm performance including sales growth and revenue from the new products and services (Arthur & Huntley, 2005).

Culture

Multinational organizations has international working environment which involving employees with different nations, cultures and languages. This can pose challenges for knowledge management (Ford & Chan, 2003). When communicating with people from different culture, it is important to remember that culture and communication are strongly connected. An Ernest and Young study identified culture as the biggest impediment to knowledge transfer, citing the inability to change people's behaviors as the biggest hindrance to managing knowledge (Warson, 1998). For example from the previous study by Jarvenpaa and Staples (2001) determined that organizational culture rating in solidarity (tendency to pursue shared objectives) will result in a perception of knowledge as being owned by the organization, which, in turn,

leads to greater levels of knowledge sharing. Therefore culture in the different level will directly impact expatriates on the knowledge transfer process

Expatriate's knowledge

Knowledge transfer is a process of systematically organized exchange of information and skills between entities (Wang, 2004). Management of knowledge in organization consists from diverse fragments: managerial skills, marketing skills, HRM skills, corporate culture and values, business strategy thinking, techniques and technological knowledge, manufacturing and exploitation knowledge and product-related knowledge. Main focuses of this study are the three main knowledge of the organization: business strategy and policy, managerial skill and technical skill.

Difficulties

Knowledge is a power.

One major inhibitor of knowledge sharing is that knowledge can be considered a source of power and superiority (Gupta & Govindarajan, 2000). Owing specific knowledge makes individuals valuable to organization and they have some invisible priority and protection. But after successful knowledge transfer that specific knowledge becomes common and individuals lose their priority and protection compared to others. Fear to lose their power individuals might be passive and can refrain knowledge transfer.

Employee ability

Knowledge may be freely available or accessible in the organizations but the recipients of that knowledge has to be able to use it (Sluzanski, 1996). Employees with low motivation, absorptive capacity and retentive capacity results poor transfer of knowledge.

Employee attitude

Knowledge transfer requires the willingness of a group or individual to work with others and share knowledge to their mutual benefit (Goh, 2002). It means that employee must have willingness and openness in order to make knowledge transfer possible.

Research Procedure

In the following section procedure of the research is described in details. Figure 3.2 shows procedure. Each step is explained as follows:

1. Identified the research subject: Based on the need of the current economic development which relies on the mining sector researcher decided to address related issues like Human Resource and Knowledge Management in mining sector of Mongolia on current thesis research under the support of thesis advisor.
2. Discussed the literature review: Previous studies and published papers on issues like: expatriate role, knowledge management, mining industry and specifically mining sector in Mongolia was reviewed by the researcher to provide concrete background to the current topic. By reviewing literature researcher tried to present to a reader that current topic is important to study, what are the causing problems and why it must be addressed as research topic.
3. Established research questions: The current research questions were addressed based on the research purpose. Based on the literature review framework was established.
4. Designated the research methods: Qualitative research approach based on the interview has been chosen on order to fulfill research purpose. Open ended questions asked from the participant expatriates.
5. Constructed interview questions: Based on the existing literature researcher constructed open ended interview questions to reveal expatriate perception on knowledge transfer issue.
6. Conducted pilot interview: Pilot interview held to determine whether there are double barred questions or bias confusing questions in the interview.
7. Interviewed actual participants: The participant expatriate selected by convenience and snowballing and quota sampling method.
8. Transcribed result: The process of coding and analyzing the interview data, like the data collection itself, is something of a selective process in terms of a determination of what to add in and what to leave out. Coding provides an efficient method for data-labeling and retrieval, the process is eclectic and there is no right way (Tesch, 1990).

9. Research Findings: As mentioned earlier research finding identified role of the expatriates in knowledge transfer, defined difficulties and main factors which are affecting knowledge transfer process.
10. Conclusions and Suggestions. Based on the findings of the research, conclusions and suggestions provided to reader. Conclusion and suggestion will help mining companies to better utilize knowledge of the expatriates by creating safe and friendly environment.

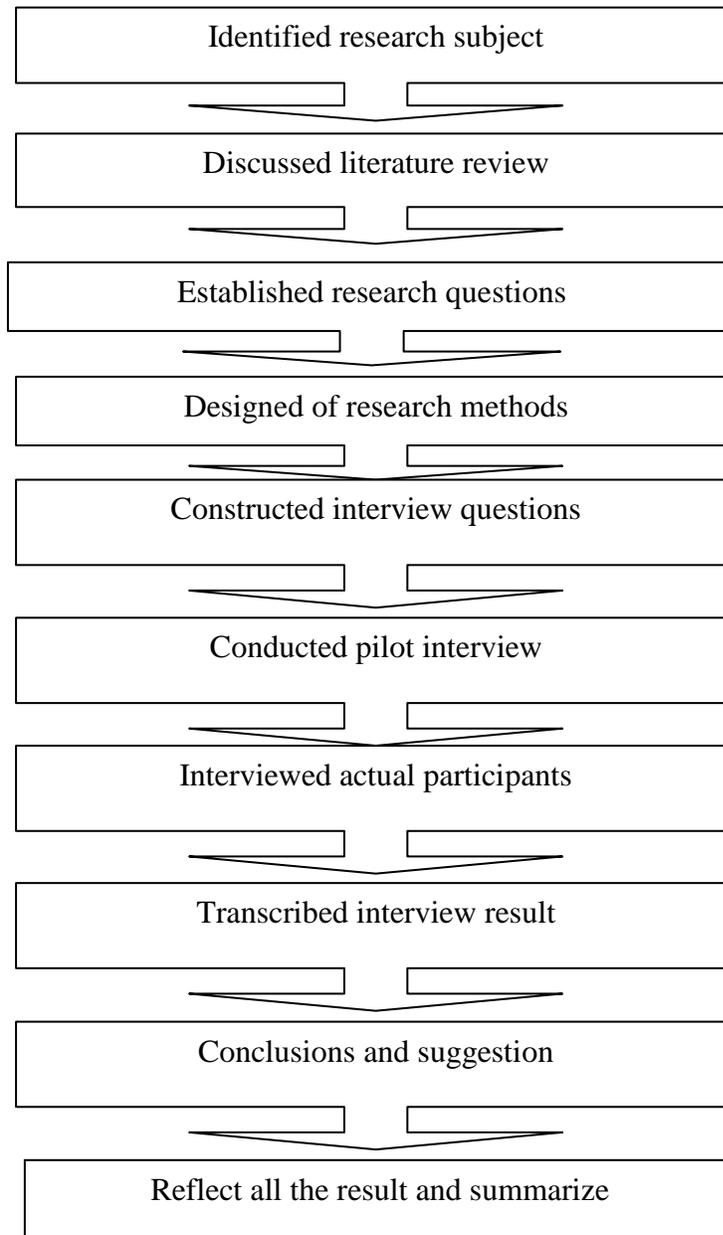


Figure 3.2. Research procedure

Research Method

Qualitative research method was chosen to implement current thesis study. Qualitative research method is used in research that is designed to provide an in-depth description of a specific, practice or setting (Mertens, 2005). Current research objectives itself has some difficulty to conduct large scale quantitative research. Because knowledge management, human resource researches related to mining sector specially to Mongolian mining sector almost not existing, it is one of the new research trend and doesn't have prosperous understanding therefore qualitative research approach is most appropriate to interpret new practice (Bogdan & Taylor, 1975). In order to clearly respond to research questions first we must consider nature of the research objects. Nature of the knowledge transfer and expatriate issues are very complicated itself many external and internal factors affecting to it. Therefore to avoid bias result with lurking variable researcher will address specific issue by conducting interview with open ended questions in order to fulfill the research objectives. After reviewing literature researcher found out that there are almost no quantitative researches about expatriate's role on knowledge transfer issue, which means there are no appropriate quantitative measurements available for the desired result. The other reason why the researcher chooses a qualitative research approach is because access to the sample is complicated. Six to fifteen units of analysis, which provides reliability in qualitative research, is very convenient for the researcher to implement research (Mertens, 2005). Researcher would like to understand knowledge transfer in Mongolian mining company from the perspective of the expatriates. To describe and analyze expatriate role on knowledge transfer ethnographic strategy based on interview were chosen, because ethnography methods is considered to understand the culture, phenomena from and insider and outsider perspective (Patton, 2002). Tedlock (2000) noted that ethnographic strategy is the suitable to reach a better understanding of beliefs, motivations and behaviors of the people in the study. Qualitative research approach with use of open ended interviewing and ethnographic data collection to focus on interpretation, allow the immersion of the researchers in the social setting, and facilitate intersubjective understanding between researcher and participants (Mertents, 2005)

Research Participants

For current thesis study researcher target participants based on the following criteria:

1. Be an English speaking expatriate
2. Have working experience in Mongolian mining company
3. Position of the expatriate must be managerial or technical (not a blue collar expatriate)
4. Willing to participate in this study as a participant

Researcher introduced purpose of the thesis study by sending invitation letter. For the better participation researcher highlighted participants' contribution and clearly explained outcomes of the thesis study.

To involve expatriates to the interview researcher used nonprobability sampling like: purposive, snowballing sampling and quota samplings method. Purposive sampling a type of the nonprobability sampling in which the units to be observed are selected on the basis of the researcher's judgment about which ones will be the most useful or representative. Also it called judgmental sampling. Snowballing sampling a nonprobability sampling methods often employed in field research, whereby each person interviewing may be asked to suggest additional people for interview. Quota sampling a type of nonprobability sampling in which units are selected into sample on the basis of pre-specified characteristics, so that the total sample will have the same distribution of characteristics assumed to exist in the population being studied (Babbie, 2011). Researcher introduced purpose of the research and explain contribution of each participant and after appoint the interview time.

Instrument

Main instrument to accomplish data collection of the current research is interview. In qualitative research interviewing is the major source of the qualitative data needed for understanding the phenomenon under the study (Merriam, 2000). DeMarrais (2004) defined interview as process in which a researcher and participants engage in a conversation focused on the questions related to a research study. The main purpose of interview is to obtain a special kind of information. The researcher wants to find out what is: in and on someone else mind (Patton, 2002). Open ended interview questions will be asked to understand knowledge transfer

phenomena from the perspective of participant expatriates itself. Interview questions designed based on the research framework in order to respond to main research questions:

- 1) What are the roles of the expatriates on knowledge transfer?
- 2) What type of knowledge is transferred by the expatriates?
- 3) What are the main factors and obstacles which impacting to expatriate on transfer knowledge?

Patton (2002) suggested six types of questions to concern in interview question designing process: experience and behavior, opinion and value, feeling, knowledge, sensory and background. All above mentioned questions types concerned in interview questions design. Different questions assist researcher to have an in- depth understating about participants perception.

Data Collection

Four steps followed to in order to conduct interview.

1. Conducted pilot interview. After constructing interview questions researcher conducted pilot interview with two actual participants in order to check are the double barred questions or bias confusing questions asked from interviewee.
2. Corrected interview questions according to the pilot interview result.
3. Contacted and introduced purpose of research, explained contribution of the expatriates to the study
4. Made appointments with all participant expatriates through email

From April-May researcher contacted with fifteen expatriates through email and send official invitation letter and interview questions. From fifteen expatriates researcher conducted ten interviews; five expatriates could not participate due to different reasons, two expatriates belonged to same company rest belonged to different mining companies of Mongolia. During the interview researcher used recorder after each interview transcription was made. Researcher read all the transcription and highlighted responds and tagged to each related research questions and it

was coded. Each respond which was used in findings has coding *I#7_{page36}*, number of the interview and page number with actual respond.

Table 3.1.

Interview Details

Stages	Contents
<p>Before the interview/preparation</p>	<ul style="list-style-type: none"> • Presentation of the researcher, the research itself and related information • Explain purpose of the interview • Underline the importance of the interviewee’s contribution to the research • Explain reason why interview will be recorded • Explain that the interviewees response will be kept anonymous
<p>Stage#1</p> <p>Internalization</p>	<ul style="list-style-type: none"> • What are the main reasons for headquarters’ leaders to make decision to send you as expatriate? • What is your main competitive advantage? • Do you think you have a deeper knowledge and professionalism than local co-workers? Please give an example! • Do you often voluntarily assist local co-workers when it is necessary? • Do you enjoy assisting to local co-workers? • Do you regret about time and effort that you spent to share knowledge with local co-workers?

Stage #2

Socialization

- Beside working environment how do you socialize with your co-workers?
- How often do you attend sports events, parties, activities organized by your organization?
- Do you enjoy time when you socialize with local co-workers?

Stage #3

Organization

- How your leadership does support you when you share knowledge?
- Do you receive any positive feedback and comment from leadership when you share knowledge with local co-workers?
- Does your office provide all the necessary Information Communication Technology Equipment?
- Do you have any difficulty in your daily work because of lack of ICT?
- How willing are your co-workers to learn new knowledge and experience when you share with them?
- How often do you have a request from local co-workers to cooperate, assist and give an idea on assignments?
- How do co-workers support you when you share knowledge with them?
- Have you ever received any rewards or bonus while you were working in Mongolia? If yes for what?
- How would you like to be rewarded for sharing your knowledge and experience?

Stage #4

Expatriate Knowledge

- What is your specialty?
- What is your responsibility in host organizations?
- What are the most common knowledge and experience that you share with local co-workers?
- In which situation local co-workers need your assistance most?

Stage #5

Difficulties

- Do you feel comfortable to share your knowledge?
- Do you have fear that local co-workers will learn all the necessary knowledge and skill and in the future will not need your assistance?
- Do co-workers have an ability to absorb knowledge and experience that you are sharing with them?
- What ability lack most local co-workers in order to receive new knowledge and experience?
- What do you think how enthusiastic are local co-workers towards new knowledge and experience?
- Do you have any other obstacle and difficulties when you are sharing knowledge and experience?
-

Data Analysis

Data analysis is the process of making sense out of the data. Data analysis is a complex process which involves moving back and forth between concrete bits of data and abstract concepts, between inductive and deductive reasoning (Merriam, 2000). The process of coding and analyzing the interview data, like the data collection itself, is something of a selective process in terms of a determination of what to add in and what to leave out. Coding provides an efficient method for data-labeling and retrieval, the process is eclectic and there is no right way (Corbin & Strauss, 2008).

An ethnographic strategy of qualitative approach will be chosen as method to analyze role of the expatriates in knowledge transfer in Mongolian mining companies. Ethnographic strategy designed to describe and analyze practice and beliefs of culture and communities (Patton, 2002). Researcher believes that knowledge transfer process associated with organizations and individual's culture. Without creating culture in the organization where every member values each other contribution it is impossible to implement knowledge management. Therefore researcher assumes that most suitable strategy to analyze data for current study is ethnographic strategy. A key assumption is that by entering into first hand interaction with people in their everyday lives, ethnographers can reach a better understanding of the beliefs, motivation and behaviors of the people in the study (Tedlock, 2000). The focus of the ethnography is to understand the culture from insider and outsider perspective (Mertens, 1992).

Data Analysis Procedure

In following section data analysis procedure described step by step.

1. Recorded interview respond transcribed manually.
2. Transcribed interview respond carefully readied by researcher.
3. Categorized interview respond into three main research subunits in order to respond to research questions.
4. Send back to participants actual responds used as result in order to make sure that researcher did not add his/her perspective
5. Ethnographic strategy used to analyze data. (Inductive and comparative strategies).
6. Draw out the result from the main subunits in order to fulfill the research purpose.

In order to answer research questions all the participant respond categorized in to main three categories:

1. Role of the expatriate on knowledge transfer
2. Type of knowledge is transferred by the expatriates
3. Main factors and obstacles are which impacting to expatriate on transfer knowledge.

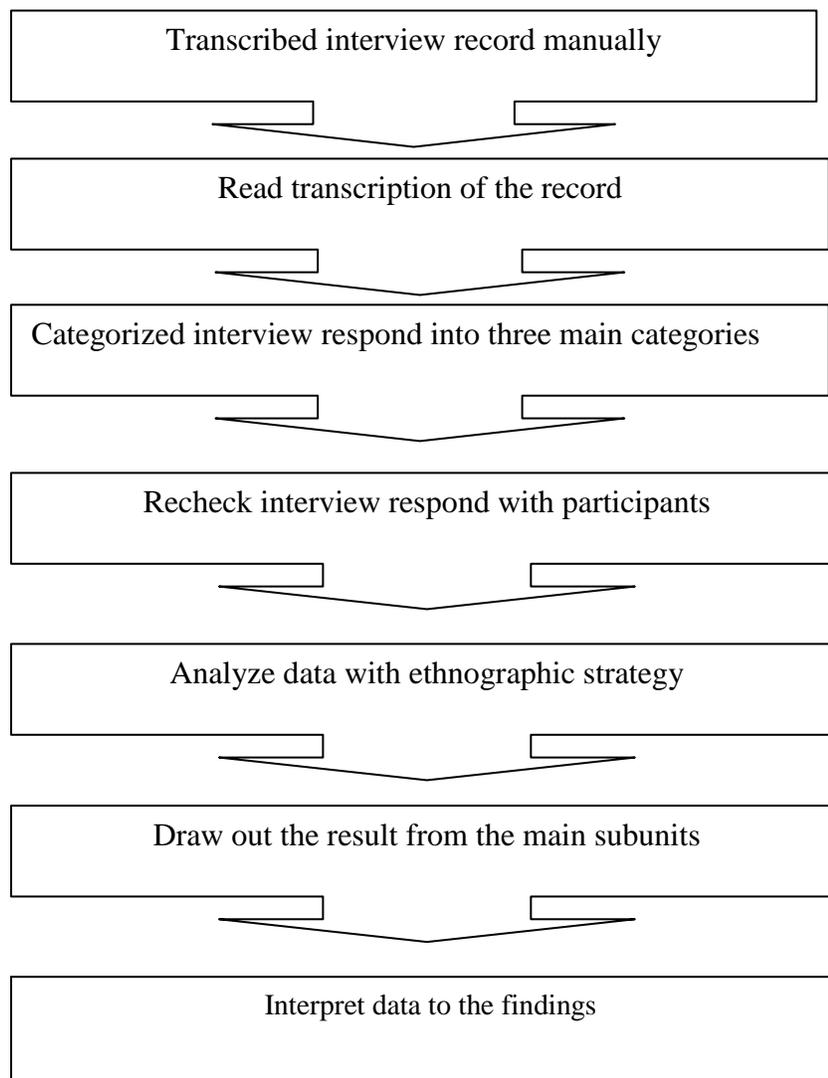


Figure 3.3. Data analysis procedure

Data Coding Process

All the recorded interview responds were transcribed by the researcher manually. In order to present to a reader clear logical procedure of data coding, researcher took following steps. All the interview questions were divided into stages between one to five, each stage included questions which would help researcher to answer main research questions. After code were tagged with interviewee's /expatriates/ number and in bottom page number of the transcript were presented for example I#1_{page1}.

Research question	Interview stage	Key Concept	Code	Transcript
Q#1	Stage#2	Role of the Expatriate in KT	I#1 _{page1}	as a specialist I am in charge daily operation of heavy machinery

Figure 3.4. Example of the coding process

Reliability and Validity

During research process, researcher discussed framework of the study, research questions, interview content and research findings with advisor and with professors of IHRD department additionally peers were involved for discussion and suggestions. In order to increase validity of the study all the suggestions and recommendations by committee members and advisor were reflected to the study. Framework of the study, delimitations and core contents to literature review were added and reconstructed. Interview questions were double checked by the advisor and researcher. After reviewing interview questions, most of the questions were changed and redesigned. In order to have deliberate and detailed respond initial interview questions like: Do you attend sport events, parties and activities organized by your organization? Was changed to: How often do you attend sports events, parties, activities organized by your organization? Two pilot interviews were conducted before actual interview. After pilot interviews some of the questions with same meaning were deleted, and questions were modified. The peers were graduates from Southhampton Solent University. In order to accurately reflect interviewee's perspective important statements and sentences which are used in findings were verified by the actual respondent expatriates. After completing analysis of the interview transcripts were reviewed by colleges of the researcher.

In order to have reliable findings to the study researcher had four specific requirements for the participants:

1. Be an English speaking expatriate
2. Have working experience in Mongolian mining company

3. Position of the expatriate must be managerial or technical (not a blue collar expatriate)
4. Willing to participate in this study as a participant

All the participants fulfilled the requirements for participation. To have more in depth detailed answers researcher send invitation letter, framework of the study and interview questions in advanced before the actual interview. All the participants had a time for them self to look at interview questions and go through it. Before every interview researcher made sure that participants understand purpose of the interview. If there was any misunderstanding researcher was willing to explain and figure out. In order to collect data nonprobability sampling was used by researcher. Invitation letters were posted in official Mongolian expatriate's forum/<http://www.ubexpat.info/discussion/93/the-expatriate-role-on-knowledge-transfer-of-the-mining-sector-in-mongolia/> and expatriates facebook group page, researcher additionally send invitation letter to individual Mongolian mining companies and asked friends to help to connect with expatriates. In order to keep confidentiality researcher presented all the detailed information of the participants only in transcription and only for committee member and advisor. Every participant was from mining companies of Mongolia and had a working experience with Mongolian employees. The reliability of the research was increased by keeping all the manual transcripts of the interviews and original records of the interviews. A reliable study can be repeated (another researcher should be able to the study again and get similar or same result using same research procedure). This study provided detailed procedure of the research and data analysis process. Any researcher can follow the procedure without difficulties.

CHAPTER IV. FINDINGS AND DISCUSSIONS

Chapter Overview

In following chapter researcher presented findings and discussions of the thesis study. In order to logically present findings of the research, this chapter was divided into three general parts: Role of the expatriate, type of knowledge transferred by expatriate, main factors and obstacles on knowledge transfer process. To present factors and obstacles in detail third part consists from themes: 3.1.Organization. 3.2 Socialization 3.3 Difficulties. Chapter contained interviewee's perception and perspective about knowledge transfer and related research issues. Interviewee's actual respond is included in order to support research findings.

Expatriate's Role on Knowledge Transfer Process

The purpose of the thesis study is to identify role of the expatriates on knowledge transfer. In order to present role of the expatriates in Mongolian mining companies following table was presented. From this table we can see that all the expatriates play role as leader, trainer, advisor, and mentor aside their main job responsibilities. Each expatriate provided diverse information regarding their role and responsibility.

Table 4.1.

Description of the Expatriate's Roles

Interviewee#	Current Position	Responsibility for Current Position	Education Background	Previous Experience	Country of Origin
Interviewee#1	Technical Adviser At XXXXXXXX	<i>Hired as technical advisor and to advice and train Mongolian mechanics</i>	<i>Four years degree in mechanic from the Technical University of Canada.</i>	15years of experience working in mining field.	Canada
Interviewee#2	Technical Director and Director of XXXXXXXX Resource Limited	<i>Technical director my role in XXXXXXXX is to manage all the geological work and geology teams. Also I set as board director and I am guide company on strategic and corporate decisions.</i>	Resource Geologist University of Canterbury	<i>I have done resource geology exploration and mining about 20 years. I have been working in Australia, Ecuador, South America, Southern Africa and I came in Mongolia 2002 with Ivanhoe Mines.</i>	New Zealand
Interviewee#3	Media promoter at XXXXXXXX	Developing relationships with key stakeholders within Media Agency's and Clients directly.	Business Administration Southampton Solent University	8 years sales experience within leading UK and international media owners, with the last 3 years based in Singapore developing digital online sales propositions in South East Asia.	England
Interviewee#4	Technical advisor at XXXXXXXX	<i>Share my knowledge, assist local workers and improving skills and knowledge.</i>	N/A	<i>I am working in mining since 1972.</i>	Canada

Interviewee#	Current Position	Responsibility for Current Position	Education Background	Previous Experience	Country of Origin
		<i>Also train and teach</i>			
Interviewee#5	Project manager at XXXXXX	<i>Leading a technical team (of Mining Engineers) in doing consulting mining engineering work for clients, providing technical support to our local operations and developing new business (contract estimating).</i>	University of New South Wales University of Alberta	<i>8 Years in coal mining industry Australia. My specialty is in coal mining (both underground and open pit), but with strong technical and operational experience in Open Pit mining using Dragline and Truck & Shovel mining methods.</i>	Australia
Interviewee#6	HSE manager and Project Manager at XXXXXX	Responsible for providing corporate support within the UB office and to colleagues at two open cut mines and a wind farm construction project.	University of Queensland	10 years' experience of working in Mining and construction industry HSEC management, HSEC systems development and implementation Risk identification, assessment and management	Australia
Interviewee#7	Director	<i>I am director of the projects I am responsible for execution for commercial and technical engineering.</i>	University of Southern California	<i>My specialty is in process engineering, chemical process. Also auto commercial issues related to it. Basically I have possessed technical and commercial expertise.</i>	United States of America

Interviewee#	Current Position	Responsibility for Current Position	Education Background	Previous Experience	Country of Origin
Interviewee#8	Senior Geologist	Supervising infill and exploration drilling at the XXXXXXXX.	Michigan Technology University	<i>Link between and headquarters and Mongolian subsidiaries. Most of time in charge of administrative, management and financial task. I know how plan and document. Communication also is my one of the important responsibility.</i>	United States of America
Interviewee#9	Chief Operating Officer	In charge of Coal Project.	Technical University of Aachen	<i>Leading project to operation, pushing project in terms of finance and all the related activity. Advising and discussing building up new infrastructure</i>	Germany
Interviewee#10	Resource Geologist at XXXXXXXX	<i>I am also in charge of development of skill of local co-workers in terms of how to keep geological data base how to use mining software. Train junior geologist as much as possible.</i>	CDI College of Business Technology Univerzitet u Beogradu	<i>I have experience in working with complex deposit. I came here to solve problems associated with complex deposit.</i>	Canada

To demonstrate and support the idea that expatriates play significant role in knowledge transfer process researcher is presenting following responds of the interviewees.

*I am hired as **technical advisor**. I am hired to **advise** and **train** Mongolian mechanics. Most of times I see that my local co-workers lack most hand on experience. I#1page01*

*I am **technical director** my role is to **lead** local geological teams. Also when you are listed in stock exchange ASX/ Australian Securities Exchange/ you need to have certain amount of experience, you must be certified to sign on and participate in press realize and things like that. I have that required qualifications. . In XXXXXX I am technical director my role in XXXXXX is to **manage** all the geological work and geology teams. Also I set as board director and I guide company on strategic and corporate decisions. I#2page04*

*I have existing knowledge of the product that we have. Existing knowledge of the process that we follow. I understand how to implement operational procedure and I can **affect that physically**. My management skills allow implementation locally. When you are **managing project** you learn a process you also understand problems so you can make appropriate plan to start new operations. So when you start new project it is good to have someone who has done the process previously. I#3page10*

*Now **I am leading** my organization for almost for two years and I know the people in different departments on different projects. Now even people from different department come to my office to ask questions to get my opinion. But it did not happen straight way. I think it is same in all the organizationI#3page13.*

*I get satisfaction from assisting all co-workers, local or expatriate. Assisting anyone in the workplace is **like coaching** a sporting team; it is very satisfying when you can **help someone develop** themselves such that they can improve themselves in what they do, to reach their goals sooner. I#5page 01.*

I do not approach the task of assisting local co-workers any differently to that which I would equally be required to do if I were working in Australia. I#5page21.

*Especially if there is job that they have not done before and if they are not familiar with it that they come **to me and ask for help**. And we figure out together. I#4page18*

*I was **chief operating officer. Leading** project to operation, pushing project in terms of finance and all the related activity. **Advising and discussing** building up new infrastructure. I#9page44*

*I am also in **charge of development of skill of local co-workers** in terms of how to keep geological data base how to use mining software. **Train junior geologist** as much as possible. There is specified and high level of softwares only certain people can have access. So I try **to show to them how utilize** this software in all different aspect not just used in basic level. I#10page48*

From the above data of the study we can see clearly, each expatriates involved in knowledge transfer differently depending on their specialty and responsibility. When we see third column of the table which indicate responsibilities of the expatriates, we can see that most of the expatriates play role which has a duty to guide, lead, advice and assist through which most of the knowledge and experience becomes transferable. Table deliberately present that expatriates have been exposed professionally and gained profound amount of experience before their assignment to Mongolia, most of them indicated that they have been working in the related field at least for seven to eight years. Origin countries of the expatriates are Australia, Great Britain, Canada, US, Germany and New Zealand. Those countries have well established mining sector and play dominant role in international business. People involved to mining and international business by numerous of generations versus for Mongolia mining and international business is the new and young field which has been developed relatively late. People are less exposed to mining related business and professions. Therefore it is inevitable that Mongolian employees and companies must value knowledge and experience of the expatriates. Mongolian individuals who work with expatriates must put all their effort to absorb and learn from expatriates. Because as we can see from the interview respond expatriates are very willing to share their knowledge and experience. For example:

*I think I am pretty calm natured, **patient and I am willing to teach**. I been working for industry for 15 years I#1page01*

*Most of the time yes **I feel comfortable when I share knowledge**. Most of time I also need brush up my own knowledge I need to refer to book and looks thing on computer. Because I don't know strength of my hand. Sometimes I am also stumped*

sometimes I need refresh my memory look something so can intern and provide to Mongolian workforce with information. I#1page04

*Yes I do! **I enjoy helping.** It is part of my job, to **help my team** and to give them assistance. Most of time my co-workers come to my office to ask advice and assistance. I#2page06*

***I love interacting with new people** so if we can share our experiences and knowledge than I enjoy that a lot! By interacting I will understand about local customs culture and different ways of building relationships. They can tell about local environment and I can apply experience I have as well as to see how we can improve and do best job for certain situation. As an expatriate manager I have enjoyed the interaction. I learn from people. I#3page1.*

*Yes of course **I enjoy assisting.** That is why I am here willing to assist and answer to the questions that my crew has. I#4page16.*

*In the two years that I have been working in Mongolia, I have spent time sharing knowledge and **actively working to assist co-workers**, who have been senior, equal and subordinate to me within my company, clients of our company and other industry acquaintances. . I#5page22*

***I try my best to help** them but I have been here only for 8 weeks so I am new for this organization. I don't know if that person needs my assistance or not. But if see that I can be useful I help them as much as I can. I#6page29*

*In my case it was my own decision. I did not come for company. I was retired I came with Mongolian contacts by other people. Who said Mongolia is very interesting country to do mining business. Personally **I was interested in other countries and helping** to start mining business. I#9page42*

***I really happy that after sometime somebody knows something better!** To know that I could help them to become better makes me happy. I#10page46*

Personal willingness is very important factor for successful knowledge transfer. According to the interview respond we see that all the expatriates who participated in the study have willingness and desire to transfer new knowledge and experience to local co-workers. Therefore Mongolian employee must utilize diverse source of knowledge as much as possible. In that case

we can develop individual competence, in the future organizational and country competence. We can conclude this section by identifying that expatriates are playing significant role as knowledge transferor. Minbaeva and Michailova (2004) found out in their study that knowledge transferor most important characteristic is willingness and ability/skill. All the participated expatriates have all the necessary skill to transfer knowledge, high education, work experience and importantly personal willingness. The role of the expatriates in the organizational knowledge transfer process has been stressed in the literature (Bonance & Brester, 2001; Delios & Bjorkman, 2000; Doves & Thomas 2000; Tsag 1999). By identifying role of the expatriates on knowledge transfer process in Mongolian mining companies study provided new empirical evidence to support previous studies findings.

Type of Knowledge Transferred by Expatriates

In order to identify what type of knowledge transferred by expatriates researcher considered following issues: profession/expertise of the expatriate, situation when local co-workers most needed expatriates assistance and ability of the local co-workers. According to the interview respond over all Mongolian employees have good professionalism to related field none of the expatriates expressed that local employee skill and professionalism is low or insufficient. For example:

*I am not going to say that I have deeper knowledge because many Mongolian guys come from mining background they **do have deep knowledge**. Where my expertise come in I guess manufacture **the instruction is how to do everything is written in English**. It is easier for me to interpret and show them and deliver the information. I#1page01*

*Mining from where I came from been there for many years society quite used to it versus in **Mongolia field is still new**. And my international exposure I think it really helps with mining you are dealing with lot of different geology and different mines and different operation. There **are not many Mongolians** who have been working overseas there are few but not many. But is it becoming common especially for technical people and geologist go to Australia and USA to have experience how to do operations. But of course most have done it. I#1page05*

*In general my skill versus local's skill **I am more objective** so I see different outcomes and able to assess that in advanced. It is not just doing job right but it is also assessing all the factors that impact that job. So today I think my experience is my ability to be objective to the situation particularly to the problem that we face*
I#3page11

*I hate to say it but because of my age I have been doing this long time most of the people with whom **I work here they are in their mid-20's and early 30's bring 5-10 year's experiences** comparing to me I have been around long time so I know what I am talking about. .* I#4page16

***I don't believe that I have a 'deeper knowledge'** than my local co-workers, however I do think that I do have different knowledge and experiences relevant to the mining industry here in Mongolia. To generalize all of my local co-workers with regard to professionalism comparison is unfair. I work with a cross-section of the local workforce that **I do not think is too different in terms of 'professionalism'** than that which I worked with in Australia. Some are more dedicated than others, some are more diligent than others and some are more attuned to the needs of the business than others.* I#5page21

*Not necessarily **my colleges and team have very high professionalism**. Most of time my local co-workers don't have **any expertise and elder ones doesn't have good knowledge about new approaches**. Comparing to us we have been experienced working in mining and mining construction project previously we know our objective and outcome. For example in mining site we require all employees to have helmet on use safety belt, follow instruction on safety step by step. Unfortunately my Mongolian colleges **never witnessed incident and accident previously** they don't understand value of following all the safety guidance.* I#6page28

***I don't think technically or professionally I have a better knowledge and experience** because Mongolian specialist specially geologist are very good at their position. I am better because I know how to run **administrative tasks like planning and documentation**. On this side definitely **Mongolians lack of skill**.* I#8page38

I studied mining in university as a student I was in many different countries and I had many different mining jobs in German mining industry and worldwide

mining industry. I think this experience in European and International mining business is very useful for mining business in Mongolia. I see that Mongolian mining people have very poor experience in international mining business and in High technology mining business. I#9page42

From above responds we can conclude that Mongolian employees have required professionalism. So what is the weakness of the Mongolian employee? In which situation they lack of skill and experience? What knowledge and experience are needed most in order to be self-sufficient to lead mining company and organization? We must develop own competitive employees because modern mining sector in Mongolia is different than the old Soviet planned economy period. It requires various skill and professionalism from Mongolian employees. After transcribing and analyzing interview data researcher identified that nowadays to be successful locally and internationally mining companies must develop professional and business management related skill and knowledge. The biggest disadvantage of the Mongolian employee is that they don't have past experience most of them haven't been exposed and they don't have hand on experience. Expatriates respond indicate that Mongolian employees lack of practical experience whether it is technical or management related task. For example:

*My co- workers **lack most hand on experience** they haven't been exposed to **practical side**. It is new for them. More they are exposed to it and more they have hand on experience they better they will become. I#1page04.*

*There are **not many Mongolians who have been working overseas** there are few but not many. But is it becoming common especially for technical people and geologist go to Australia and USA to have experience how to do operations. But of course most have done it. I#2page06*

*Geological knowledge of the Mongolian experts is good. The **biggest weakness is organization and managerial skill**. So most of time I help on organizational and managerial sides. I#2page08*

*I think it is application of the knowledge in **technical skill** using them in appropriate time. Mostly it depends from the situation mostly it is technical and organizational or I would say managerial skill is most applied as an assistance to local co-workers. I#3page14*

*Most of my co-workers has a previous experience, most of time my assistance come when local co-workers **assembling new equipment** which is new technology for them. I#4page19*

*Most common knowledge that I share with my local co-workers is **modern mining techniques, both engineering and operational**. I#5page25*

*Mainly about **work process**. I always tell them there are three things that you must be aware: first is the **process how we do**, second thing is **content** that you must have process, content and **execution**. So what we do is try to execute process and improve content. Process and content. How to do things and how to plan things, how you **organize things**. Most of Mongolian employees have not done it so you don't know what should be there. I#7page35*

***Administrative and financial issues, documentation of all the procedure are quite different** so that is the time when they need my help most. I#8page40*

*I think people of Mongolia right now **need assistance in all steps of mining development**. Cooperation and assistance needed in **exploring mining deposit and developing concept and mining business, distribution** of the coal to market and **financing project** etc. You have to introduce to international business to get investment and process of it requires previous experience. I#9page44*

*I am also in charge of **development of skill of local co-workers** in terms of how to keep **geological data** base how to us **mining software**. **Train junior geologist** as much as possible. There is specified and high level of software only certain people can have access. So I try to show to them how utilize this software in all different aspect not just used in basic level. I#10page48*

According to the interview respond researcher concluded that mostly expatriates are transferring technical and managerial knowledge to Mongolian employees. Specifically they assist Mongolian employees on planning and administrative skills. Company policy and business strategy were not mentioned. Therefore we can conclude that new knowledge and experience in terms of technical, engineering and international business management are most commonly transferred from expatriates to Mongolian employees. We must consider that this study aimed mining industry of Mongolia therefore study findings only reflect expatriates experience in mining field. That is why mostly transferred knowledge by expatriates is technical and

managerial knowledge. Sluzanski (2004) found out that mostly expatriates transfer following type of knowledge: managerial, cultural, sales and marketing, technical and production, product/service, HRM, finance and accounting. Finding of this study only indicated that in mining companies of Mongolia managerial, organizational and technical related knowledge are transferred by expatriates to Mongolian employees.

Main Factors and Obstacles on Knowledge Transfer Process

To answer to the third research question which is: What are the main factors and obstacles which are affecting knowledge transfer? Researcher designed framework which included the factors and difficulties. Those factors and difficulties were chosen by researcher based on the literature review. Numerous of literature emphasized and repeatedly suggested following factors as a most important factors which affect successful knowledge transfer.

Organization

Without leadership support and encouragement it is very difficult and almost impossible to implement successful knowledge transfer. Therefore leadership is the one of the influential factor on successful knowledge transfer. In order to identify how supportive is leadership about knowledge transfer in Mongolian mining companies following two questions were asked from expatriates:

1. How your leadership does support you when you share knowledge?
2. Do you receive any positive feedback and comment from leadership when you share knowledge with local co-workers?

Most of the expatriates expressed that leaders in their organizations are supporting knowledge transfer specially knowledge transfer between Mongolian employees and expatriates. Most of them pointed out that because of leadership encouragement and support expatriates' assignments were possible. Leaders see expatriates as a source of knowledge and experience. One of the most considerable requirements for the expatriates is to have all the necessary skill and knowledge to advice, lead and train. From the table 4.1 we can see that all the expatriates who are assigned to Mongolia have many years' experience in their fields and good education background. From that we can see leaders of the mining companies make great effort to bring

expatriates with sufficient knowledge and experience. In order to support research findings we can refer to following interview responds:

Leadership encourage us to take time and show to the guys how to do particular tasks jobs properly and not cut corners, do job safely and put big emphasis on safety. Yeah we do! We do receive good feedbacks when we do good job for sure. I#1page02

*If I bring an expatriates to accomplish specific job there is always **element of training** that is going to **be involved in order to transfer knowledge**. For instance I am bringing structural geologist which is special field of geology to Mongolia in July. This guy looks at rocks and does actual scientific study additionally he is also going to run a course on structural geology. Training locals in that specialty. I#1page02*

*Mainly **through advice and direction** what are the main concern what are the main focus. He directs us what are the key things to go for. So that is where support comes from. **He endorse** what are you doing support your implementation. And when it is necessary make a **suitable recommendation to improve**. So yeah I do receive support. I#3page12*

***Because of support of leaders we are here as I said before**. Leadership **encourages** as taking time and showing in details all the procedure and approaching to local co-workers. I#4page17*

*It is encouraged. We have an **'open book'** policy, and it is our clear intention that we are to **help our employees and clients to better understand the business** we are in. I#5page23*

*When we share knowledge and experience it is difficult to measure we don't do it in front of audience. **But I am sure that our leaders are very supportive, that is why they bring us over here**. They know that expatriates are bringing knowledge and experience with them. I#6page29*

***Of course they supportive**. My role as trainer was predetermined already during job interview it was main requirement. I#10page47*

From above interview respond we can identify that most of Mongolian mining companies' leaders are very supportive and encourage knowledge transfer. About the feedback and comments from leadership two expatriates expressed that they receive sufficient positive

feedback and comments but rest of participants expressed that they don't receive feed backs and comments as they wish or they deserve. For example:

*Yeah we are **cheer up and do all the supportive things to improve their work.**
But not really that often. I#2page07*

*It is very simple mainly good job **well done sometimes It could be better**
feedbacks and comments. I#3page12*

***Not as often as we should.** They know what is going on here. They know that
knowledge transfer is occurring and guys are getting better more professionally. And
company sees that. I am sure they appreciate that. I#4page17*

***Not much!** They expect from us that we share knowledge with local employee
to develop local or nationals because that is the main purpose of expatriation.
I#8page39*

Knowledge transfer is very delicate process people know that it is happening and occurring but it is very difficult to measure, there is no defined dimension. Knowledge transfer process might happen everywhere and anytime but most of time it doesn't occur in front of audience. It is very challenging to detect and right time give positive feedback and comment. Therefore it requires from leaders specific sense and skill to recognize and appreciate good knowledge transfer. Over all Mongolian mining companies leadership support and encourage knowledge transfer. In order to improve it they should have more careful and sense able attitude. Feedback and comments are very simple ways to encourage and trigger knowledge transfer.

Information Communication Technology

Another important factor in the organization which impact knowledge transfer process is Information Communication Technology. Without internet access and certain equipment knowledge transfer might fail in the organization. Interview respond indicated that in Mongolian mining companies are very well equipped. All of them homogeneously responded that they don't have any difficulty associates with lack of ICT equipment. Only two interviewees expressed that in mining site sometimes they have bad internet connection. But over all we can conclude that Mongolian company created well equipped working environment for expatriates to transfer knowledge. Davenport and Prusak (1998) found that ICT tolls access and correct manipulation

can effectively support knowledge management. As we can see from findings Mongolian mining organizations understands importance of ICT.

Team / Co-workers

Successful knowledge transfer process is possible only if two sides' transferor and receipt are collaborative, willing to share and learn from each other. Receipt ability to absorb new knowledge and desire to learn new knowledge are the critical factors which affect successful knowledge transfer. In order to identify how willing are Mongolian co-workers to learn new knowledge and experience following questions were asked from the interviewees:

1. How do co-workers support you when you share knowledge with them?
2. How do co-workers value your knowledge sharing?
3. What do you think what kind of attitude do local co-workers have towards new knowledge and experience?

All the interviewees responded homogeneously that younger employee/ young Mongolian co-workers are very willing and keen to learn new experience and expertise. Interviewees indicate that younger employees are very enthusiastic and open minded towards to knowledge. Most of expatriates receive appreciation and acceptance from young employee when they share knowledge with them. Interviewees expressed that senior local co-worker and male employees are somehow not much eager as young employees towards to new knowledge and experience. It takes time, expatriates put lot of effort and patience in order to transfer new knowledge and experience to senior local co-workers. For example:

*I perceive this as relative **to a person's age**. **Younger workers** are more **willing to learn and accept new ideas and knowledge** (particularly western technology based, even though they may have been taught differently at university). **Older workers tend to be much more suspicious and require more detailed 'proof of concept'** to be accepting of it. I#5page19*

*People some of them they know what **they don't know**, so **they humble** and willing to receive knowledge and experience like a sponge. Mongolians are very proud*

*but then but they **don't know what they don't know specially** in terms of **senior management**. I#7page19*

*As I said **younger people are very keen and enthusiastic** but elder bit **stubborn**. I#6page32*

*I found that **younger generation is very willing and capable in learning**, but **older generation little bit reluctant**. I#1page04.*

*Sometimes I do have a sense especially from the **males** they kind of think they **know everything**. It seems like I am trying to tell things that they already know but in fact they don't. I#2page07.*

*As I said before **younger generation are very into learning new things and little bit elder employee have their own established approach which is for them most reliable and they don't want to change** that with somebody who is new and unknown to them . But after a while when we show in real case that those things that we emphasizing is important their attitude change with in time. I#5page30*

Beside senior workers passiveness, the other important issue about local workers is hesitant attitude. Five expatriates expressed that local employees are bit hesitant to interact, ask questions and challenge senior management and especially new expatriates. For example:

*I think leadership style and management style in **Mongolia top down**, during the meeting for example only **senior managers' talk and others nod their head**. Only when senior manager ask for opinion they talk. I#7page33*

*Sometimes at first they think **who is that guy to tell me what to do**. So as good boss or as good trainer you have to find way to make it possible to conduct learning and transferring knowledge. You have to make it collaborative. Which is not easy to do? The trick is to make people to want to ask questions and learn from you. If you are able to overcome initial like **I don't like you because you are telling me what I have to do this stage with respect then human nature will take over come**. I think it is realization if you guide someone and if there is really good outcome. People will say he is okay, he is on my side. So they come to ask you more. I#3page13*

*Not as often as I would like. I am still in the process of developing my team to understand that **'ask for help' is not a bad thing**. I would much rather has someone*

ask me for 5 – 10 minutes assistance, than work hard to try and do something they don't understand for a poor result. Culturally I feel that people are scared to either admit that they need help, or have received help to complete something. I#5page26

*As I said before I am new for this organization so **I might be new for everyone.** They might **little bit not comfortable and hesitant to ask me.** If I see that I can be useful I always help to them. But one thing that I noticed is my college/ local employees **are little not comfortable asking somebody.** I think they should be more open. I#6page30*

*She/he is willing to learn but sh/he must **be more initiative and more tempting.** Sometimes I have feeling that she misses what I say to her but I think and I I hope she/he will change. Over all she is willing. If he/ she have positive attitude I have more **motivation to share!** But I think over all she/he should come up to me **with more questions,** when they don't ask I feel like they are overwhelmed. She never asked me so far what you mean. Can you explain to me in another way she never asked like that? I would be happy if she will ask every single question. I#10page48*

Based on the interview responds researcher concluded that younger employees are very enthusiastic and keen towards to new knowledge and experience. But there are two issues that organizations and individual employees must take to consideration. One is that senior management and senior employees must understand importance of knowledge management and be eager to absorb and reflect all the new knowledge and experience from the expatriates. Because previous study by Wang and Noe (2010) found that knowledge transfer has been positively associated with management support. Management supports affect both level and quality of the transferred knowledge. According to the interview respond we can clearly see that currently senior management and senior employees attitude not supporting knowledge transfer. Second issue is employee must develop two ways communication with expatriate, hesitance and fear will only slow the knowledge transfer process. As participants mentioned in many case Mongolian employee or entire organization did not nurture free and open communication inside organization. Because of difference of senior and junior position people communicate less than wanted. The result of the previous study suggest that organizations should create opportunities

for employee interactions to occur and employee's rank, positions in the organizational hierarchy and seniority should be deemphasized to facilitate knowledge sharing (Arthur & Huntley, 2005).

Rewards and Incentives

Literature on knowledge transfer most repeatedly mentioned that lack of rewards and incentives are the one of the biggest obstacle for successful knowledge transfer process. Researcher tried to identify if any of expatriates have received rewards and incentives for their knowledge sharing while they were working in Mongolia additionally asked how they would like to be rewarded. All the participant expatriates haven't been rewarded for their knowledge sharing. Two expatriates indicated that they received reward as a member of team but not for individual performance. Rests of the expatriates have not received any rewards and incentive because most of them have not been for their assignment long enough. Lack of rewards has been suggested to be a major barrier to knowledge transfer (Yao , Kam & Chan, 2007). But findings of this study indicate that most of expatriates see knowledge sharing and transferring as their duty and responsibility and they think they should not be rewarded for that. Most of them indicated that building connection, making friends, recognition and acceptance would be count as reward. Only one participant expressed that expatriates must be encouraged by bonus and incentives.

I don't really want to have reward and so on. But It would be nice after working with somebody, someone just come up and shake my hand and say thank you for teaching this and now I understand what you are trying to teach and it is been good working with you. That sort of thing will be nice in order to have medal.
I#2page07

I already have that made lifelong friends here. In some point I want to stay In Mongolia I enjoyed a lot. I would love to stay here for few more years. I#4page19

I hope that my co-workers would be happy to work for me in the future. My personal thoughts are that people work for individuals and not companies. Throughout my career I have tried to develop all that have worked for me, and I judge my success on whether or not those individuals would work for me again in the future.
I#5page24

Best reward for me is that my co-workers will learn from me and make carrier progress. And of course I would like to have my co-workers trust and respect. That will be my reward for me. I#6page30

*You should **not be rewarded** it is **part of your job**. If we are talking about normal employee we can talk about reward but for the expatriate knowledge transfer or experience transfer is main thing of the job function. You should not be rewarded if you don't do your job you should leave. I#7page35*

*Actually **I don't want any medal or rewards**. I think being **accepted, making friends and building connection is the biggest reward**. I#8page40*

*I would like to have **good reference** from my managers that will be my best reward. I#10page48*

From above answer we can conclude that almost all the expatriates are fully recognize their role as a knowledge transferor. Incentives and rewards are of course welcomed for any human nature. But working and living abroad far from home and family expatriates mostly value friendship and acceptance more that any rewards and incentives. Acceptance, respect and appreciation also mentioned by many expatriate that they count as a reward.

Socialization

Socialization between expatriate and local employee besides working environment is the one of the active ways to support successful knowledge transfer. All the participants expressed that they actively socialize with local co-workers. During that time they share lot of ideas, culture and language exchange occurs between expatriates and local employees. Expatriates expressed that by socializing they understand local co-workers more and it helps them build warm relationship. Homogenously all the expatriates answered that it would be nice to have more social activities which involves all the employees in order to build strong team and open communication. Most of the expatriates expressed they are really willing to understand culture and people because it helps them to have right approach in communication with local co-workers.

Difficulties

According to the literature review one of the major obstacles of knowledge transfer is fear of transferor to lose their power and superiority. In order to reveal do expatriates feel fear or not following questions were asked:

1. Do you feel comfortable to share your knowledge?
2. Do you have fear that local co-workers will learn all the necessary knowledge and skill and in the future will not need your assistance?

After transcribing interview respond researcher concluded that expatriates are fully realize main responsibility of their assignment which is transferring and sharing knowledge with local employees. They don't have fear of losing the power or superiority. Clear example we can see from the following interview responds:

*Yes I feel **comfortable**. I **never been scared** of my subordinates could do my job better. If they can do it they can find career progression. I#3page14*

*Definitely I **have no problem**. I wish I had more time to spend with guys and share more. Sharing my knowledge is the whole idea of expatriate work. I am not afraid. I#4page14*

***Not at all**. By developing the knowledge, experience and skills in my local co-workers I think that a more professional industry will be created Whilst this may reduce the need for 'expat knowledge', my belief is that the make-up of the professional workforce in the mining industry in Mongolia will reflect that of most other countries with an abundance of resources and scarcity of labor; it will become a very internationalized workforce – much the same as it is in Australia, Canada, United States. I do not think that expatriate workers are 'taking' Mongolian jobs, I think that through development of the industry they are 'creating' Mongolian jobs. I#5page26*

***No I don't have fear of sharing my knowledge and experience**. The reason why I am here is to develop local experts and employees. I hope I have 5-10 year long term future with Mongolia and with this time I would like to assist and help to many people as possible. I#6page32*

I feel comfortable. When I first became expatriate in 1979 my supervisor told me your responsibility is to share and transfer the all the things that you know to locals, I have no difficulty of doing that. Because more you share they can do better job. No I don't fear! That is mandate. If you fear it you should not become expatriate. I#7page36

I don't have fear. My mission in this company is to train junior geologist, I would be happy to leave when they have or know everything that they need to know from me. That day I will be happy to leave, here my mission is not just complete the task and go. I#10page52

As we can see from above respond participant expatriates involved in active knowledge transfer process, they all realized benefits of knowledge transferring. All of them don't have a fear and passiveness towards to transferring. Previous study findings by Sluzanski (1994) which consider that fear of losing power and superiority will inhibit knowledge transfer was not supported by finding of this study.

Co-workers ability

Co-workers ability to absorb knowledge is another important factor to consider in knowledge transfer process. Hard effort of expatriates and active support of leadership doesn't guarantee successful knowledge transfer. If recipient has low absorptive skill and negative attitude towards to new knowledge and experience all the effort of organizations and expatriates will be wasted. Interviewees' responds indicate that local employees have a willingness and keen to learn new knowledge and experience from the expatriates. But there are major issues which affecting knowledge transfer in terms of absorptive ability. Most of expatriates indicate that lack of language ability is the most difficult barrier in order to transfer knowledge. Only two expatriates did not have difficulties associated with language. Rest of expatriates face difficulties related to language issue. For example:

*I do have sometimes it comes to that point when **we draw picture on paper**. Most of time it is language barriers. I don't really see difficulties associated with culture. For an English speaking person English words are pronounced way how it is*

written VS Mongolian has an totally different pronunciation that way it is written. I#1page03

Because **some of them do not speak English** and my Mongolian is not that good but we worked out in the end. That is **language issues**, that can be **difficult** at that time but it is not hard to get over. I#2page03

Yes of course yes I do have. As **English native** speaker with my team I use **words very carefully**. But luckily my co-workers are very smart. But for example there are many words in English which has many meaning and big words and very expressive when you communicating with native English speaker it gives to conversation a great expression but when somebody is not a native English speaker it is better to use simpler words. That is the biggest thing I have learned as an expatriate. In basic communication and in knowledge **transfer language that you are using must be simple and concise easy for them to repeat**. I#3page14

Yes I think one of the **biggest problems that I have is language**. For me Mongolian language is very difficult. So I am not fluent in Mongolian and lot of guys who works here **English is not good enough**. Additionally technical terms and definitions are different depending where there if it is told by Canadian or Australian. I would say. Particular items called differently in Canada and Australia, sometimes even translators are confused. I#4page18

Obviously I would like to be able to explain knowledge and experiences in fluent Mongolian for easier understanding for the recipient. I have spent a lot of time thinking about how I am perceived in order to allow my communication to be more effective. I#5page25

Of course **language is the biggest barrier**. I am trying to learn some Mongolian. I think as an expatriate in Mongolia it is very important to learn Mongolian language and in the future try to answer or interact In Mongolian language. I feel very lucky to have in my office colleges who can speak English very well. But at mining site it is difficult to interact cause my Mongolian language is very poor and my **college's English is sometimes not that good** for me language is the most difficult obstacle. After while I hope we will overcome this obstacle. I#6page31

*They have good basic education. All local employees have to learn English in order to interact with expatriates. Especially in mining sector Mongolians must learn English for mining business. What I saw is **Mongolians still have poor English**. University and institute must provide future mining professionals good English language course specified with technical language. I#9page45*

*Definitely I can say that **biggest limitation is language. Poor English is obstacle** as I said it can be solved. If that person have desire to ask and know it will overcome. I#10page48*

From the above responds we can see that biggest obstacle in terms of absorptive ability in knowledge transfer process between expatriate and local employee is language. Most of the expatriates don't speak Mongolian language only one expatriate could speak some Mongolian. Therefore in order to receive all the knowledge and experience from expatriate's Mongolian employee must have sufficient English language ability to interact. Currently not all employees have an ability to interact with expatriates freely in English. This becomes major difficulty in knowledge transfer process. 59% of organizations which participated in World Bank Survey indicated that English language is the one of the major weakness of Mongolian employees. This study findings confirmed result of the survey.

Beside that three expatriates mentioned very interesting issues related to employee ability:

*Another large difference that I perceive, related to the previous issue, is that I perceive that people are much less likely to share information willingly with one another. I perceive that this type **of competitive behavior is quite unprofessional**, and ultimately detrimental to individual and wider development. My perception is that this type of competitive behavior is ultimately related to each individuals **desire to hold an advantage over their co-workers**. From my experience, it is more often more **senior people in the organization who exhibit this type of behavior – most often at the expense of employees who are junior to them**. Unfortunately, I also believe that this type of behavior is 'accepted', whereas in Australia this would be strongly criticized and the person withholding information in this manner would be ostracized within their workforce. I#5page22*

*Yes quality of my co-workers is very good I think it is **just corporate culture**. Lot of **people afraid to take an ownership, afraid to speak up**. They just passively take whatever senior manager says. **Mongolian senior managers are very demanding**. They don't leave time for cycle or for execution. They want instant feedback. I#7page36*

*I think leadership style and management style in **Mongolia top down**, during the meeting for example only senior managers' talk and others nod their head. Only **when senior manager ask for opinion they talk**. I#7page36*

Researcher is highlighting above responds because it helps us to see in which level of company knowledge transfer has less support and encouragement. Knowledge transfer cannot be supported just by individual employee's effort. All the level of the organization must recognize importance of new knowledge and experience. Unfortunately from above answers we can see clearly that senior managers and experts are lack of understanding about advantages of knowledge management and their action is not supportive. Senior managers and experts are the important link in the organization. If they don't have an ability to support and encourage knowledge transfer all the effort of leadership, expatriate, individual employee will be wasted.

Another answer to highlight is:

*I think that there is a general **unwillingness** of mining industry professionals to live and **work remotely in Mongolia**. This is apparent in the number of people wanting to fill 'management' and 'consulting' roles based in Ulaanbaatar. Doing this, particularly early in their careers, is severely limiting critical on the job in the field practical experience necessary to develop competency. I#5page22*

*Also one thing that I observed since Mongolia is booming right growing really fast so **lot of young people pointed to position to for which they are not ready**. But then because of position you have status and all of sudden you become like king so **position power came too early to young professionals**. Those are the people to whom it is hard to show. I#7page41*

Researcher identified this two respond as important because it helps us to see why senior management and senior positioned employee are not fully involved in knowledge transfer process. Because of lack of skilled labor force, many new positions are filled by the young

graduates who don't have hands on experience but they have authority and power which makes them superior. Unfortunately as we can see from respond most of them don't recognize importance of knowledge transfer as it wanted.

CHAPTER V. CONCLUSIONS AND SUGGESTIONS

Chapter Overview

In this chapter researcher presented conclusion and suggestions of the thesis study. Finalized conclusion of the study made based on the findings of the study which was presented in Chapter IV. Suggestions for mining companies and practitioners were made based on the purposes and findings of the thesis study.

The main purpose of this study was to identify what is the role of expatriates on knowledge transfer process in mining companies of Mongolia, what kind of knowledge transferred by expatriates, what are the main factors and difficulties affecting knowledge transfer process. Research was conducted by qualitative approach, researcher designed framework based on the literature review and interview questions was designed according to framework.

Conclusions

Expatriate's Role on Knowledge Transfer

Findings of the study indicate that beside main professional duties all the expatriates play role as an advisor, mentor, leader and director. Expatriates fully recognize their role as knowledge transferor. Education background and profound professional experience in the related field makes expatriates valuable source of new knowledge and experience for Mongolians mining companies. Additionally to education background and experience personal willingness plays major role in knowledge transfer process. As we can see from findings all the expatriates have willingness and desire to share and transfer their knowledge and experience. Therefore based on the findings of the study researcher concluded that expatriates who are assigned to Mongolian mining companies play an advisor, mentor, guide, leader and director roles. Through those roles knowledge and experience becomes transferable. All the participated expatriates have necessary characteristics and requirements for knowledge transferor.

Types of Knowledge Transferred by Expatriates

Interview participants homogenously expressed that Mongolian professionals especially professionals in geology have good performance and skill. Mainly Mongolian employees and professionals' lack of hands on experience in administrative, management tasks and in new technology in terms of mining equipment exploitation. Expatriates introduce new technology and international business methods like: documentation, financial issue, planning. Therefore researcher concluded that expatriates mostly transfer to Mongolian employees' management and technology related knowledge. Company policy and business strategy was not mentioned by any expatriates.

Factors and Obstacles Affecting Knowledge Transfer Process

Researcher considered following factors as a most influential to knowledge transfer process: Leadership, Information Communication Technology, Team/Co-Workers, Rewards and Incentives. Interview questions were designed to reveal how those factors affect expatriates on knowledge transfer process. Based on the research findings researcher concluded that Mongolian mining company's leaders are very supportive about knowledge transfer. They make lot of effort to find capable and sufficient expatriate who will share their knowledge and experience with Mongolian employees. As we can see from the findings all interview participants/expatriates have good education background and diverse experiences to their related fields. Almost all the expatriates were exposed internationally and had a knowledge sharing experience in different countries. Therefore researcher concluded that leadership in Mongolian mining companies encourage and support knowledge transfer between expatriates and Mongolian employees. They emphasize and do their best to bring competent expatriates. In order to be more cheerful and supportive leaders in Mongolian mining companies must give feedback and a comment as knowledge transfer successfully occurs. Because as we can see from findings only two expatriates expressed that they do receive feedback and comments rest did not receive deserved or wanted feedback from their leadership.

Without sufficient information communication technology it is impossible to connect with people and transfer knowledge with them. Finding of the study shows that all the expatriates

have necessary ICT equipment in their working environment. None of expatriates expressed that they have difficulty accessing ICT equipment. Therefore researcher concluded that Mongolian mining companies equipped very well have all the necessary modern technology and equipment to support knowledge transfer.

Third factor which was considered by researcher as important is co-workers attitude. Findings revealed that younger employees are very enthusiastic and keen towards new knowledge and experience. They appreciate and value new knowledge and experience transferred by expatriates. Unfortunately all the expatriates expressed that elder employees are passive and reluctant towards new knowledge and experience. It takes time and patience from expatriates in order to transfer new knowledge and experience. Beside that expatriates stated that most of Mongolian employees have some hesitance and fear to challenge expatriates or come up with questions. Especially it comes up when they need a help. According to expatriates it takes time to nurture open and free, two way communication between expatriates and Mongolian employees. Therefore researcher concluded that Mongolian employees' especially young employees have willingness and desire to absorb new knowledge and experience. Elder or senior positioned employees lack of enthusiasm and willingness towards new knowledge and experience. Hesitance and fear to interact with expatriates slows down the knowledge transfer process.

Knowledge transfer literature mentioned that rewards and incentives as one of the most important factors which affect successful knowledge transfer. Findings of the study reveal that none of expatriates received rewards or incentives while they were working in Mongolia. None of them expressed that they expect rewards and incentives for their knowledge sharing. They responsibly understand that main purpose of their assignment is to transfer knowledge and experience to Mongolian employees. Expatriates homogeneously answered that they should not be rewarded for their knowledge sharing. Living far from their home and family most of expatriates count appreciation, friendship, acceptance and respect as reward. Lifelong friendship and acceptance is most valued by expatriates more than any rewards. Therefore researcher concluded that rewards and incentives are not much important for expatriates who assigned in Mongolian mining companies as it mentioned in literature review.

Researcher considered following factors as difficulties: fear to lose power and superiority, co-workers ability and culture difference. Findings of the study revealed that all the expatriates are comfortable when they share knowledge and experience with local co-workers. They don't regret about effort and time that they spend for knowledge sharing. All of them are very enthusiastic and active towards to developing knowledge sharing environment in the organization. About fear to lose power and superiority expatriates understand that main purpose of their assignment is developing Mongolian employee through sharing their knowledge and experience. They don't have a fear to lose power and superiority. They agree that it is inevitable that after certain years Mongolians will be capable to manage and lead Mongolian mining sector by Mongolian professionals. Therefore researcher concluded that expatriates don't have fear to lose their superiority and privileges all of them recognize benefits of the knowledge management and especially knowledge transfer.

Co-workers ability is one of the most crucial factors which impact successful knowledge transfer. Although Mongolian employees are enthusiastic and keen towards to new knowledge, ability to absorb that knowledge determines whether if they receive transferred knowledge or not. Findings reveal that most lacking ability in order to receive new knowledge and experience from expatriate is English language ability. Only two expatriates expressed that they don't have difficulties associated with language rest expressed that co-workers low fluency in English makes knowledge transfer process slow. None of expatriates expressed that country culture affect negatively to knowledge transfer. Therefore researcher concluded that poor English language ability of Mongolian employees is negatively impacting knowledge transfer between expatriates and Mongolian employee.

Suggestions

Purpose of this thesis study is to find out: What are the expatriate's role on knowledge transfer, what type of knowledge transferred from expatriates to Mongolian employee, what are the main factors and obstacles which are affecting knowledge transfer process. Suggestion were made according to the main purpose of the thesis study additionally researcher emphasized some

suggestions which will help practitioners and future researcher to develop knowledge management in Mongolian mining organizations.

Expatriates agreed that main purpose of their assignment is to share and transfer knowledge to Mongolian employee. They have all required ability like: good education, diverse experience and personal willingness. Organizations and individuals must create friendly and welcoming environment in order to fully receive knowledge and experience that expatriates are bringing with them. Especially inside the organization co-workers must assist expatriates to adjust and understand Mongolian culture and life style. Better adjustment and better understating of the local life style and people will help expatriates interact with Mongolian employees more openly and it will reduce misunderstanding between expatriate and Mongolian employees.

Findings reveal that most of Mongolian employees have high professionalism. But they lack of hands on experience especially they lack of international methods in management and organizational skills. As we can see from finding young employees are keen and enthusiastic about knowledge transfer but hesitance and fear from seniors slows down knowledge transfer process. Therefore in order to learn and develop, young employee must nurture open communication with expatriates and senior employees. Additionally according to the highlighted interview respond we can see that most of Mongolian young professionals refuse and unlike to have practical experience most of them want to have high position right way. But without experiencing stages of the career path it is difficult to become skillful and successful professionals. Young graduates must have patience and passion to their profession if they really would like to become successful in the future. They must know all the different aspect of that field. Excellent academic achievements senior position right after graduation doesn't guarantee that he or she is successful. Only combination of high academic achievement and practical experience in mining site and in work environment will create real skillful professionals. Mongolian employee especially young employees should not be scared of challenges they should understand that high professionalism comes with practical experience. Although it is difficult to work in remote mining site, this is the only way to gain practical knowledge and better understanding of the related field. Researcher suggests that young employee and future professionals must have practical experience while they are studying in university and institute.

This is very possible to do during student summer break and vacations. Challenges are hard to handle but in end it will improve competitive advantage.

Second important issue about employee's attitude to consider is senior management and expert's passiveness towards new knowledge and experience from expatriates. Leadership support, expatriates effort and individual employee desire cannot assure successful knowledge transfer, because senior managers and experts play vital role in the organization. They link entire organizations without their support knowledge transfer will be lost and cannot result desired achievements. Therefore senior management must understand advantages of knowledge management and specially knowledge transfer. If senior management really would like to lead successful organization they must understand that new approach and new knowledge is the key to success.

All the organization must nurture friendly, open environment for all the members of the organization. Employees in all the level must understand that asking help is not negative thing they should not feel ashamed or feared because they don't know this or that thing. Pretend to understand or complete task insufficiently is worse than asking for help. Mongolians are very proud people in some case because of that they don't admit that they don't know instead they just pretend to know. This type of characters won't be beneficial to anyone. Therefore Mongolians must understand that by being enthusiastic and active in knowledge transfer process they can improve and develop.

Beside attitude crucial factor to consider is employee ability. All the expatriates expressed that Mongolian professionals in mining field doesn't have sufficient English language ability to interact. Mongolian professionals especially professionals in mining field must develop English language ability in order to receive all the knowledge and experience from expatriates. Universities and institutes must provide English language course which must be specified by mining field. Because just knowing English language doesn't guarantee 100% understanding because this field has their own terminology and defined words to use. Additionally English is official business language in current days especially in terms of international mining business. Therefore Mongolian professionals must consider English language as one of the most necessary skill. English language course must be mandatory in all the university and institute which prepare future mining professionals.

Findings revealed that Mongolian mining company's leaders are very supportive about knowledge transfer. In order to improved they must trigger and create friendly environment for it. Easiest and simplest way to encourage knowledge transfer is to know when to give positive feedbacks and comments.

For the future researcher there are many expatriate related studies which haven't been done before in Mongolia. Literature review related to expatriates topic almost not existing. Researchers can make groundbreaking studies like expatriate adjustment in Mongolia, or difficulties of expatriates' adjustment in Mongolia and so on. This study reflected only expatriates perspective about knowledge transfer in Mongolian mining sector future studies can reflect host nationals/ Mongolian employee's perspective toward knowledge management using same framework and approach. Additionally it will be very useful to conduct the study about Mongolian business company culture, at moment Mongolia is facing mining boom lot of foreign companies comes up with investments and with their Western organization culture versus Mongolian business companies just learning and nurturing their own organizational culture.

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APPENDIX A: INVITATION LETTER

Letter for Interview Participation

To whom it may concern:

I am current graduate student in Graduate Institution of International Human Resource Development (IHRD) at National Taiwan Normal University. I am doing my thesis research on topic: Expatriate Role on Knowledge Transfer of the Mining Sector in Mongolia. This study will help to build warm relationship between members of the organizations and assisting organizations to recognize knowledge management more seriously.

To implement my thesis study successfully, I need your enthusiastic participation. I would like to hold a Skype interview with you in order to fulfill my research purpose. By providing honest answer to interview questions you are assisting researcher to identify role of the expatriate on knowledge transfer process, additionally helping to answer to following questions: what are the main factors affecting to knowledge transfer process? What obstacles are affecting to knowledge transfer process? All your respond will be reflected to the final research result.

As participants you are making great contribution to expatriate reputation in Mongolia, triggering necessary changes in organization, assisting organizations to improve and understand benefits of the knowledge management. There are no researches related to expatriates who are working in Mongolian mining sector therefore your respond will be reflected and considered for future studies as a reference. Please try to answer to each question in detail and deliberate way. All the information that you provide will be highly confidential, no second hand use in future without participant's permission. Thank you for your cooperation and time. If you have any question about participation and research please don't hesitate contact me.

Sincerely,

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APPENDIX B: INTERVIEW QUESTIONS

To identify the role of the expatriates on the knowledge transfer process, the following questions will be used as the main inquiry of this study:

1. What is the role of expatriates in the knowledge transfer process in mining companies?
2. What kind of knowledge is transferred by the expatriates to organization?
3. What are the main factors and obstacles facing the expatriates during the knowledge transfer process?

In order to identify role of the expatriate in knowledge transferring following question will be asked from the participants:

Interview Questions

Internalization

1. What are the main reasons for headquarters' leaders to make decision to send you as expatriate?
2. What is your main competitive advantage?
3. Do you think you have a deeper knowledge and professionalism than local co-workers? Please give an example!
4. Do you often voluntarily assist local co-workers when it is necessary?
5. Do you enjoy assisting to local co-workers?
6. Do you regret about time and effort that you spent to share knowledge with local co-workers?

Socialization

1. Beside working environment how do you socialize with your co-workers?
2. How often do you attend sports events, parties, activities organized by your organization?
3. Do you enjoy time when you socialize with local co-workers?

Organization

1. How your leadership does support you when you share knowledge?
2. Do you receive any positive feedback and comment from leadership when you share knowledge with local co-workers?
3. Does your office provide all the necessary Information Communication Technology Equipment?
4. Do you have any difficulty in your daily work because of lack of ICT technology?

5. How willing are your co-workers to learn new knowledge and experience when you share with them?
6. How often do you have a request from local co-workers to cooperate, assist and give an idea on assignments?
7. How do co-workers support you when you share knowledge with them?
8. Have you ever received any rewards or bonus while you were working in Mongolia? If yes for what?
9. How would you like to be rewarded for sharing your knowledge and experience?

Combination

1. How do your co-workers value your knowledge sharing?
2. What do you think what kind of attitude do local co-workers have towards new knowledge and experience?
3. Do you have any difficulties when you are sharing knowledge and experience associated with culture and language?

Expatriate Knowledge

1. What is your specialty?
2. What is your responsibility in host organizations?
3. What are the most common knowledge and experience that you share with local co-workers?
4. In which situation local co-workers need your assistance most?

Difficulties

1. Do you feel comfortable to share your knowledge?
2. Do you have fear that local co-workers will learn all the necessary knowledge and skill and in the future will not need your assistance?
3. Do co-workers have an ability to absorb knowledge and experience that you are sharing with them?
4. What ability lack most local co-workers in order to receive new knowledge and experience?
5. What do you think how enthusiastic are local co-workers towards new knowledge and experience?
6. Do you have any other obstacle and difficulties when you are sharing knowledge and experience?

APPENDIX C : EXAMPLE OF PARTICIPANT'S INTERVIEW RESPOND

Internalization

1. What are the main reasons for headquarters' leaders to make decision to send you as expatriate?
1.1 I was hired based on my past experience, I worked primarily on Komatsu equipment that is particular type of equipment we are building at Oyu Tolgoi. So I guess I was hired based on my expertise.
2. What is your main competitive advantage?
2.2 I think I am pretty calm natured, patient and I am willing to teach. I been working for industry for 15 years

Organization

1. How your leadership does support you when you share knowledge?
1.1 They encourage us to take time and show to the guys how to do particular tasks jobs properly and not cut corners, do job safely and put big emphasis on safety.
2. Do you receive any positive feedback and comment from leadership when you share knowledge with local co-workers?
2.2 Yeah we do! We do receive good feedbacks when we do good job for sure.
3. Does your office provide all the necessary Information Communication Technology Equipment?
3.3 We do have internet access. If you need to make call, send an email we ask our manager. Our managers provide all the necessary ICT equipment when it is necessary. I mechanic and Od is translator we don't have computer but if it is necessary our supervisors provide us.
4. Do you have any difficulty in your daily work because of lack of ICT technology?
4.4 No I don't have any difficulty associated with lack of equipment in the office.

Socialization

1. Beside working environment how do you socialize with your co-workers?
1.1 I enjoy a regular social life with my co-workers. This includes sporting activities, after work drinks / dinners, camping, hiking, house-warming parties, weddings, etc. I feel that my social life with local Mongolian co-workers is not to different from my relationships with co-workers in Australia, albeit at times different interests