

A Five-Year Follow-Up:
**Making West Sweden a Better
Location for International Companies**

Certain quality of life factors need to be addressed. Those factors are related to housing, the ease of use of public services, and allowing expatriates to feel at home and welcome.



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Citera oss gärna, men ange källa.

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1. Introduction

Having highly recognizable and respected international corporations in the region is no longer enough to secure West Sweden as a desirable and viable location for future international investment and economic development. The region must prove itself capable of nurturing an environment that sustains and promotes international growth, not only through tangible statistics like corporate income and a skilled workforce, but also through the sometimes intangible factors including quality of life and word-of-mouth reputation.

The experiences of expatriate families living in West Sweden have a direct effect on the region's ability to continue to attract highly-qualified talent from around the world. Having solid support facilities in place is no longer desirable, it is a necessity.

In 2001, the original expatriate survey was conducted and presented to the Göteborg community. That study, *How to Make West Sweden a Better Location for (the Employees of) Multinational Companies*, formed the basis for WIN – West Sweden International Network, established at the West Sweden Chamber of Industry and Commerce. Five years later, WIN has completed a follow-up survey to identify regional growth in terms of support for expatriates and their families, and what areas remain to be analyzed and addressed.

Purpose

The primary purpose of this follow-up report, *How to Make West Sweden a Better Location for International Companies*, is to identify areas in which the Göteborg region has stepped up to the challenge of providing an environment that attracts and sustains international growth through expatriate support, and what areas remain questionable and require new or enhanced evaluation and action.

Executive Summary

The results of the 2006 survey show that a different type of expatriate is emerging, one who is less likely to be sent to the area on a defined 3-4 year contract. In-

creasingly, expatriates are more likely to come from Europe than the U.S. and tend to stay for less than two years or settle permanently. Less expatriates are relocating with a family and less of them hold executive management positions. These findings follow the trends that are being reported worldwide and provide a view to the future competitiveness of Göteborg as a region that can attract foreign investment.

To continue to improve the perception of Göteborg as a good location for expatriates, certain quality of life factors need to be addressed. Those factors are related to housing choice and availability, the ease of use of public services, and the opening of the Swedish tightly-knit social environment to allow expatriates to feel at home and welcome. Among the many strengths of the region that should be proactively communicated are the safety and attractive lifestyle available to expatriates.

Method

In May 2006, a questionnaire was mailed to approximately 300 expatriate households along with an introduction cover letter, a one-page WIN survey supplement, and a return envelope.

The questions asked in this follow-up expatriate survey remain consistent with the original survey from 2001 in order to provide an across-the-board comparison of identified strengths and weaknesses, and to outline accomplishments as well as remaining limitations. The survey included a few new questions in order to capture additional information as a result of a more in-depth understanding of the expatriate community. These questions, however, will not be compared to the original study, but will be presented as enhancements.

Out of approximately 300 surveys mailed to expatriate households, 51 surveys were returned, a 17% return rate.

2. Background

Foreign-Owned Companies

As the statistics show, the number of foreign-owned companies investing in the Göteborg region has nearly doubled

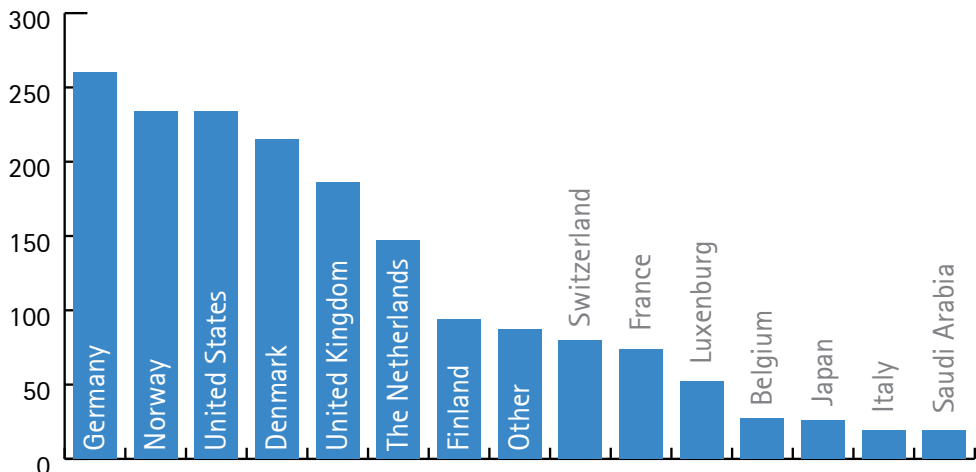


Chart 1: Foreign-Owned Companies 2004.
Source: Business Region Göteborg Facts & Figures 2005

over the past five years, with 1,754 companies today compared to 922 companies in 2000. They have a substantial impact on the region’s economic development by creating new jobs and increasing the tax base for the region.

While American companies were at the top of the foreign-owned landscape in 2000, investment has slowed from the United States when compared to European countries including Germany and Norway, which have surpassed the U.S. in the number of companies located in the Göteborg region.

Employees at Foreign-Owned Companies

According to ITPS, in 2005 there were 9,490 foreign-owned companies in Sweden, employing approximately 540,000 people. At the end of 2006, there are 10,189 foreign-owned companies, employing 560,000 people. More than 70,000 of these are employed at foreign-owned companies in the Göteborg region alone.

Even though European companies dominate the number of foreign-owned

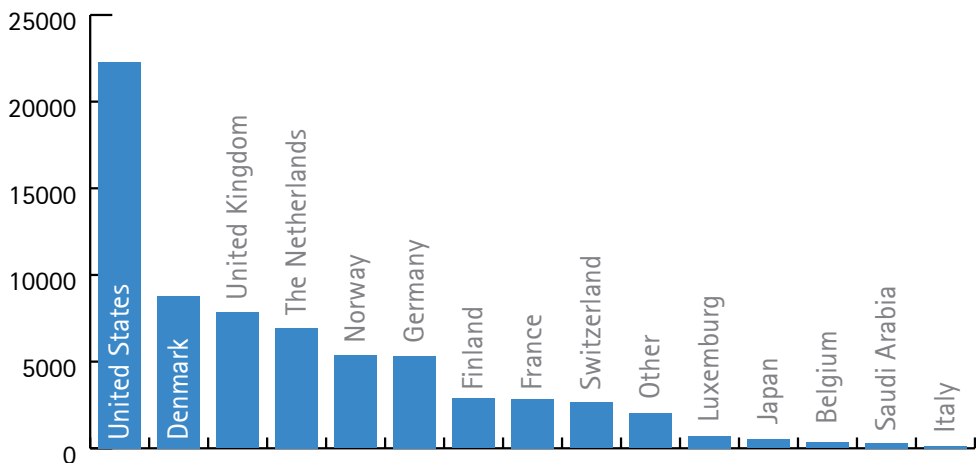


Chart 2: Number of Employees in Foreign-Owned Companies in the Göteborg Region (2004)
Source: Business Region Göteborg Facts & Figures 2005

companies in the region, American firms employ the highest number of employees, with 33% of all employees in foreign-owned companies.

Number of Respondents and Companies Represented

In total, 51 respondents replied to the 2006 Expatriate Survey, a nearly 20% return rate. Eighteen companies are represented in the 2006 survey compared to seven companies that were represented in the original 2001 Expatriate Survey.

Definition of an Expatriate

Past references to the term 'Expatriate' were based on the definition of an expatriate as someone who had relocated to work in the Göteborg region on a defined, short-term employment contract of 2-5 years. This recent survey of expatriates in the region shows, however, that the traditional definition of an expatriate is no longer the most accurate, and needs to be revised.

The trends shown by the survey for the West Sweden region are in agreement with what is being reported by other organizations and the media. According to an article from the June 24, 2006 edition of The Economist, titled Staffing Globalisation, Travelling more lightly, "More people are being sent on short-term, 'commuter' assignments where they do not need to uproot their families." The commuting trend is especially strong in Europe.

Length of Stay

In the original 2001 survey, 100% of the respondents were here on defined 2-5 year contracts, with 73% of those living here three years or less. Five years later, the 2006 follow-up survey shows that 80% of the respondents are here on a contract with a defined number of years, and 47% of those are living here three years or less. Therefore, the number of expatriates living here on a defined, short-term employment contract has decreased while the average number of years here has increased.

These figures can be directly related to the shift in the type of employment contracts offered to expatriates, from de-

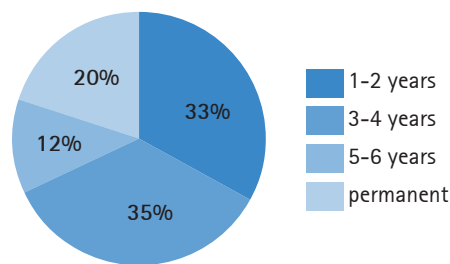


Chart 3: Length of Contract 2006

finied, short-term contracts to local contracts with a higher or undefined number of years.

Types of Jobs

Other differences from the traditional definition of an expatriate can be found in the type of jobs held by international employees living in the region. In 2001, 31% of the expatriates living in the region held executive management positions. Today, that number is 10%, and the increase is in the number of middle- and lower management positions being filled by international employees.

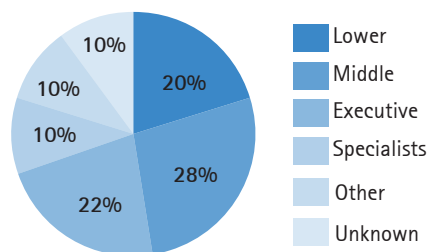


Chart 4: Expatriate Professional Position 2006. Lower, Middle and Executive all signifies level of management.

Countries of Origin

According to the 2006 survey, a majority of expatriates relocating to the Göteborg region are from European countries, mainly France, Germany and the Netherlands, 76% in all. Another 18% are from the United States, and the remaining 6% are from the Far East, South America and Canada.

This differs from the 2001 survey, which found that 39% of expatriate employees were sourced from the United

States and 47% were from various European countries. This finding translates into a 62% increase in the number of European expatriates and a corresponding 53% decrease in the number of U.S. expatriates.

The shift from American to European expatriates may be related to the changes observed in the length and type of assignments given to employees. Companies are trying to keep down costs by sending employees on shorter contracts with leaner terms. In turn, many employees do not wish to uproot their families, and to risk the stability of their children's schooling and spouses' careers. The convergence of these two trends translates into an increase in the type of expatriates that can move without family or children, which is more advantageous to European versus American employees.

A recent change in the U.S. tax code, which was passed in the summer of 2006, will make it costlier for American firms to send employees abroad. This, in turn, may produce a further slow down of American foreign investment in the coming years.

Family Arrangements

In 2001, 91% of expatriate employees in the region had families living with them during the length of their contract. In 2006, that number has reduced to 76% of expatriates that have families living with them in the Göteborg region. One reason for this is the increase in hiring single, non-married employees, which can reduce the overall cost of relocating an expatriate to work at the foreign-affiliated office in Sweden.

Another reason may be the unwillingness on the part of employees to disrupt a family's quality of life if the benefits and incentives being offered

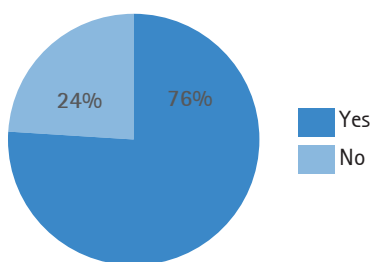


Chart 5: Living With Family 2006

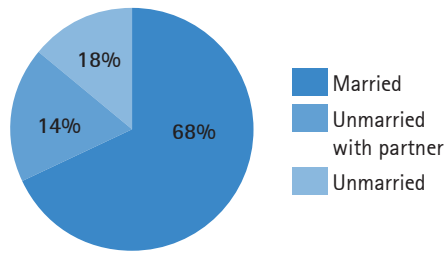


Chart 6: Marital Status 2006

today are not enough to counter-balance the inconvenience of relocating an entire family to a foreign country.

Additionally, more unmarried expatriates, 32%, are relocating to the Göteborg region when compared to the 2001 survey, when less than 10% were not married.

A new question was added to the 2006 survey, not for comparison purposes with the original, but for additional information and a deeper understanding of the expatriate profile. Those expatriates that were living with families in the region were asked to list the ages of children living with them.

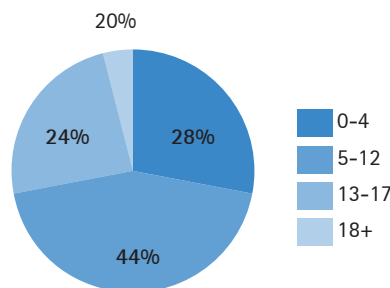


Chart 7: Ages of Children 2006

Seventy-two percent (72%) of the children living with expatriate families in the Göteborg region are under the age of 12, and another 24% are between the ages of 13-17. In total, 96% of all children living in expatriate households in the Göteborg region are school-age children.

Factors in decision to move to Sweden

The statistics show that most of the expatriates moving to the Göteborg region value the experience over all the other factors. From a professional standpoint,

Professional Factors: How important were the following factors when making your decision to move to Sweden?

| | 2006 | 2001 |
|---------------------------------------------------------|------|------|
| Increased job experience | 8.6 | 8.5 |
| Springboard for future career opportunities | 7.9 | 7.8 |
| Job responsibilities (anticipated) at new unit | 7.8 | 8.4 |
| Experience with your company's international operations | 7.0 | 7.1 |
| Better pay/benefits | 5.0 | 6.1 |
| International assignment was required by company | 4.3 | - |

Averages on a scale of 1-10, 1 = not important, 10 = most important)

the increase in job experience rates highest, as does the chance to experience a new culture from a personal standpoint.

An unexpected result appeared in the average result for the new question addition to the 2006 survey, International assignment was required by company. The low average rating of importance was not expected and may be explained by the fact that while many companies do not directly state that the employee is required to work at an affiliate office abroad, there is often an unspoken assumption that if the employee does not expand their experience through international assignments, they will be passed over for promotional opportunities within their company.

Another interesting rating accompanies the Better pay/benefits factor. Increased pay for the expatriate was one of the lowest professional factors when deciding to move to West Sweden. However, it should be noted that a direct increase in salary may not have been a deciding factor as many companies offer other benefits to compensate for the 'inconvenience' of moving to another country. These benefits may include hou-

sing allowances, vehicle allowances, paid travel to home country, etc.

Overall, the opportunity to live in another country and experience a new culture influenced the personal decision to work in West Sweden most, while an increase in job responsibilities and job experience rank high in the decision to move based on professional growth.

Open Comments

- "Opportunities for travel - often have connecting flights which increase the time of business travel journey. Same problem for holiday."
- "No good international connections by plane with low-cost carriers."
- "Flying within Europe almost always involves changing planes before destination."
- "Best life experience so far. No negative aspects at all - only positive!"
- "Personally, I did sincerely enjoy living and working in Sweden as I wanted such an experience."
- "Gothenburg is a great city to live in and above my expectations. I'm happy I moved."

3. Opinions (expectations) of Göteborg

Expatriate visits to Sweden/ Göteborg before relocation move

A majority of expatriates that relocated to the Göteborg region, 81%, had visited before, with a third of them as frequent visitors, most likely because of work.

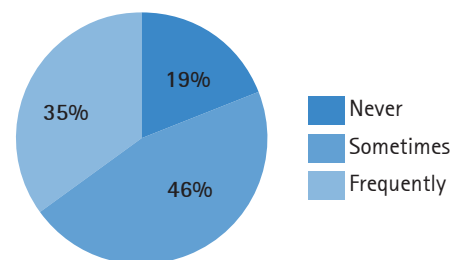


Chart 8: Visits to Göteborg Before Relocation Move 2006

Personal Factors: How important were the following factors when making your decision to move to Sweden?

| | 2006 | 2001 |
|----------------------------------------|------|------|
| The chance to experience a new culture | 8.2 | 7.4 |
| Living in a foreign country | 7.9 | 7.5 |
| New environment | 7.4 | 4.6 |
| Cultural experience for family | 7.0 | 8.3 |
| Leisure travel opportunities | 6.3 | 8.1 |

Averages on a scale of 1-10, 1 = not important, 10 = most important)

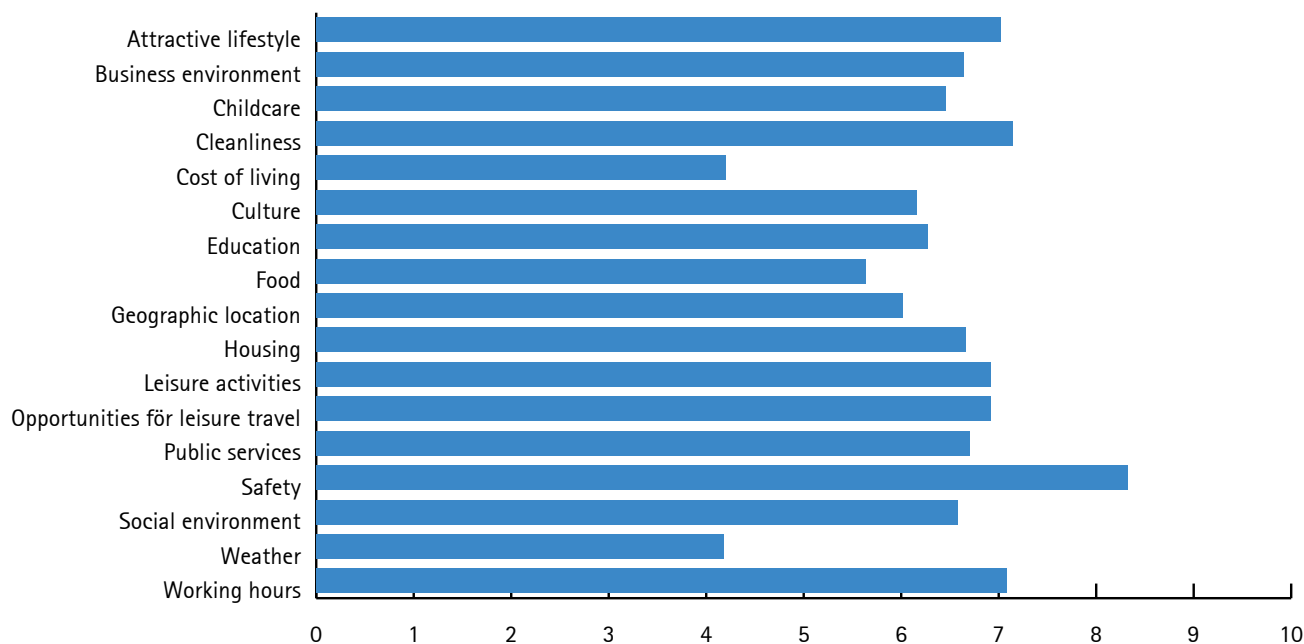


Chart 9: Expectations Before Moving 2006

Therefore, many of the expatriates living in the region had a pre-determined opinion of Göteborg prior to their move.

Expatriate opinions (expectations) before moving to Göteborg

The top three ratings for quality of life belonged to the following factors: safety, working hours/vacation days, and city cleanliness and attractiveness. The bottom three ratings belonged to: weather, cost of living, and food.

Prior to moving to the Göteborg region, expatriates primarily believed that the region offered a safe living environment. This is most likely due to the low crime rates relative to their home countries and the fact that this rates high on Sweden's quality of life factors that are marketed worldwide.

Expatriates also believed that the city of Göteborg was a clean, well-maintained and attractive city as this was the second highest rating in expectations before their relocation.

Sweden has a reputation as a location that offers an enviable balance between work and leisure, and expatriates also believed this to be true prior to their relocation. They valued working hours/number of vacation days third highest on their list of expectations, with attractive lifestyle rating just slightly under.

If expatriates visited the Göteborg region outside of one of the short, fair-weather summer seasons, then they certainly experienced one of the never-ending topics of conversation for residents in the region...the weather. Prior to moving to the region, expatriates did not have high expectations/opinions for the weather as it received the lowest rating among all factors.

Expatriates were obviously aware of the high cost of living in the region as this also received a very low rating among all expectations prior to their move, just slightly above the weather.

One additional item that should be noted was the lack of expectation for the Göteborg region cuisine. Food was rated only an increment above not having an opinion at all. When compared to other international locations around the globe, Sweden typically does not have an immediately identifiable cuisine.

Importance of Factors for Relocation

The survey asked expatriates how important were the quality of life factors when deciding whether or not to accept an assignment and relocation move to Göteborg. The most important three factors were: safety, social environment (friendly people) and attractive lifestyle.

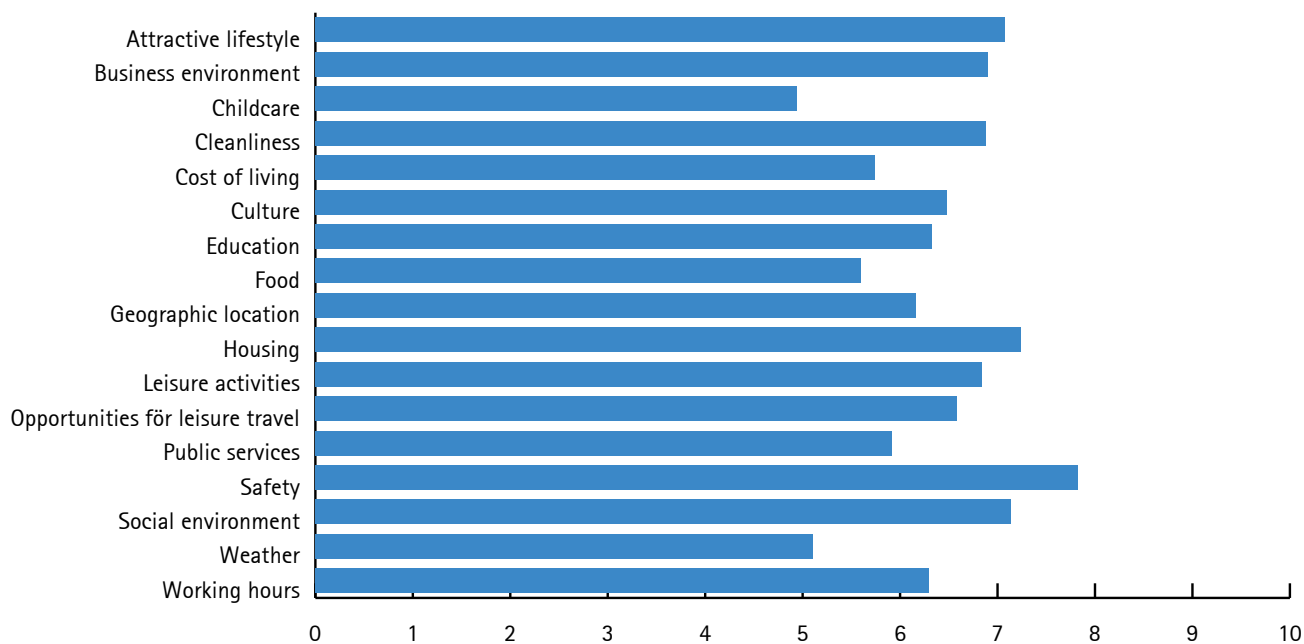


Chart 10: Importance of Factors for Relocation 2006

The least important ones: childcare, weather, and food.

Consistently, expatriates rated safety highest among their expectations for the region prior to moving here. They also listed safety as the most important factor when deciding whether to relocate to the region. This is of particular concern for expatriates that may be relocating a family with them.

Housing was also an important factor when considering a move to the Göteborg region. With such a high percentage of expatriates visiting the region prior to their relocation, they were most certainly introduced to the reputation of the region as having a very high-priced and tight housing market, thus the lower rating on the list of expectations prior to their move. Low expectations of the housing market do, however, translate into an important factor when deciding to relocate.

The social environment (friendly people) and attractive lifestyle were also high on the list of important factors when making the decision to relocate to the region.

The topic that factored least in expatriates' decisions to move to the Göteborg region was childcare. This may be explained by the lower percentage of families moving here with preschool-age children (28% vs. 68% with school-age children). Many families that relocate to the Göteborg region also include one spouse

who does not work full-time in the local community, thus allowing for more preschool-age children to stay at home. In these cases, childcare does not become a determining factor for relocation.

There was a pre-determined low expectation for the weather before moving to the region, which explains why weather was not a strong factor when deciding to relocate. The same can be said for the region's cuisine, which had low expectations prior to their relocation and respectively did not factor in their decision to move.

And as with other factors for which the expatriates had low opinions about prior to their move, cost of living did not play a major role in the final decision to move to the region, most likely because they were already aware of the high costs prior to the relocation decision.

Expatriate opinions about Göteborg after the move

The survey asked expatriates how they viewed the quality of life factors after they had relocated to the Göteborg area, and if they perceived it as an international-friendly place. The most top three rated factors were: safety, attractive lifestyle, and leisure travel. The bottom rated ones were: cost of living, weather and food.

After relocating and living in the Gö-



Chart 11: Opinions after Living in the Göteborg Region 2006

teborg region, safety still rates highest among quality of life factors. Expatriates expected the area to be safe prior to their move, and still believe this to be true after relocating to the region.

Likewise, an attractive lifestyle was viewed highly by expatriates before choosing to relocate to the area, and this remained consistent and was even rated slightly higher after the expatriates moved to the region and had experience living in the region.

In line with pre-determined expectations, the working hours/number of vacation days was a stable quality of life factor for expatriates in the region. Many expatriates who move to Sweden experience a more balanced lifestyle between work and family/leisure time as the normal constraints and social requirements from their home environments no longer exist in a foreign residence.

One area that strengthened from expectations to experience is the opportunity for leisure travel. Expatriates that are evaluating a relocation to Scandinavia often believe that although the Scandinavian countries are a part of Europe, they are isolated and far to the north. However, after moving to the Göteborg region, many expatriates take advantage of the bountiful shorter holiday destinations both within the country of Sweden

as well as neighboring Scandinavia and other European countries.

As was expected prior to relocating to the Göteborg region, the weather remained the lowest quality of life factor. While this is not a manageable factor through human control, it should be recognized as affecting the quality of life for expatriates living in the region. Having said that, it does not seem to rank high in priority (Question 3.3) when making the decision to relocate to Sweden.

The cost of living in Sweden was viewed as a disadvantage when evaluating a relocation to the Göteborg region, and this quality of life factor remained consistently low after their move. Many of the everyday necessities carry a much higher price in Sweden, items such as housing, food, and transportation (fuel, etc.).

Open Comments

- “Attractive city with a lot of opportunities.”
- “Everyone speaks English, safe city, alive city.”
- “Overall good quality of life, low crime, good education, etc.”
- “Safety - education - housing - child-

care (strengths).”

- “Safe environment, very little traffic (problems), nature is beautiful, space, trusting people.”
- “Safe, clean, beautiful, many people speak English.”
- “This is a safe city where I feel respected. Public transportation is easy and effective.”

4. Strengths for the Göteborg Region

Expatriate Changes in Opinion after Relocation

Changes in the opinion of quality of life are identified by comparing the average rating for the opinions of expatriates before moving to the area with the average rating for the opinions of expatriates after moving to the area.

The three top-rated factors across all measures (importance, pre- and post-move opinion) were different with only two exceptions. Safety and attractive lifestyle were the two factors that rated consistently highest.

When analyzing expatriates’ opinions it becomes evident that the overall perception of the Göteborg region generally

Top Three Factors

Pre-Move Top 3 Factors

1. Safety
2. City cleanliness
3. Vacation and work hours

Post-Move Top 3 Factors

1. Safety
2. Attractive Lifestyle
3. Leisure travel

Most Improved Factors

1. Weather
2. Food
3. Housing
4. Cost of living

fairs better after the expatriate has moved to the area. Fourteen of the seventeen quality of life factors were viewed more positively after the expatriate’s move. By calculating the differences in scores, it is possible to see how an expatriate’s perception of a factor has improved or worsened.

A positive difference (post-move minus pre-move rating) indicates an improvement. It should be noted that the most improved factors do not correspond necessarily to those with the highest

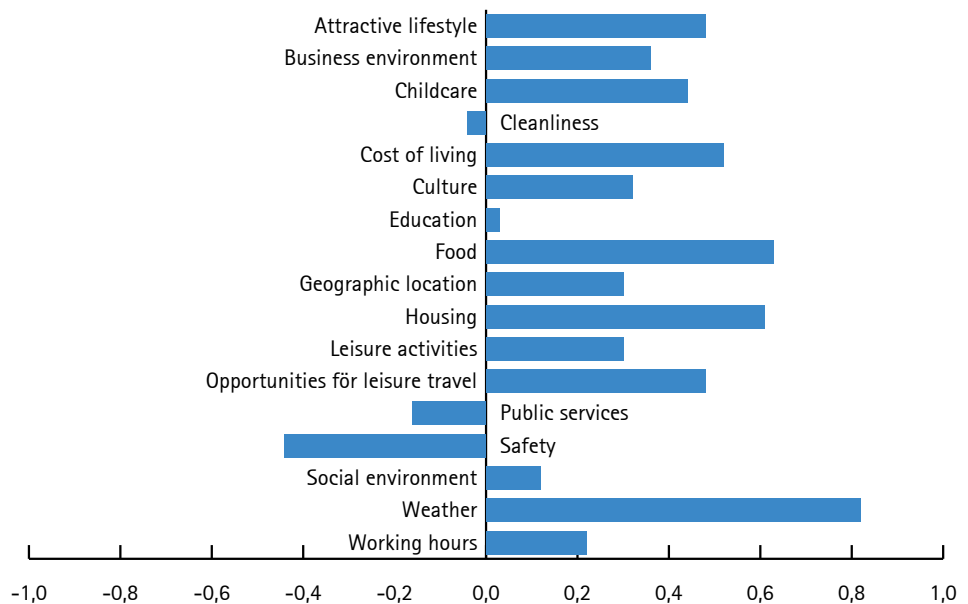


Chart 12: Changes in Opinion 2006. Differences in Ratings After and Before Move, where a negative score indicates a decline in opinion after move.

post-move ratings. They are only a reflection of the gap between expectations and reality.

The greatest change in opinion was about the weather, which was evidently not as bad as expatriates believed before they moved to the area. Unfortunately, the weather still cannot be viewed as a strength to draw from since it received one of the lowest ratings for the quality of life issues here in west Sweden. The same applies to the cost of living. While the viewpoint of the cost of living improved among expatriates after they moved to the region, it is still ranked too low to be considered a marketable aspect for the area.

Having high-quality housing options is a necessity for many expatriate families relocating with executive-level managers, and finding moderate, lower-cost housing becomes a priority for expatriates relocating under local contracts. An encouraging finding from the survey is that the opinion of housing in the Göteborg region improved after an expatriate moved to the area.

A majority of the other quality of life factors that were viewed more positively after the expatriates moved to the region increased equally across the board. What this shows is that the Göteborg region has a marketing opportunity to promote these areas in their global marketing activities in order for these quality of life factors to be viewed positively before an expatriate is faced with considering a relocation to the area.

Overall Strengths

The strengths of the Göteborg region correspond to those factors that were rated

Overall Top Three Strengths

1. Safety
2. Attractive lifestyle
3. Vacations and Work Hours

highly both before and after the move.

The core strengths of the region are centered around safety and lifestyle. Marketing efforts aimed at potential expatriates should focus on reinforcing those quality of life factors. Safety, in particular, was consistently rated the highest of all factors, before and after the

move, as well as in importance.

Open Comments About Strengths

- “Quality of life, security, working hours.”
- “Business environment - attractive lifestyle - working hours/vacation days.”
- “Gothenburg is safe and clean.”
- “Nice area to live - clean, safe and fun.”
- “This is a safe city where I feel respected. Public transportation is easy and effective.”
- “Safe, clean, beautiful, many people speak English.”
- “More relaxed atmosphere at work and in general.”
- “Safety - education - housing - child-care.”
- “Overall good quality of life, low crime, good education, etc.”
- “Low level of stress. Safety. Lifestyle. Environment. Int’l schools.”

5. Weaknesses for the Göteborg Region

Expatriate Changes in Opinion after Relocation

Changes in the opinion of quality of life are identified by comparing the average rating for the opinions of expatriates before moving to the area with the average rating for the opinions of expatriates after moving to the area. A deteriorated view of Göteborg is achieved when the quality of life factors are rated lower after the expatriate has moved and is living in the Göteborg region.

It should be noted that the most deteriorated factors do not correspond necessarily to those with the lowest

Most Deteriorated Factors

1. Safety
2. Public Services
3. Cleanliness/Attractiveness of the City

post-move ratings. They are only a reflection of the gap between expectations and reality.

There were three areas out of seventeen that did not live up to the expatriates' expectations. All other factors showed improvements in the post-move opinion.

The most noticeable change in opinion was concerning safety issues in the region, though it still rated high enough to remain one of the top three strengths. None of the open comments provides an indication as to why this may be. Sweden has long had a reputation of safety, and any marketing that focused on the issue has obviously done its job since safety is the highest ranked quality of life factor in the Göteborg region. Unfortunately, the country may not be able to rest on these laurels in the future as the expatriates have a different experience and perception of safety after they move here.

Public services also dropped in opinion for expatriates living in the Göteborg region. Many expatriates struggle with the lack of language options within the public/government sector as well as with many basic needs like banking, health care and telephone/internet services.

Finally, the cleanliness/attractiveness of the city dropped slightly in the eyes of expatriates after they moved to the area. However, this decrease is negligible and should not be a major factor when considering marketing opportunities for the region.

Overall Weaknesses

The attributes that can be listed as overall weaknesses of the Göteborg region are those that were rated low in both pre- and post-move opinions. The conclusion here is straightforward, since expatriates consistently gave the lowest opinion ratings to the same three factors, whether before or after the move. However, one positive aspect of these results is that

none of those factors were also perceived to be among the most important ones.

When identifying the quality of life factor areas that stand out as weaknesses due to the performance gap, cost of living, weather, and food top the list of discussion.

Sweden has a reputation as being a high cost of living location, even when compared to other large metropolitan cities. Therefore it received a lower opinion rating prior to the expatriate's relocation. Combined with the fact that more expatriates are being recruited on local contracts that require them to cover more of their own costs, the cost of living becomes a more important decisive factor when considering a move to the Göteborg region. Thus, it emerges as one of the strongest weaknesses as a result of the performance gap. The opinion of food as another weakness is related to cost, as well as availability.

Finally, the weather is consistently rated low and is a weakness for the region. Unfortunately, there is nothing that can be done about this quality of life factor other than to recognize that it plays a role in expatriate's opinions about the region.

Open Comments About Weaknesses

"Weather (darkness and length of winter) and difficulties for accompanying spouse (usually women) to find employment."

- "Improvements are needed due to lack of cultural diversity and awareness of needs of other ethnic groups. The weather, especially during winter, is a drawback."
- "Weather - cost of living."
- "Language, taxes, no open mind in companies to hire non-Swedish speaking spouses."
- "Rainy and cold."
- "Service level is low, sleeping city in the winter, healthcare, you have to speak Swedish to be a member of the Swedish society, school system could be more challenging."
- "Cost of living is high and lots of taxes. Very limited offering of international churches and religious activities in

Overall Top 3 Weaknesses

1. Cost of living
2. Weather
3. Food

English. The weather is not that good. The international school is better than I expected, but could be improved.”

- “Winter darkness weather, healthcare.”
- “Difficult to be integrated to the society, in spite of very good English knowledge.”
- “Contracts, e.g. bank, electricity, phone, have to be in English.”
- “Backward supermarkets – produce not fresh and expensive (fruits and vegetables)

6. Five-Year Comparison

Background

In the past, expatriates were required by their employer to work at a foreign-affiliated office in order to ensure future promotions within the company. They had a defined contract with a date to return to their home country, and they were offered special tax, housing, and other benefits as an incentive to relocate. They held executive management positions, and brought their families to live with them in Sweden during their 2-3 year contract.

Today, the expatriates are choosing to work at a foreign-affiliated office primarily to gain personal and professional experience, they do not have a defined contract in terms of the number of years, and they are offered contracts comparable to the local market (no special benefits or incentives). Expatriates are filling more middle- and lower management positions, and fewer have families living with them, either because they are single or have grown children.

Factors in decision to move to Sweden

When compared to the 2001 study, all of the professional factors increased in importance when making the decision to move to West Sweden, except for the Better pay/benefits factor, which decreased in importance. This may be explained by the supplemental benefits often offered to expatriates and their

Changing patterns among expatriates living in the Göteborg Region

| | 2001 Survey | 2006 Survey |
|----------------------------------|-------------|-------------|
| Expatriate Defined | | |
| Defined, short-term contract | 100% | 80% |
| 3 years or less in region | 73% | 47% |
| Executive managers | 31% | 18% |
| Expatriate with family in region | 91% | 73% |

families.

It may also be explained by the fact that the type of contract offered to expatriates has shifted over the past five years. In the original survey, most expatriates were here on defined 2-5 year contracts. Now, however, many companies like AstraZeneca bring their international employees to the Göteborg region on a local contract.

In other words, expatriates are hired on the same terms as all other employees. They may be offered some expatriate support assistance in their first year, but after that they are left to draw on their own resources. The tax-equalization benefits and housing benefits generally offered to expatriates that were here on a defined short-term contract do not exist with so-called local contracts. Therefore, Better pay/benefits may not have played a pivotal role in their relocation decision.

From a personal standpoint, working in a new country, culture, and environment increased in importance when deciding to move compared to the 2001 results, while leisure travel and the cultural experience for the family both decreased in importance. Leisure travel as a decisive factor may have reduced in importance for the expatriate due to their experiences of inconvenient flight connections during their travel to- and from the Göteborg region prior to moving to the region.

Opinions (expectations) of Göteborg

When comparing the 2001 and 2006 expatriate opinions, safety and cleanliness/attractiveness of the city were both top-rated quality of life issues when people thought of the area before moving here. Social environment (friendly people) was rated high in 2001 but dropped down several rating spots in 2006. And attrac-

tive lifestyle, which was rated in the top four qualities in 2006, was in the bottom seven in 2001.

The weather and cost of living remain consistent during the five year follow-up as the bottom two opinion rankings when expatriates are thinking about the area before moving here. The food and cuisine in the region has lost ratings with expatriates between 2001 and 2006, and education in the region had an improved opinion among expatriates before their move.

Overall, the Göteborg region is viewed as a safe and pleasantly attractive area to live in, and that viewpoint has not changed over the past five years. However, many expatriates have had difficulties with the 'closed' social networks in Sweden and this reputation has obviously been passed on to expatriates that are considering a move to the area.

When identifying the importance of these factors in the relocation decision in 2001, three quality of life issues stood out; education, housing, and safety. In 2006, two of those factors remained a top priority for the relocation decision; housing and safety. Education, which was the most important factor in 2001, fell to the middle of the pack in 2006. And working hours/number of vacation days became an important factor in 2006 but was not a main consideration in 2001.

The weather and cuisine remained at the bottom of the opinion poll in both 2001 and 2006, but they were joined by childcare and cost of living when expatriates rated important factors for their relocation in 2006.

Strengths and Weaknesses

The primary strengths that were highlighted from the survey in 2001 included city attractiveness, geographical location, travel opportunities, culture and food, and working hours. With the exception of working hours, the strengths for 2006 were different (safety and attractive lifestyle).

Cost of living remained a constant weakness between 2001 and 2006. While education, housing, and public services were also identified as weaknesses in 2001, they were not considered the same in 2006, but were instead replaced by the weather and food.

One reason that education may have improved in terms of strengths and weaknesses may be the efforts of the International schools, having gone through several accreditation processes over the past few years. In addition we have seen an increased, and extensive, parental involvement. As a result of international education studies by WIN – The West Sweden International Network in 2003 and 2005, discussions and open conversations between the schools, parents, and community officials have been ongoing and instrumental in unifying a once-disjointed international education system.

Changes in Opinions (Before and After Move)

In 2001, the opinion about the cost of living was extremely low before the expatriates moved to the region, but it did improve after the expatriates were living in the area. Alternatively, education was viewed more negatively after the expatriates were living here than before they relocated to Sweden.

In 2006, the opinions of the cost of living and weather both increased in the eyes of expatriates after moving to the area. However, safety slipped in the opinion polls, as did public services.

7. SWOT Analysis

The results of the 2006 survey show that expatriates rated fourteen out of seventeen factors more favorably after their move to Göteborg than before the move. Two other factors decreased in ratings and one remained stable. In addition, over 45% of those factors (eight out of seventeen) had a rating of 7 or higher (the top score was a 10).

The importance rating that the expatriates gave each quality of life factor is another telling indicator of how well the Göteborg area is doing in meeting their needs. The pre-move rating of most factors was higher (more positive) than its importance rating. This means that the overall perception of quality of life was better than that required by expatriates when considering a relocation to Göteborg. In only four out of seventeen cases expatriates gave a factor a pre-move

rating that was lower than its importance rating (a shortfall in needs and negatively affecting a relocation decision). Those factors were: weather, friendliness, housing and cost of living. Of those, only cost of living and friendliness retained a lower post-move score when compared to its importance rating. All other factors had a post-move rating that was higher than the importance rating. Thus, the Göteborg area exceeded expectations in 15 of 17 quality of life factors.

Cost of living, though rated low, did not figure among the most important factors when deciding to move to the area. Friendliness, however, was the one factor that was rated lower in opinion but higher in importance.

When comparing the results of the 2006 survey with those from 2001, we find that an equal number of factors improved and deteriorated. The seven factors that showed an improvement in 2006 versus 2001 were: vacation and work hours, public services, leisure activities, housing, education, cost of living, and attractive lifestyle.

The seven factors that had a lower rating in 2006 versus 2001 were: weather, social environment and friendliness, safety, geographic location, food, culture, and city cleanliness and attractiveness.

A thorough analysis of all findings has resulted in an assessment of the strengths, weaknesses, opportunities, and threats for the Göteborg region (also known as a SWOT analysis). The following definitions provided the basis for the analysis.

- **Strength:** Factors that had the top three ratings for 2006 post-move opinion.
- **Weakness:** Factors that had the bottom three ratings for 2006 post-move opinion.
- **Opportunities:** Factors that showed the most improvement for 2006 versus 2001, but not already listed as a strength.
- **Threats:** Factors that showed the least improvement for 2006 versus 2001, but not already listed as a weakness

Note that the opportunities and threats

| Strengths | Weaknesses |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Safety Vacation/ Working Hours Attractive Lifestyle | Cost of Living Weather Food |
| Opportunities | Threats |
| Leisure Activities Education Housing Public Services | City Cleanliness/Attractiveness Geographic Location Social Environment/Friendliness |

| Factor | SWOT | 2006 Opinion (post vs. prior) | 2006 Opinion (post vs.impor) | Pre-move Op. (2006 vs. 2001) |
|------------------------|-------------|-------------------------------|------------------------------|------------------------------|
| Attractive lifestyle | strength | + | + | + |
| Business environment | | + | + | |
| Childcare | | + | + | |
| Cleanliness | threat | = | + | - |
| Cost of living | weakness | + | - | + |
| Culture | | + | + | - |
| Education | opportunity | = | = | + |
| Food | weakness | + | + | - |
| Geographic location | threat | + | + | - |
| Housing | opportunity | + | + | + |
| Leisure activities | opportunity | + | + | + |
| Leisure travel | | + | + | = |
| Public services | opportunity | - | + | + |
| Safety | strength | - | + | - |
| Social environment | threat | + | - | - |
| Weather | weakness | + | = | - |
| Working hours/Vacation | strength | + | + | + |

have been defined by a comparison between the 2006 and 2001 survey results. Using this approach helps pinpoint trends more clearly and becomes a useful way of planning for the future. Another approach could have included a comparison between the 2006 pre- and post-move opinion ratings. This was not done because no clear opportunities could be drawn given that all but two factors improved in the post-move view.

8. Recommendations

The findings from this survey provide a clear indication of the strengths, weaknesses, opportunities and threats to the Göteborg region in terms of attracting expatriates and fulfilling their expectations. An analysis of the ratings given by expatriates, combined with the comments and background information they provided, pinpoints those areas that can offer the highest potential for improvements, as well as those that can be used to draw more foreign companies and their employees to the area. Identifying the strengths, weaknesses, opportunities and threats becomes a valuable tool when making judgements on the allocation of resources in order to most effectively produce relevant and purposeful actions.

With the strengths, weaknesses, opportunities and threats identified it is possible to see what areas should be reinforced or reconsidered and which areas should be the focus of projects that will be of most benefit for companies, expatriates and the region. Outside of the studies focus, but equally important, is the discussion of factors that may have been left out but were brought up as points of concern by participants.

The first section includes factors that can be defined as secondary factors. These are very important to the attractiveness of the region and influence the experiences of expatriates during their stay. They are defined as secondary only because they can be seen as relatively static factors that would be hard to directly influence through initiatives, but are better served when viewed as tools in the marketing process.

The strengths: Safety, vacation/working hours and attractive lifestyle fall into this category.

They can be seen as positive factors that influence people to relocate to the region and are key in their overall experience while abroad. These attributes should be reinforced and emphasised in order to serve as key selling points that help maintain and increase the level of expatriates in the region.

The weaknesses: Cost of living, weather, food, and the threats; city cleanliness/attractiveness, geographical location, also fall into the secondary category.

The recommendations in regards to these 'negatives' hold very much to the actions mentioned above, although more insight is needed in order to do so. Rather than attempting to change, reinforce or ignore these factors it is better to attempt to market them in a positive light, thus down playing their importance as deciding factors or expectations.

The weather, for example, is undeniably a factor that people consider integral to their stay. By accepting the 'bad weather' as a given and not attempting to create unreal expectations would be beneficial. Embracing the positives, for example seeing the darkness as a chance to spend festive times with loved ones and focusing on the feeling of the city coming alive during summer shifts the focus of expectations.

Likewise, the geographical location; that Göteborg lies on the edge of Europe, can be better described as lying at the heart of Scandinavia and the focus can therefore shift toward the beauty and accessibility of the region as opposed to any perceived isolation.

The second section, the primary factors, can be described as malleable factors, ones that can be influenced through programs and projects. These factors; education, housing, public services, social environment, provide a key focus for attention. We see them as vital areas in which to focus resources in order to best serve the expatriates, companies and the region. Some specific recommendations are listed below.

Education: Continued Dialogue.

Continued cooperation and dialogue between international educational facilities, the expatriate community and The Camber in order to best satisfy the needs of students and parents.

Educational opportunities for expatriate children has, and remains, to be an important factor for the region's ability to recruit and satisfy those moving here for business purposes. As other reports have shown the region's two international schools are highly regarded, however there is always room for improvement.

Housing: Leverage the Housing of Swedes Working Abroad

Increase housing choices and availability by identifying companies in the Göteborg

region who send local employees abroad, and work with those employees to facilitate the rental of their property to incoming expats. Explore the possibility of providing incentives to the local property owners so they can learn the advantages to renting to incoming expats, and enhance rental contract flexibility.

Public Services: Pre-Move Assistance

Provide more detailed information concerning the nature of the following services and options available: healthcare, transportation, social insurance (Försäkringskassan), tax authorities (Skatteverket), post, telecommunications and internet, schools and education.

Preferably, this information should be written from the point of view of the incoming expat, instead of relying on translations or shorter versions of Swedish information. We see this taking place not only through direct dialogue with the providers but by increasing general awareness of the expatriate presence in the region and their needs.

Public Services: Post-Move Feedback

Collect information regarding the expat's experience with public services and use it to identify gaps and areas of improvement. Share this information with the respective service providers on a regular basis.

Social Environment: Improve Integration

Increase efforts to intergrate expatriates and their families into the community, and thus improve integration . It is impossible to change the overall 'friendliness' of a society and the idea would be foolish. To expatriates, however, it is not so much the idea of 'friendliness' that is of concern, the real problem is that of intergration.

Being greeted on the street or at work is one thing, but feeling part of the community is something else entirely.

This can be done by running networks exclusively for the expatriates and also, and perhaps more importantly, by developing programs that take the expatriates into situations and experiences that are more common to locals. In this way they will be given an opportunity to mix on a community level with locals and hopefully lead to the kind of understanding

and experiences that they desire. We see this as crucial to the expatriate experience, backed up by the data revealing the priority given to 'culture' and 'social environment' as factors influencing their choice to relocate.

Expat Database

Establish a database of expats in the Göteborg region and provide access through the internet.

Expats would be sent a questionnaire at the beginning of their assignment asking them about their nationality, interests, hobbies and other pertinent information. This information would be added to the database and, if the expat permits, could be made visible to others who have access to the database. Those who wish to participate would be required to create a login name and password for access.

Appendix: Survey Data Table 2006

| Quality of Life Factors | Pre-Move | Post-Move | Importance |
|----------------------------------------|----------|-----------|------------|
| Attractive lifestyle | 7,02 | 7,52 | 7,08 |
| Business environment | 6,64 | 7,02 | 690 |
| Childcare | 6,46 | 6,93 | 494 |
| Cleanliness/attractiveness of the city | 7,14 | 7,08 | 688 |
| Cost of living | 4,2 | 4,74 | 574 |
| Culture | 6,16 | 6,48 | 6,48 |
| Education | 6,27 | 6,29 | 6,33 |
| Food | 5,64 | 6,26 | 5,6 |
| Geographic location | 6,02 | 6,32 | 6,16 |
| Housing | 6,66 | 7,26 | 7,24 |
| Leisure activities | 6,92 | 7,22 | 6,84 |
| Opportunities för leisure travel | 6,92 | 7,39 | 6,58 |
| Public services | 6,7 | 6,54 | 5,92 |
| Safety | 8,32 | 7,86 | 7,82 |
| Social environment | 6,58 | 6,72 | 7,14 |
| Weather | 4,18 | 4,98 | 5,1 |
| Working hours/number of vacation days | 7,08 | 7,28 | 6,3 |

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