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EXPATRIATE MANAGEMENT

Transatlantic Dialogues

Expatriate Management

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Editors

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Foreword

Global Mobility—A Myriad of Options

Imagine that you are driving your car and you reach an intersection with many different ways to go on—maybe the roundabout at the Champs-Élysées in Paris. Global mobility (GM) is at such a crossroads where many academics and practitioners scan the horizon to decide where to go, what the journey may entail, and what the prize of reaching their destination may be.

What are some of these alternative paths? One is about the tonality and feeling of how practitioners, students, global careerists, and academics see their subject. Historically, GM has enjoyed a relatively good reputation by both organizations and individuals. Throughout a several thousand year-long history expatriates have often been portrayed as daring, adventurous, and skillful, people who underwent hardships in order to explore and learn, to help improve their organizations, and lead these to success. Organizations were often seen to benefit from these global leaders and individuals and their families most often developed their skills, knowledge, networks, and identities during their foreign sojourns. While voices outlined the 'dark sides' of global careers and also identified family and cultural adjustment issues, traditional expatriation was mostly associated with beneficial outcomes. However, these critical voices have become stronger over time. In addition, in a volatile, uncertain, complex, and ambiguous (VUCA) world the way to organize and manage GM programs have become much more challenging for organizations. In addition, the atrocities of New York, Madrid, Tokyo, London, Moscow, Paris, Istanbul, Ankara, Brussels and so on have impressed on many the dangerous sides of globalization. Moreover, the strong migration patterns throughout the world and, currently, in Europe have exposed political limitations and societal fault lines. So, one of the questions at this intersection the reader could pose may be spelt out as: Is GM great and good or rather difficult and dangerous?

What other choices does the GM researcher have? There are, of course, the issues of perspective and whether the interest lies with exploring international work from a global, societal, institutional/cultural, organizational, group, or individual perspective. We have seen much academic work over the years in terms of exploring individual assignees and their experiences inside and outside work in a host country context and also a lot of, often practitioner-led, attention to investigate global work from an organizational perspective. While spouses, partners, and family have received a good share of attention, home and host-line managers, societal implications, and group level phenomena have been the subject of fewer academic studies.

In our VUCA world, the ways that individuals undertake global work have become increasingly flexible and their forms are intersecting. Researchers have traditionally explored long-term, company-sponsored expatriation patterns with short-term assignments becoming more common. However, anybody who works in the field will be able to cite a plethora of other forms of global work such as global business travel, international project work, inpatriation, or virtual assignment work. What is the impact of volatility, complexity, and crisis on the management of these global professionals?

The context will shape the experience, motivational patterns, and impact of GM. Self-initiated expatriates have radically different drivers to work abroad, are normally embedded in a less financially secure context, receive less organizational help, and experience different career patterns in comparison to company-sponsored, assigned expatriates. There are size and sector differences as well as the role and status of GM departments which impact on global careerists. The organizational motives and goals for GM in general and with regard to specific assignments will affect individuals. Much of that is only explored in generalist terms and a more targeted investigation could be highly beneficial.

Obviously, the GM researcher has a huge spectrum of actual topics to explore. These range from 'organizational tasks' (goal setting for GM, resourcing of global workers, talent management, reward design and administration, social, legal, and tax compliance, career management, repatriation, GM strategies, GM structures, definition and measurement of value, etc.) to individual (application and interviewing for foreign posts, preparation, move, cultural adjustment, individual learning and knowledge transfer, career capital acquisition, transfer and use, performance, repatriation, personality and cultural intelligence issues, age, gender, national diversity, etc.) and family experiences (children and dependent issues, trailing spouses and dual careers, other partner issues, stress, isolation, work-life interface and spillover effects, etc.). Temporal issues—pre-departure, during, and after the assignment—will also affect the research design.

The GM research options are, therefore, manifold and as a foreign visitor it is easy to get lost in the traffic at the Champs-Élysées without a clear orientation of the big picture of the street system and the attractions of Paris. At this cross-roads Benjamin Bader, Tassilo Schuster, and Katharina Bader established a network of GM researchers from Germany in order to develop a road map on GM. Funded by the Deutsche Forschungsgemeinschaft (DFG), they held a first meeting of like-minded researchers and academics in Hamburg in 2014. The seed-corns of a German community of GM scholars were established who had a strong outward look in inviting a range of foreign academics for the exchange of ideas over time. I was lucky enough to be invited to one of the meetings and thoroughly enjoyed the atmosphere, sense of camaraderie, and fun. Given that the German word for the evening after work is Feierabend (evening to celebrate) it could easily be seen that participants could decipher and live it.

Meetings in Vienna and Nürnberg followed which allowed people to progress and refine their work. As the reader can see, this resulted in a book consisting of a well-informed, highly interesting kaleidoscope of

GM perspectives and topics in which the authors have taken a variety of the crossroads at the Champs-Élysées. I hope that this very valuable and informative book serves as a type of satellite navigation to guide each reader in finding her or his particular GM way.

Michael Dickmann
March 2016

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This book would not have been possible without the support and dedicated work of various people. Thus, we want to thank the German Research Foundation (DFG) and the anonymous reviewers of our project proposal for their trust in us and for the financial support to fund this scientific network. This was a great opportunity for all of us to work on a common topic and to gain valuable experience, while at the same contributing to the academic discourse. For this, we are very grateful. Our special thanks go to all network members and authors for their hard work, their constructive and fruitful discussions during the meetings, and their meaningful contribution to this book. We want to express our gratitude to the devoted external guests who provided us with their inspiration, constructive feedbacks, and helpful advice. Furthermore, we want to give a special thanks to the authors of the North American Perspectives for their valuable contributions to this book. We are deeply moved by their dedication and support and very much appreciate the time and effort they have put in facilitating this project. This is not self-evident and we are very grateful to them. Another thank you goes to Katharina Beine and Gerrit Hufnagel, who helped us organize the meetings and supported us in handling the internal review process and compiling the final version of the book. Finally, we want to express our gratitude to the editorial team of Palgrave Macmillan, especially Maddie Holder, who supported us all along in putting this book together. Thank you very much to all of you!

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Mila Lazarova is Associate Professor of International Business at the Beedie School of Business, Simon Fraser University, Canada, and the Canada Research Chair in Global Workforce Management. Her research interests include expatriate management, with a focus on repatriation and the career impact of international assignments; work/life balance issues related to assignments; global careers and the role of organizational career development and mobility practices in organizations, and comparative human resource management. Her work has been published in journals such as *Academy of Management Review*, *Journal of International Business Studies*, *Organizational Science*, *Journal of Organizational Behavior*, and *Journal of World Business*. Together with Dave Thomas, she is the author of *Essentials of International Human Resource Management* (2013, Sage).

Gary Oddou is Professor Emeritus from California State University San Marcos. His PhD is in organizational psychology and he has done research on expatriates and repatriates for over 30 years. His articles have appeared in academic journals such as the *Academy of Management Journal* and the *Journal of International Business Studies* as well as more practitioner-oriented outlets such as *Business Horizons*, *Organizational*

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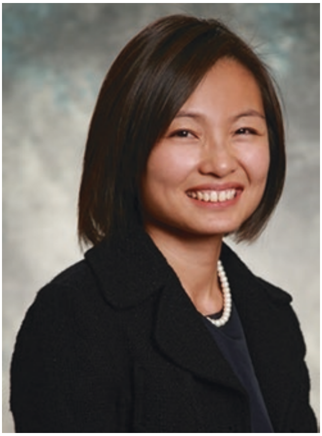

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A Holistic Approach to Expatriate Management: Transatlantic Dialogues

Introduction

Research on expatriate management has a long tradition in the fields of International Human Resource Management and International Business. Many years ago, a few visionary academics started to investigate essential questions of how international companies should manage their expatriate workforce and set the stage for this field of research by covering topics such as expatriate selection (Hays, 1974), expatriate training (Black & Mendenhall, 1990; Tung, 1982), expatriate adjustment (Black, Mendenhall, & Oddou, 1991), expatriate failure (Harzing, 1995), and expatriate performance (Gregersen, Hite, & Black, 1996). Today, a great amount of research on expatriate management exists, resulting in an increase in the success and a decrease in the failure of expatriations (e.g., Anderson, 2005; Bader, 2015; Bolino, 2007; Caligiuri, 2000; Caligiuri & Cascio, 1998; Daniels & Insch, 1998; Holopainen & Björkman, 2005; Lazarova, Westman, & Shaffer, 2010; Lee & Reade, 2015; Peltokorpi & Froese, 2014; Shaffer, Kraimer, Chen, & Bolino, 2012; Toh & DeNisi, 2003; Selmer, 2001; Tung, 2016; Varma, Pichler, & Budhwar, 2011). Accordingly, many valuable meta-analyses and literature reviews have been written to summarize and categorize previous findings (e.g., Bhaskar-Shrinivas, Harrison, Shaffer, & Luk, 2005; Dabic, González-Loureiro, & Harvey, 2015; Morris & Robie, 2001), providing us with an overview of the current state of academic knowledge in the field. Hence, one might easily conclude that the field is saturated and the heydays of expatriation research are already over.

However, with this book, we will show that this conclusion falls short and new phenomena need to be taken into account. For instance, studies have stretched expatriate research to new phenomena in global careers (e.g., Thomas, Lazarova, & Inkson, 2005), repatriation and knowledge transfer (e.g., Lazarova & Tarique, 2005; Reiche, 2011), and expatriation in war zones and countries suffering from terrorism (e.g., Bader & Schuster, 2015; Reade & Lee, 2012). Furthermore, we are witnessing an increased interest in self-initiated expatriates, (e.g., Doherty, Dickmann, & Mills, 2011; Froese & Peltokorpi, 2013), female expatriation (e.g., Caligiuri & Tung, 1999; Cole & McNulty, 2011), expatriate social networks (e.g., Bader & Schuster, 2015; Wang & Nayir, 2006), assignments' return on investment from a company perspective, (e.g., Breitenmoser & Bader, 2016; McNulty & De Cieri, 2011), expatriation from emerging market multinationals (e.g., Thite, Budhwar, & Wilkinson, 2014; Thite, Wilkinson, & Shah, 2012), and alternative forms of international assignments (frequent flyers, short-term, rotational and virtual assignments) (e.g., Andresen, Dickmann, & Haslberger, 2016; Collings, Scullion, & Morley, 2007)—areas in which our knowledge is still limited. To extend and broaden these topics, the authors in this book have identified various questions that still need to be answered.

In order to do so, we received funding from the German Research Foundation (Deutsche Forschungsgemeinschaft, DFG). Over the course of nearly three years, a group of 12 researchers from different institutions and disciplines came together to explore recent trends and questions of expatriate management. Dedicated senior scholars who participated in the network's meetings supported our ambitious aims and provided us with advice and constructive feedback on our work. An initial meeting took place at the University of Hamburg in 2013 where the goals of the network were defined, research teams were formed, and next steps were planned. With Michael Dickmann (Cranfield University, England) and Christian Schwens (University Düsseldorf, Germany), we were lucky to have two experienced and distinguished scholars who helped us set the stage and encouraged us to pursue our ambitious goals. A second meeting at Vienna University of Economics and Business in 2014 was used to present, discuss, and refine the project ideas. The valuable and constructive comments of our renowned guests, Maike Andresen (University of Bamberg, Germany) and Wolfgang Mayrhofer (WU, Vienna, Austria), were of great help in advancing the ideas and drafting the manuscripts which were presented at the third and last meeting at the University of Erlangen-Nürnberg in 2015. With Fabian Froese (University of Göttingen, Germany) and John Daniels (University of Miami, USA), we had two inspiring guests who not only reviewed the manuscripts before the workshops but also shared valuable comments and insights during the final presentations.

The intensive discussions among the network members and the external guests inspired us to further expand the dialog beyond the network meetings. Accordingly, we invited further distinguished scholars, especially from North America, to comment on our manuscripts. As a result, each chapter is followed by a short article by a North American scholar who provides his/her view on the topic of the chapter from a transatlantic perspective. We call these comments "North American Perspectives". Every invited scholar is an expert in our field and has published numerous well-cited and influential articles. We are very grateful to them for sharing their opinion and perspective on the book chapters and for pointing out possible future directions of the field from their point of view. Consequently, this book can be understood as a platform intended to connect research from both sides of the Atlantic and to foster the exchange, collaboration, and engagement of researchers from Europe and North America.

Another point that makes this book distinctive is its holistic approach. It investigates the entire process of expatriation, focusing on questions of expatriate failure and questions of repatriation. In addition to an overview article, important questions in each phase of the assignment are analyzed. Although the main focus is on the actual expatriation phase, this book also covers both the pre-expatriation phase and the repatriation phase. The topic of repatriation is discussed with note to the increasing call for future research in this area. In particular, questions of career development and re-adjustment once the assignment is completed are subject to analysis.

The book consists of ten chapters in total—one chapter focuses on the pre-expatriation phase, five on experiences during expatriation, two on the repatriation phase, and two chapters cover topics with overarching issues that affect expatriates and companies before, during, and after the assignment. The book starts off with a comparison of the motives to accept an international assignment between the years 2002 and 2015 written by Benjamin Bader and commented on by Rosalie Tung (Simon Fraser University, Canada). By replicating parts of the study by Stahl, Miller, and Tung (2002), Chap. 1 indicates that motives in protean and boundaryless careers (personal challenge and opportunities for professional development) have gained in importance over the last decade. Chapter 2, written by Julia Raupp and Jonas Puck and followed by a comment from John Daniels (Professor emeritus, University of Miami, USA), deals with terminology of internationally mobile labor and presents a novel typology based on a comprehensive structure of differing cultural competencies. Helene Tenzer and Tassilo Schuster investigate language-related barriers during international assignments in Chap. 3. In particular, they address negative effects such as negative emotional responses, restraints of a common social identity, obstacles in trust building, and distortions of organizational power relations. This chapter is commented on by Joyce Osland (San Jose State University, USA). Chapter 4, written by Tassilo Schuster and Benjamin Bader, deals with the construct of social support, which has been applied in many empirical and conceptual studies on international assignments. However, it has been measured in several different ways. Schuster and Bader provide a comprehensive analysis of the construct "social support" and provide important recommendations on how this construct should be employed in future studies. The chapter is followed by a comment from Arup Varma (Loyola University, Chicago, USA). Anna Katharina Bader picks up on questions of social support with a special focus on the role of host country nationals (HCNs) in Chap. 5. This is followed by a comment from Soo Min Toh (University of Toronto Mississauga, Canada) where she investigates the impact of different groups of HCNs and develops a theoretically backed model which outlines the effects of social support received from HCNs on expatriate adjustment. Chapter 6, written by Matthias Baum and Rodrigo Isidor, investigates the role of expatriate adjustment with a special consideration of the cultural context. They develop a conceptual rationale for different mechanisms of cultural distance on expatriate adjustment and argue in favor of a curvilinear relationship which is commented on by Mark Bolino (University of Oklahoma, USA). Anika Breitenmoser and Nicola Berg turn to the last phase of the expatriation process in Chap. 7 and deal with questions of repatriate retention. Based on a thorough theoretical assessment, they develop a set of repatriation strategies intended to account for the organizational, as well as the repatriate's individual interests. The comment is written by Mila Lazarova (Simon Frasier University, Canada). Chapter 8 also addresses repatriation, where Anne Burmeister delivers a systematic literature review that integrates studies on repatriate knowledge transfer between 2000 and 2015 and develops a multilevel framework of factors that influence repatriate knowledge transfer success. In this framework, factors on the individual, dyadic, and organizational level are accounted for. The chapter is commented on by Margaret Shaffer (University of Wisconsin-Milwaukee, USA). With regard to recent developments in the flow of expatriates, Nita Abrashi-Smajli and Matthias Baum focus on expatriates from emerging market multinationals in Chap. 9. They outline differences in expatriate management of emerging market multinationals compared to developed market counterparts and highlight resulting advantages and disadvantages. Carol Reade (San Jose State University, USA) provided a comment for this chapter. Finally, the book closes with Chap. 10, in which a systematic review of concepts and empirical studies of expatriate adjustment is presented. This was written by Jonas Puck, Dirk Holtbrügge, and Julia Raupp. They expound the antecedents, dimensions, and effects of expatriate adjustment, pointing out the multidimensionality of the construct. In particular, they deliver a profound assessment of one of the most important constructs in expatriate research which is then commented on by Gary Oddou (Professor emeritus, California State University San Marcos, USA).

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Motivations of Global Careers Among Expatriates in German Companies: A Comparison with the Year 2002

Benjamin Bader

Introduction

With increasing globalization and a decentralization of value chains, the working environment of managers has changed dramatically. Employees are assigned abroad for different reasons, from developing international competencies over knowledge transfer to controlling foreign subsidiaries (Edström & Galbraith, 1977; Harzing, 2001). In response to this development, research on expatriate management has received extensive attention, especially in the last two decades (e.g., Harzing, 2001; Mayrhofer & Scullion, 2002; Shay & Baack, 2006; Stahl et al., 2002a; Takeuchi, 2010). Among the different subjects for analysis, some research has also addressed the question of why an individual agreed to go abroad and accept an international assignment (e.g., Andresen, Biemann, & Pattie, 2015; Stahl et al., 2002a). Expatriate management is an important field of research because in times of a "global war for talent," many companies

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are struggling to attract qualified staff (Beechler & Woodward, 2009), which may also affect the context of global mobility. However, to successfully operate in foreign countries, it is crucial for companies to ensure that they have a highly motivated and skilled workforce. Although research on expatriate selection is very established and addresses the process of a company's selection of the appropriate person for the job (e.g., Anderson, 2005; Caligiuri, Tarique, & Jacobs, 2009; Hays, 1974), accounting for the reasons why an individual chooses to accept (or decline) a job abroad is also essential to avoid later disappointments and expatriate failure. The latter is a global phenomenon that affects companies from all countries.

However, the vast majority of research on expatriate management remains very US-centered, and the academic discussion is often limited to North America (e.g., Benson, Pérez-Nordtvedt, & Datta, 2009; Black, Mendenhall, & Oddou, 1991; Daniels & Insch, 1998; Harrison, Shaffer, & Bhaskar-Shrinivas, 2004; Hays, 1974). Only a few studies focus on non-US samples (e.g., Bader, 2015; Bader & Schuster, 2015; Fee & Gray, 2011; Stahl & Cerdin, 2004). With regard to the relevance that international assignments have for multinational corporations (MNCs) outside the USA, these studies were previously underrepresented (Scullion & Brewster, 2001) and continue to be. In addition, many studies often postulate their findings for "Western Expatriates," claiming the generalizability of the results from North American studies (Selmer, 2006; Takeuchi, Wang, & Marinova, 2005). Nonetheless, this generalization is prone to not meet expectations because there are not only differences between US and European expatriates but also a variety of differences concerning socialization and national culture within Europe (Hofstede, 2001). For instance, the career paths and motivations behind going abroad differ significantly, even between France and Germany (Stahl & Cerdin, 2004).

Thus, it is reasonable to narrow the range of home countries. In this case, the goal is to examine German companies to gain a better understanding of what the reason to go abroad is for this group of expatriates. In economic terms, Germany is the most powerful nation in Europe. Germany's connectedness with the world regarding foreign direct investments (FDI) and revenues generated abroad is continuously among the highest within the European Union (Eurostat, 2015). Since 2011, German exports have continuously been above the level of € 1000 bn; the foreign trade balance has not been negative since 1951, and in 2014, Germany showed a surplus of €

216 billion (Statistisches Bundesamt, 2015b). The globalization indicators published annually confirm this notion (Statistisches Bundesamt, 2015a). In the Global Fortune 500 list in 2015, there were 30 German companies represented, with Volkswagen on the verge of becoming the largest automaker in the world. Therefore, selecting Germany as the focus of an analysis regarding its expatriate workforce is a logical step.

In the early 2000s, Stahl et al. (2002a) tackled these issues with a large empirical study, exploring the nature of the expatriate career concept among German expatriates. By asking individuals on overseas assignments to choose and rank 5 of 12 motives for the acceptance of their assignment, Stahl and his colleagues were able to derive a precise order and determine the relative importance of these motives. At that time, most expatriates viewed their international assignment as an opportunity for personal as well as professional development and career advancement. Stahl et al. (2002a) reported the first signs of "boundaryless careers" (i.e., a career that is independent from traditional career arrangements, typically a vertical progression within one firm), stating that their findings clearly support the "conclusion that boundaryless careers are indeed becoming the pattern for international assignees" (p. 223). Research on motives to go abroad is a crucial element because this provides answers to a fundamental question: what makes expatriates accept an international assignment and what does not?

However, some time has passed since Stahl et al.'s (2002a) observation, and the world has changed in the interim. Not only did airfares decrease significantly, allowing more regular visits home, but new technologies also became available, now making video calls possible from virtually any smart phone. The number of international assignments has increased substantially since 2002, and new and innovative assignment types have evolved, such as "soft-landing packages", which are designed to ease expatriates' entry into certain countries (Brookfield Global Relocation Services, 2013). However, it is unclear whether the personal motives to go abroad have changed as well. In the late 1990s, the expatriate career concept experienced much change, moving toward more self-determined careers across organizational boundaries (Caligiuri, 2000; Harzing, 2001; Tung, 1998). It is reasonable to assume that this change has not yet ceased but has continued in the first decade and a half of the new millennium.

Against this backdrop, this article seeks to answer three major research questions. First, to gain a better idea of the current situation of expatriates in German companies today, it replicates a part of the study by Stahl et al. (2002a), drawing on a sample of 335 individuals who are on or recently returned from international assignments. The aim is to analyze the expatriation motives of the current German expatriate generation. Second, the findings of Stahl et al. (2002a) are compared with the findings of this study and then discussed in light of recent societal and organizational changes. Finally, with regard to demographic changes and differences between generations, data are additionally analyzed to compare the motives of three age cohorts. With an aging workforce and, at the same time, a shortage of skilled labor, German companies need to address issues that are related to the age of employees (e.g., Fraccaroli & Deller, 2015). Moreover, age cohorts are an index for factors influencing the attitudes and behavior of people belonging to different "generations" (Rhodes, 1983). Connected to these research questions is the goal of showing avenues for future research and providing an underlying perspective regarding the reasons people may have offered in the studies presented in the remainder of this book.

Replication Study—Expatriation Motives by Stahl et al. (2002a) Revisited

Hubbard and Armstrong (1994) define the replication of a study as "a duplication of a previously published empirical study that is concerned with assessing whether similar findings can be obtained upon repeating the study" (p. 236). The reasons why such duplication is useful are multifold. In a workforce context, for instance, Tulgan (2004) highlights the tremendous changes over time, for example, Baby Boomers becoming an aging group, which leads to a quickly aging workforce overall. Although these reasons may hold true in an expatriate context as well, other changes, such as new technologies and a more globalized world, suggest that it is reasonable to re-evaluate whether the motives identified by Stahl et al. (2002a) remain current. Replication studies can either duplicate the original study as closely as possible, that is, performing a "straight" replication, or they can alter it (Hubbard & Armstrong, 1994).

The latter can either extend certain parts or focus on specific details of the original study. Because this study is particularly interested in the motives for traveling abroad, instead of completely duplicating the entire survey from 2002, our focus is on one part only, that is, the different reasons why international assignees accept an international assignment and the respective relative importance of each motive. Stahl et al. (2002a) grounded their study in older literature that indicated a change in global careers until 2002. For instance, 12 years before their study, Tung and Miller (1990) found that 93 percent of executives did not consider international assignments among their top priorities in terms of career advancement to senior management. In the early 2000s, it appeared that this conclusion was already outdated. This study focuses on these developments and revisits the motives of managers to accept an international assignment to consider the changes in expatriation since 2002. Similar to Stahl et al. (2002a), this study does not explicitly formulate hypotheses. Instead, it examines the impact of various changes in recent years. First, individual career development and leadership development have become increasingly important (Brookfield Global Relocation Services, 2015), both for companies and staff. Second, new generations in the workforce develop new and different types of values that may lead to changes in motives. For instance, Smola and Sutton (2002) state that in contrast to previous generations, individuals of Generation X are "less loyal to the company and more 'me' oriented" (p. 378). Third, technological advancements and decreasing travel times at reasonable airfares make international mobility easier and more convenient than in the past. Therefore, in the following, the results of this study will be presented in the light of the changes since 2002 and also extended by an analysis of the different age groups.

Methodology

Data Collection and Measures

Data collection was part of a larger research project, in which the respective measures used by Stahl et al. (2002a) were included in a survey. An online questionnaire was developed in early 2015 and distributed among potential respondents. E-mail invitations were sent to individuals who were on or had recently returned from an international assignment, followed by a reminder two weeks after the initial invitation. Because there is no directory of German expatriates abroad, HR managers in several German companies were approached and requested to distribute the link leading to the online survey to their expatriates and recently returned workforce. Overall, this yielded a response of 335 usable data sets. As in the original study, respondents were provided with 12 different motives (see Table 1.2) that potentially influenced their decision to accept an international assignment. They were then asked to select five of these motives and rank order them, beginning with the most important motive when making the decision to travel abroad down to the fifth most important motive. Moreover, some demographic characteristics, such as age, gender, and the company's industry, were queried as well. All respondents were assured full anonymity with regard to their results, and no (financial) incentive was provided to motivate them to participate.

Sample and Comparison with Stahl et al. (2002a)

As depicted in Table 1.1, the demographic characteristics are relatively similar to those of Stahl et al.'s (2002a) sample. However, the share of female expatriates is higher, which appears to account for the increasing willingness of women to accept international assignments. Stahl et al. (2002a) described such a development with regard to their own sample (p. 219), and it appears that this trend continues. In their annual reports, Brookfield Global Relocation Services (2013, 2015) observe this development as well. For instance, although in their first reports in the 1990s, the share of female expatriates was at approximately 10 percent, and in 2011, at 18 percent, the 2013 report states that this number has reached 23 percent. In terms of age, the majority is between 30 and 40 years old, works in a managerial position, and is assigned to South East Asia. Although age and managerial position are relatively similar in both samples, in this study, the percentage of assignments in South East Asia was higher, replacing North America

Table 1.1 Comparison of demographic variables between 2002 and 2015

Demographic variables	Frequency 2015	Frequency 2002	Percentage 2015	Percentage 2002	
Gender					
Male	271	440	80.9	90	⇓
Female	58	47	17.3	10	⇑
Age					
<30	29	49	8.7	10	⇓
30–40	159	302	47.5	62	⇓
>40	140	136	41.8	28	⇑
Position					
Senior management	22	109	6.6	23	⇓
Middle management	179	266	53.4	55	⇓
Professional/technical	121	98	36.1	20	⇑
Other	13	10	3.9	2	⇑
Nationality					
German	269	n/a	81.3	n/a	
Rest of Europe	47	n/a	14.2	n/a	
Rest of the World	15	n/a	4.5	n/a	
Region of assignment					
North America	58	163	17.3	34	⇓
South/Latin America	23	38	6.9	8	⇓
Western Europe	56	119	16.7	25	⇓
Eastern Europe	27	43	8.1	9	⇓
South East Asia	152	105	45.4	22	⇑
Africa/MENA	17	17	5.1	3	⇑

as the No. 1 destination in 2002. In addition to Stahl et al. (2002a), the respective nationality of the respondents is reported. Not surprisingly, with 81.3 percent, most expatriates are German citizens; 14.2 percent are citizens of another European country, with the majority being from Austria and Switzerland, although less than five percent hold a passport from the rest of the world, mainly from the USA or Canada. Although there are certain differences in the samples (mainly regarding gender and host country distribution), overall, the group of respondents is a solid basis on which to base comparisons with the study from 2002 and to draw conclusions regarding possible changes in the motivation to go abroad.

Results and Discussion

In this section, all three research questions will be answered, and the results will be discussed. First, with regard to the first research question, the descriptive analysis of expatriation motives will be presented. Thereafter, the second research question, that is, how the motives and their relative importance have changed compared with the study by Stahl et al. (2002a), will be discussed in light of recent literature, after which opportunities for future research are outlined. Finally, extending beyond a replication of the analysis by Stahl et al. (2002a), the results are analyzed independently for three different age cohorts to account for the challenges of an increasingly aging workforce, which represents several generations (Fraccaroli & Deller, 2015).

The most important reason to accept an international assignment is “personal challenge”, which is closely followed by “opportunities for professional development”. Almost nine in ten employees noted personal challenge among their Top 5, although half of all respondents made it No. 1. Therefore, the intrinsic motivation to go abroad appears not to have changed in the first 15 years of the new millennium. Although the results for rank 2 have also not changed, in 2002, the “importance of the job itself” and “monetary considerations” were named in the Top 5 by at least 50 percent of all respondents. Both motives appear to be much less important today, with 42.8 and 32 percent, respectively. In particular, “monetary considerations”, which Stahl et al. (2002a) previously stressed as “only moderately important to the decision to go abroad” (p. 220), have less influence on the decision to go abroad. In contrast, the “geographic location of the assignment” experienced an increase in relative importance, which indicates that expatriates today appear to be more particular regarding the place to go. Interestingly, “opportunities for future advancement”, which in 2002 was ranked No. 4, was passed by “anticipated positive career outcomes”, which in 2002 was ranked No. 7. This indicates that the actual outcomes directly related to career in any company are more important now than the potential opportunities of future advancement in the same company. When examining the bottom three, there has been only limited change, except that “family considerations”, which were No. 9 in 2002, now are at the end of the ranking and are included in the Top 5 by 10.5 percent of respondents. The respective rankings, both in terms of the Top 5 and No. 1, are depicted in Table 1.2.

Table 1.2 Comparison of the distribution between 2002 and 2015

Motive	Rank 2015	Rank 2002		Among top 5 (%) 2015	Among top 5 (%) 2002	Delta top 5	No. 1 (%) 2015	No. 1 (%) 2002	Delta No. 1
Personal challenge	1	1	⇔	85.8	83	2.8	49.3	39	10.3
Opportunities for professional development	2	2	⇔	82.1	78	4.1	20.3	17	3.3
Geographic location of assignment	3	5	⇑	56.3	54	2.3	8.4	4	4.4
Anticipated positive career outcomes	4	7	⇑	52.7	39	13.7	2.7	2	0.7
Opportunities for future advancement	5	4	⇓	51.1	61	−9.9	3	7	−4
Importance of job itself	6	3	⇓	42.8	68	−25.2	3.9	22	−18.1
Monetary considerations	7	6	⇓	32	50	−18	3.6	5	−1.4
Encouragement from colleagues	8	11	⇑	14.1	6	8.1	2.1	0	2.1
Normal career advancement pattern	9	8	⇓	13.8	21	−7.2	0.3	1	−0.7
Encouragement from partner	10	10	⇔	13.2	15	−1.8	0.9	1	−0.1
Fear of restricted career opportunities within home office	11	12	⇑	11.4	3	8.4	1.5	1	0.5
Family considerations	12	9	⇓	10.5	18	−7.5	1.2	2	−0.8

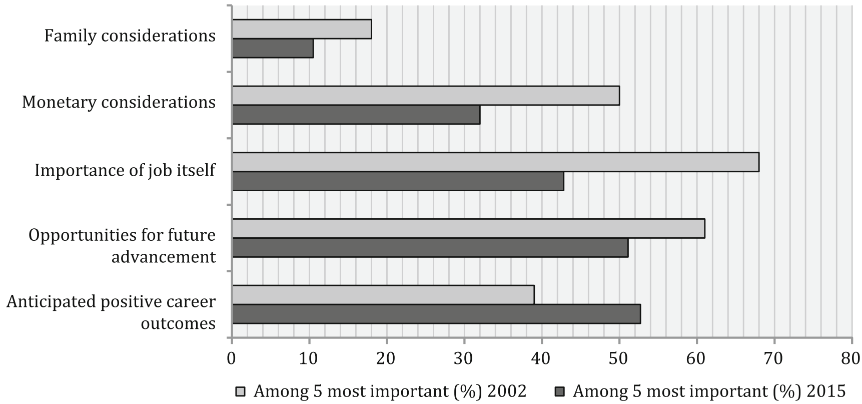

Fig. 1.1 Comparison between 2002 and 2015 for five selected motives

In the following, the most remarkable changes will be analyzed in more detail, and the findings, discussed. These changes occurred, in particular, in the family domain (family considerations), the work domain (importance of the job itself and monetary considerations), and the career domain (opportunities for future advancement and anticipated positive career outcomes). Figure 1.1 illustrates the change in the relative importance of the motives between 2002 and 2015.

Importance of the Job Itself and Monetary Considerations

Both the importance of the job itself and monetary considerations have experienced a tremendous decline in their ranking. However, the most notable change from 2002 to 2015 could be detected regarding the importance of the job itself. Although Stahl and his colleagues listed it as No. 3, with more than two thirds of the respondents including it in their Top 5, it is now ranked No. 6 and is included by only approximately 42 percent of respondents. Two main explanations can be provided. One is related to the next section, which refers to the importance of career-related motives, which have greatly increased in importance. This may be the case because more and more MNCs consider international experience to be a prerequisite for career advancement (Brookfield Global Relocation Services, 2015). Thus, it appears plausible that some expatriates do not necessarily care about *what* they do abroad but rather *that* they can do something abroad to foster their individual careers. This notion was previously stressed by Tung (1998), who stated that most expatriates in her sample "appeared to place an intrinsic value on international assignments; that is, they value an overseas posting for the experience and the opportunities it brings for personal development and career enhancement" (p. 138). The other reason for this decrease may be that a job abroad is considered to be "interesting" because it involves a new working environment. Tasks are usually highly responsible and autonomous, providing opportunities for acquiring and using new knowledge and skills (Shaffer, Kraimer, Chen, & Bolino, 2012), irrespective of the actual content. Therefore, it may be that expatriates now consider "the importance of the job itself" as a given and thus incorporate other motives in their decision to go abroad because they appear more relevant.

Ten years ago, Bonache (2005) found that in contrast to domestic employees, expatriates "value more positively the extent to which their jobs have task variety and autonomy, provide opportunities for learning, allow them to apply their knowledge and give them enough responsibility" (p. 120). This finding may suggest choosing intrinsic over extrinsic motives. Interestingly, such systematic replacement of extrinsic motives with intrinsic motives did not occur in our sample. The importance of the job itself is an intrinsic motive, which is something that is inherently interesting and enjoyable, whereas monetary considerations clearly reflect an extrinsic motive, which is doing something because it leads to a separable outcome (Deci & Ryan, 1985). Thus, a simple increase in the importance of intrinsic motives, that is, expatriates today simply prefer to do what they inherently like to do, cannot be the reason.

In terms of monetary considerations, the reason for the decrease may be rooted in the, in general, generous compensation packages expatriates have. A typical compensation package for a long-term assignment today contains a mobility premium, home leave allowance, cost of living allowance, and host housing allowance (RES Forum, 2015). This package should provide sufficient financial independence; thus, an expatriate does not have to worry about *if* he or she decides to go abroad. Therefore, the compensation package may have lost importance in the decision making process. In addition, Dickmann, Doherty, Mills, and Brewster (2008) found that MNCs tend to overestimate the financial imperative while underestimating career-related factors.

Family Considerations

Family considerations as a motive addresses the question regarding how much an expatriate was accounting for needs and demands of his or her family when deciding whether to accept an international assignment. Although not among the most important motives in the original study, the family domain appears to decrease in importance. In 2002, only one of five expatriates mentioned family considerations to be among the Top 5 motives to accept an international assignment. Today, this value decreased to one of ten. This finding is somewhat surprising because research found that the family is of great importance for global mobility, and greater awareness for the family can contribute to family adaption on international assignments (Haslberger & Brewster, 2008). Moreover, tensions within the family, for instance, regarding the safety of a host country, can have a negative impact on expatriate work performance (Bader, Berg, & Holtbrügge, 2015). Therefore, there is an indication that this motive receives less attention in the decision making processes of people who are about to accept an international assignment.

It appears that family considerations are outweighed in their importance by other, more individual-centered motives. When examining the bare figures, it could be derived that expatriates do not care about their families when making a decision to go abroad. However, this would fall short of reality when considering two other things: first, the questionnaire design allowed the selection of only five of twelve motives, which were to be rank ordered. Therefore, for each respondent, seven motives remain unnoted, and it is not possible to derive whether family considerations would have been No. 6 or No. 12. However, from all respondents, nine of ten decided to not include this motive in the Top 5. Second, and partially related to the first point, the world has changed, and international assignments are sometimes considered to be mandatory or at least highly recommended to move up the ranks (RES Forum, 2015). This finding may explain the development in the Top 5, especially the rise in anticipated positive career outcomes. Finally, it must be noted that only people with actual international experience have been included in the sample, whereas Brookfield Global Relocation Services (2015) state that family concerns were "the single most noted reason for assignment refusal" (p. 13). Therefore, it is possible that a self-selection bias exists regarding people who accept an international assignment and those who do not. However, the goal of this research was to compare the importance in the motives of accepting an international assignment in 2015 with those in 2002, and the data show that family considerations experienced a decrease.

Opportunities for Future Advancement and Anticipated Positive Career Outcomes

Finally, when examining the career domain, an interesting pattern appears. Although "anticipated positive career outcomes" were ranked in their Top 5 by 39 percent in 2002, in the recent survey, almost 53 percent of the respondents rank this motive in their Top 5, accounting for an increase in rank from 7 to 4. Conversely, "opportunities for future advancement" decreased from 61 percent in 2002 to 51 percent. Both motives are related to the future career of an expatriate. However, whereas "opportunities for future advancement" are mainly limited to the assigning firm, "anticipated positive career outcomes" primarily target the individual career of the expatriate, regardless of his or her employer. Building on this finding, it can be speculated that this became a more important motive to accept an international assignment to invest in one's own human capital that can be applied anywhere, rather than examining the advancement within the current employer-employee relationship.

This finding is in line with the increasing importance of the boundaryless career (Arthur & Rousseau, 1996; Caligiuri & Lazarova, 2001; Tung, 1998). Instead of aligning his or her career toward lifetime employment in one single company, the individual's career "moves across the boundaries of several employers" (Arthur & Rousseau, 1996, p. 8). International experience is considered to be a competitive asset, which is beneficial for the external labor market (Stahl et al., 2002a); in addition, it is something that is interesting (Tung, 1998). Although in 2002, this development could also be observed, the trend appears to continue. The switch in the importance of the abovementioned motives confirms two things. First, expatriates seem to have become managers of their own careers. Second, the companies having invested in expatriates and their assignments are increasingly at risk for losing the return of investment in case the expatriates leave the company. Caligiuri and Lazarova (2001) previously warned that failed retention could lead to a loss of valuable human capital to a competitor. In light of this finding, this concern is more acute than ever, highlighting the importance of being aware to successfully retain expatriates in the company.

Differences in Age Cohorts

Although the results show a clear pattern in the (relative) importance of motives to go abroad, with regard to the different career and life stages of people of different ages, it is useful to more deeply examine the distributions of these motives for the three age cohorts in the sample.

Rhodes (1983) argued that age cohorts are "not actually a variable but serve as an index for the underlying environmental factors that affect the attitudes and behaviors of a given cohort" (p. 330). Therefore, it is also likely that people in different age cohorts have a different perception of the importance of motives to accept an international assignment. As Table 1.3 illustrates, there are indeed differences in the responses between people younger than 30 years, those between 30 and 40, and those older than 40. However, they are not as strong as one might expect. The most interesting results are those concerning geographic assignment and monetary considerations, which were ranked as the No. 1 motive. None of the younger participants ranked these motives as No. 1, and inclusion in the Top 5 was smallest for this group. In particular, location becomes more important with increasing age, which can be considered an indicator of greater emphasis on the destination for older cohorts. Not surprisingly, the expected positive career outcome played a more important role for younger expatriates, with 69 percent of the below 30 and more than 87 percent of the 30–40 cohort including this motive in their Top 5. However, of the oldest cohort, almost 44 percent included this motive

Table 1.3 Comparison of the distribution according to age cohorts (in percent)

	Among top 5			No. 1		
Motive	<30	30–40	>40	<30	30–40	>40
Personal challenge	96.6	85.5	82.9	62.1	52.8	43.6
Opportunities for professional development	82.8	85.5	77.9	24.1	19.5	20.7
Geographic location of assignment	48.3	57.9	58.6	0	8.2	10.7
Anticipated positive career outcomes	69.0	87.2	43.6	3.4	2.5	2.1
Opportunities for future advancement	29.0	51.6	47.1	3.4	5.7	0
Importance of job itself	44.8	35.8	50.0	3.4	3.1	5.0
Monetary considerations	20.7	34.6	30.7	0	5.0	2.1
Encouragement from colleagues	24.1	15.1	10.7	3.4	0.6	2.9
Normal career advancement pattern	24.1	9.4	16.4	0	0	0.7
Encouragement from partner	0	13.8	15.0	0	0	2.1
Fear of restricted career opportunities within home office	0	11.9	13.6	0	0	3.6
Family considerations	0	8.2	15.0	0	0	2.1

in their Top 5. Regarding the importance of the job itself, results are u-shaped, with 44.8 and 50 percent, respectively. The youngest and the oldest cohort appear to view this motive as being of greater importance than the middle cohort (35.8 percent). An opposite distribution, which is an inverted u-shape, can be observed for anticipated positive career outcomes. Although 69 and 43.6 percent of the youngest and oldest generation, respectively, include this in their Top 5, it is noted by almost nine of ten respondents in the middle cohort. In combination with the previous result, it could be that in the 30–40 age group, what you are doing abroad is less important, as long as it is driving your career forward.

Overall, differentiating by age cohorts provides initial insights to disentangle this otherwise heterogeneously treated sample. However, without further variables testing causal relationships, the interpretation of the results needs to be performed with care. Therefore, despite revealing that there are potential differences, future research needs to address this and other topics, which will be discussed in the next section.

Contributions and Future Research

The goals of this study were to replicate the part on expatriation motives of the survey by Stahl et al. (2002a) to obtain a recent overview of why expatriates of German companies decide to accept an international assignment and to detect whether there were any changes in the almost 15 years after the original study. Data confirm that some trends detected in 2002, especially the increasing importance of boundaryless careers, continued and caused some changes in the meaning of some motives. Conversely, the two most important motives, "personal challenge" and "professional development", remained constant.

This study contributes to literature in various ways. First, by focusing on international assignees from German companies, it extends the view on "Western expatriates" by distinguishing between different groups of these expatriates from a European perspective in addition to the often applied US perspective; thus, it contributes to the often criticized issues of generalizability (Selmer, 2006). Considering that in the recent Brookfield Global Relocation Trends Survey, 43 percent of the companies assigning expatriates are from Europe and the Middle East (Brookfield Global Relocation Services, 2015), this importance is confirmed. Therefore, future research should follow this path and distinguish specifically between the origin of the expatriates and their employers. Despite an increasingly international workforce and labor world, there are still important differences between countries and cultures that need to be accounted for. An important step could be to conduct future expatriate studies on a global level within one survey and then test whether there are significant differences between the nationalities of expatriates.

Second, by investigating different motives for the decision to go abroad, building on the work of Stahl et al. (2002a), it allows the analysis of the development of the relative and absolute importance of the motives over time. In particular, although Stahl and colleagues refer to previous works and detect changes, this study continues to do so and allows the outlining of trends and patterns in global mobility. For instance, with regard to talent management, Festing and Schäfer (2014) state that because different generations have their own values and attitudes because of events shaping their lives, the corporate HR strategy needs to take these differences into account. From a practical global mobility point of view, this development is confirmed. The RES Forum (2015) states in its annual report that the "impact of global experiences is different from person to person (…) there may also be some trends in relation to age groups" (p. 43). In Stahl et al.'s (2002a) study, 10 percent of the respondents were in the group younger than 30 years, and 62 percent were between 30 and 40. In this study, almost 10 percent are in the group below 30, and 47 per cent are in the group between 30 and 40. Hence, approximately 15 years later, according to birth year, there was a shift. Expatriates previously represented in the 30–40 group have now shifted to older than 40; most of the people below 30 should now either be between 30 and 40 or even above 40. Although they are not the same people who answered the questions, they still belong to the same age cohorts and generations, with older generations gradually moving out of the sample and new ones (in particular, Millennials) entering.

The respondents' characteristics, goals, and values are represented in their answering behavior when ranking the motives. This is the third contribution of this study. By using the original age cohorts and analyzing the results for each group independently, it represents a starting point, which attempts to account for the importance of age for this type of research. Therefore, future studies should not only include age as a control variable but also focus heavily on different age groups and generational cohorts. In particular, in terms of career development and future advancement, this can be a valuable additional predictor. Moreover, it is necessary to do such follow-up studies periodically to detect and empirically corroborate this change.

Finally, although the original study by Stahl et al. (2002a) was a very suitable starting point, it investigated expatriate motives among many other variables and thus only briefly addressed this phenomenon in the discussion. This study assesses the motives in more detail and thus provides a valuable basis for both future research and practitioners, especially in terms of international staff selection. It is widely accepted that companies assign expatriates on international assignments for various reasons, such as developing managerial skills, controlling the subsidiary, or merely filling a vacant position (e.g., Collings, Scullion, & Dowling, 2009; Collings, Scullion, & Morley, 2007; Edström & Galbraith, 1977; Gong, 2003). However, it is crucial to assure a match between the job abroad and the person willing to go, that is, the individual motive. It appears logical that with a higher congruency between the expatriate's motive and the company's goals, the chances for a successful assignment increase. Regardless, many studies show that there remains minimal awareness regarding individual motives. Collings et al. (2009), for instance, note that although expatriate careers have emerged as another important topic in research, the knowledge regarding individual motives for accepting international assignments and expatriates' perceptions remains very limited. This observation has not changed much since then, and further research is necessary.

Avenues for Future Research

Future studies can build on the findings of this study and analyze the antecedents as well as consequences of several motives and their respective importance with regard to the expatriation and repatriation process. This suggestion is particularly interesting when examining the motives referring to the expatriate's career, that is, what happens when he or she returns from the assignment after a couple of years. Doing so would allow observation of whether the expectations, which clearly accompany the rank-ordering of the motives, are actually met.

Moreover, it would be valuable to analyze the differences between the importance of motives and the respective outcomes with regard to gender. The ratio of female expatriates continues to rise (Brookfield Global Relocation Services, 2013, 2015). In addition, because research suggests substantial differences between men and women, for instance, concerning career success and family responsibilities (Mayrhofer, Meyer, Schiffinger, & Schmidt, 2008), it would be worthwhile to analyze this from a global mobility perspective. Although there are some attempts to account for gender in expatriation (e.g., Cole & McNulty, 2011; Hearn, Jyrkinen, Piekkari, & Oinonen, 2008; Sinangil & Ones, 2003), considering the fact that more than half of the world's population is female and that increasingly more countries and companies are fostering female careers, research on this topic remains in its infancy.

Limitations

As with every study, this one has some limitations. First, despite its comparison between the years, 2002 and 2015, which illustrate several important changes in the motives of expatriation, it is not a longitudinal study. Although both studies apply large-scale samples of an important target group, the individuals answering the questions are different. Therefore, it cannot be stated with certainty whether changes in the importance of motives are caused by a real change in the mindset of the population or whether they are rooted in the fact that the questions have been answered by different individuals in the respective years. However, with regard to the long interval between the two measurement waves, it is reasonable to assume that the change is due to a change in the mindset of the population.

Second, because this study replicates the survey by Stahl et al. (2002a), the same items were used as in 2002. Therefore, respondents could choose from the 12 different motives that they were provided. However, it is possible that some new motives have arisen within the last 15 years that this study cannot account for. Future research should continue to use these motives and, perhaps by using qualitative methods, determine whether there are new motives that have been neglected thus far. Additionally, the actual relation between motives and the decision to go abroad could not be tested, and there may also be a self-selection bias in this study because only those people who have accepted the assignment are included. Accordingly, future research can survey people before they make their decision and then compare the motives of those who went abroad and those who decided to remain in their home country.

Third, the range of target countries is very large. The majority of respondents were assigned to South East Asia; the remainder were spread all over the world. Although, this is a suitable approach because it captures virtually any possible assignment destination and accounts for the increased variety of current expatriation destinations, it does not allow for comparisons between the different sub-regions due to the uneven distribution. Therefore, it is not possible to analyze whether there are systematic differences in the motives to go abroad between, for example, expatriates on assignments in Africa versus in other countries of Europe.

Regardless of these limitations, this study has made some valuable contributions and will hopefully encourage future research on the motives of expatriates.

North American Perspective

Motivations of Global Careers Among Expatriates in German Companies

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As someone who is passionate about understanding and advancing knowledge of cross-cultural interactions, expatriate assignments being one of them, I enjoyed reading Bader's study of German expatriates that essentially replicates my earlier study with Stahl and Miller (Stahl, Miller, & Tung, 2002b). The stated rationales for undertaking this replication study are sound as, one, the world has indeed experienced seismic changes in its political, economic, and demographic landscapes over the past decade or so; two, Germany continues to dominate the economic scene in Europe; and, three, there is a persistent under-representation of published studies on non-US samples in the English language literature.

Bader alluded to some of the changes that have taken place since the publication of Stahl et al.'s study, such as the war for talent and the aging of the workforce. In my perspectives piece to commemorate the 50th anniversary of the *Journal of World Business* (Tung, 2016), I argued for the need to adopt new lenses to approach research on international human resource management practices in response to changes that have occurred worldwide, such as the war for talent, the overall aging of the workforce, and the rise of emerging markets. The author referred to the first two changes. Even though no specific mention was made of the ascendancy of emerging economies, their finding with regard to the surge in assignments to the South East Asia and Africa/MENA regions may be attributed, in part at least, to the growth opportunities that German multinationals envision from these markets. Hence, the perceived need to gain first-hand experience in these countries.

Bader referred to the growing emphasis on boundaryless careers as an important reason for the rankings of motivations uncovered in his study of German expatriates. This phenomenon appears to be gaining ground elsewhere as well. In Kim and Tung (2013), we found evidence that boundaryless careers have begun to take hold even among Korean expatriates. Traditionally, Koreans have been known for their unswerving loyalty to corporate goals and subordinating their personal interests to that of their company's. Protean careers aside, other reasons that may have contributed to the findings in the Bader study include the recognition among corporations and aspiring professionals/executives of the need to develop a global mindset. In Tung (2014) article, I presented the reasons for the pervasiveness of this sentiment worldwide and identified some ways for developing this global mindset, international assignments (whether corporate-sponsored or self-initiated) being one of them. This greater recognition of the need to develop a global mindset may explain why "personal challenge" and "opportunities for professional development" continue to be ranked as the top two motives for relocating abroad (both in the 2002 and 2015 studies), and the downgrading of such motives (in terms of ranking) as "opportunities for future advancement" and "importance of job itself" in the 2015 study. Collectively, these findings suggest that increasingly people value living and working abroad because of opportunities for broadening one's horizons (i.e., engendering global thinking) rather than performing a specific job or seeking vertical advancement within a company.

Other developments related to the study under review are the rise of self-initiated assignments, the proliferation of multicultural teams whether within a given country or across countries, including virtual global teams, and brain circulation. Based on her study of high-tech entrepreneurial start-ups in Silicon Valley, Saxenian (2005) coined the term, brain circulation, to characterize those immigrants or children of immigrants who ply between their dual residence in their country of origin (COO) and country of residence (COR) to seek better job/business opportunities and to capitalize on their networks in both communities. These developments should be taken into consideration in the broader context of understanding motivations for undertaking global careers, although the authors did acknowledge that their study is limited in scope.

Bader's chapter identified some topics for future research, including possible difference in motives on the basis of gender. While research that advances understanding differences on the basis of gender definitely merits research attention, in light of the several developments that I alluded to, other areas that warrant further investigation include: one, a re-definition of global careers; two, expatriates from emerging market multinationals and their motivations for working abroad as compared with those from multinationals emanating from industrialized countries. These new perspectives are discussed in my 2016 article (Tung, 2016) and can help set the agenda for future research on international assignments.

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2

An Experience-based Typology of the International Workforce

Julia Raupp and Jonas Puck

Introduction

In line with the steady rise in corporate internationalization, firms are increasingly exposed to foreign competition and uncertainty. The competitive challenge is exacerbated by information asymmetry on foreign markets and the uncertainty concerning unfamiliar and complex environments (Blackler, 1995; Enderwick, 2011). There exist at least three reasons why we believe employees with international experience and/or cross-cultural heritage should function as key facilitators for counteracting these challenges: superior foreign knowledge, strong international work experience, and the ability to adapt across cultures.

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First, employees with international experience and/or cross-cultural heritage fuse and transmit considerable and relevant information (Barkema, Bell, & Pennings, 1996; Birkinshaw, 2005)—in particular, home as well as host-markets-related intimate understanding and competence (Dunning, 1988; Ewers, 2007; Nonaka & Krogh, 2009). In consequence, firms may limit complex foreign risks by employing internationally experienced employees, who are considered to be critical for stipulating economic success (Adler & Bartholomew, 1992; Andersson, Björkman, & Forsgren, 2005).

Second, professional experience gathered during an international career is regarded as one of the most effective means for developing global management skills (van der Zee & van Oudenhoven, 2000), enabling the absorption and transmission of complex tacit knowledge, fostering communication and collaboration across corporate as well as cultural boundaries (Brannen & Thomas, 2010). To stay competitive in a progressively global market, firms require experienced professionals to demonstrate global vision—and thus individuals who are endowed with cultural breadth, able to comprehend and efficiently interact in multiple cultures, adapting to foreign cultural norms, and possessing a global perspective (Wood & St. Peters, 2013).

Third, firms entering or planning to enter a specific foreign market may rely on employees to provide complex culture-specific competence, allowing the firm to decrease the uncertainty associated with foreignness. Hence, internationally experienced employees are thought to function as catalysts with regard to interconnecting markets, by transferring highly culture-specific knowledge, or by adapting behavior across multiple cultures and thus being able to execute business operations on an international level.

However, research on internationally experienced human capital is hampered by fragmentation and fails to produce a comprehensive overview of and clearly distinguish among the different types of employees with international experience and/or cross-cultural heritage. More specifically, the various types of internationally experienced employees are inconsistently differentiated, which results in terminologies that show considerable overlap. One example for this differentiation predicament is the vague demarcation between short-term assignees (STAs) and flexpatriates (FPs) (Mayerhofer, Müller, & Schmidt, 2011). Moreover, beyond the conceptual blurriness, there exists no comprehensive assessment of the differing experience-based competences that employees present to the internationally operating firm. While, for example, some authors state that skilled migrant (SM) employees increase the flow of scientific and technological knowledge (Al Ariss, Koall, Özbilgin, & Suutari, 2012), others say this contribution is specific to expatriates or inpatriates (INs) (Enderwick, 2011).

Therefore, we attempt to address the aforementioned shortcomings by first introducing the overarching term ISME (i.e., internationally skilled mobile employee) to subsume and generically classify all professionals who have acquired significant international experience and in consequence thereof possess cultural competence. Second, we review existing literature regarding the various types of ISMEs and comparatively assess their capability to contribute to the firm's foreign cultural competence repository. Third, to counteract the ambiguity in differentiating among the various types, this article introduces a novel typology, comparing the ISME types in relation to their depth of competence with respect to specific foreign cultures and breadth of culture-general competence.

Our approach contributes to theory and practice. In line with the calls of many scholars (Al Ariss et al., 2012; Biemann & Andresen, 2010; Meyskens, Von Glinow, Werther, & Clarke, 2009; Welch, Welch, & Worm, 2007), we believe that adding conceptual clarity about the different types of internationally experienced employees contributes to the quality of theorizing in the field. Given the relevance of previous cross-cultural experiences for MNCs as well as the undoubtedly existing conceptual overlaps, a comparative assessment of the types and their international experience would add to theory by providing a conceptual base for future research. With regard to practice, our approach offers support to firms intending to capitalize on the experiences of ISMEs: HR practitioners may benefit from this novel typology, as it assists in comprehending and dealing with the complexity of theoretic recommendations. In addition, the clustering of ISME types, which is proposed in this chapter, allows for efficient guidance with respect to the recruitment procedure when hiring for positions with international focus.

The chapter is organized around four main sections, commencing with a review of the various types of ISMEs and their capabilities. Secondly, the area of overlap with regard to defining the various types of ISMEs' is indicated. The next section focuses on expounding a novel typology with the dimensions of culture-specific depth and breadth of culture-general competence, comparatively assessing the various types of capability to balance information asymmetry among international markets. The study's concluding section indicates future research directions.

Literature Review

In response to the substantial overlap and ambiguity of the classifying criteria of ISME types in extant literature, we aim to deliver a comprehensive synopsis with respect to skilled employees, who dispose of significant foreign experience that may be exploited by the employing firm. In order to approach the literature review in a structured manner, the ISME types are identified according to their capability to provide significant foreign experience and skills; for a summary of definitions regarding the various types of ISMEs reviewed, please refer to Table 2.1.

Consecutively, the ISME types are grouped in relation to their classifications' overlap: the differentiation between bicultural individuals and the ISME types— immigrant employees, self-initiated expatriates (SIEs), SMs, INs, and expatriates—is blurry. Furthermore, the demarcation between SMs and SIEs is also ambiguous. Additionally, immigrant employees may be SIEs or SMs, if they are highly educated. Moreover, the definitions of expatriate and IN employees vary only with regard to their migration trajectories, and besides, these types may also count as SMs. In addition, assignees that are transferred for briefer assignment periods are not clearly differentiated. These encompass international commuter assignees (ICAs), STAs, FPs, and virtual expatriates (VPs). Thus, this review commences with bicultural individuals, figuring the largest subgroup of ISMEs', then proceeds to immigrant employees, SIEs, and SMs; consecutively the group formed by expatriate and IN employees is reviewed, concluding with the group of STAs, FPs, international business travelers (IBTs), ICAs, and VPs:

Table 2.1 Definitions of ISME types

Source	Type of ISME	Definition
Brannen and Thomas (2010)	Bicultural individual	'…individuals that have (either been ascribed by birth, or who have acquired) more than one cultural schema.'
Enderwick (2011)	Immigrant employee	'…specifically employed for their knowledge of, and links with their home country. When such employment coincides with a desire of the employing organization to target the employee's (former) home country, we term these immigrant employees.'
Howe-Walsh and Schyns (2010)	Self-initiated expatriate	'…initiate their expatriation and find a position in another country by themselves.'
Al Ariss and Syed (2011)	Skilled migrant	'…by the term 'skilled migrant' we refer to highly educated and experienced individuals."'
Harzing (2001)	Organizational expatriate	'…are usually home-country assignees who hold top management positions or key positions in functional departments of a foreign subsidiary.'
Harvey and Buckley (1997)	Inpatriate	'…the process of transferring host country and third-country national managers into the home/domestic market of a MNC on a semipermanent basis.'
Collings, Scullion, and Morley (2007)	Short-term-assignee	'…a temporary internal transfer to a foreign subsidiary of between one and twelve months duration… the relocation of family and remuneration issues are of secondary importance.'
Mayerhofer, Hartmann, Michelitsch-Riedl, and Kollinger (2004)	Flexpatriate	'…those who travel for brief assignments, away from their home base and across cultural or national borders, leaving their family and personal life behind.'

(continued)

Table 2.1 (continued)

Source	Type of ISME	Definition
Welch et al. (2007)	International business traveler	'…one for whom business travel is an essential component of their work.'
Collings et al. (2007)	International commuter assignee	'…an assignee commutes from their home base to a post in another country, generally on a weekly or biweekly basis.'
Welch, Worm, and Fenwick (2003)	Virtual expatriate	'…an employee does not relocate to a host location, but has international responsibilities for a part of the organization in another country which they manage from the home country. It is an appointment to a specific, defined role in a foreign operation, for a specific period of time.'

Bicultural Individual (BI)

BIs are considered a valuable, yet largely untapped resource in international business (Fitzsimmons, Miska, & Stahl, 2011), capable of positively influencing market performance in the organization's host country (Rangan & Sengul, 2009) by fusing culture-specific knowledge with culture-general skills (Brannen & Peterson, 2009; Thomas et al., 2008). This is due to having internalized more than one cultural schema, and thus incorporating at least dual context-specific knowledge competencies (Fitzsimmons, 2013). In comparison to monocultural employees, bicultural individuals in organizations (Brannen & Thomas, 2010) are considered to possess key competence in connection with foreign culture, language skills, tacit knowledge, market and industry-specific information, and networks (Chung, Rose, & Huang, 2012; Nonaka & Takeuchi, 1995).

Yet, apart from the assumed language skills, often in the form of bilingualism, there exists little recognition within the bicultural terminology of any hard skills, such as educational achievement, or work experience. Thus, only BIs who can be considered professionals may count as ISME. The defining criterion for BI is the internalization of more than one culture (with which they may or may not identify), merging the cultural knowledge traditions of the country of ethnicity and the country of residence, and if applicable, previous places of abode (Hong, Morris, Chiu, & Benet-Martínez, 2000). Biculturalism stems from either bi- or multicultural ethnic background, marriage to a foreign partner, prolonged exposure to a foreign country, or from cross-border migration (usually including second-generation migrants) (Benet-Martinez, Leu, Lee, & Morris, 2002; Brannen & Thomas, 2010; Hong, 2010). Accordingly, BIs possess the capability to frame-switch between the internalized cultural systems (Brannen & Thomas, 2010), enabling cultural adaptability and boundary spanning (Friedman & Liu, 2009; Hong, 2010; Padilla, 2006). This permits BIs to operate in cross-cultural contexts in response to multicultural stimuli (Brannen & Thomas, 2010; Hong et al., 2000). Furthermore, BIs possess the capability to apply cultural metacognition (Thomas et al., 2008) and consequently intentionally manage and control cultural cognitive processes and affective states (Brannen & Peterson, 2009). This dynamic attribute, endogenous to BIs, also applies to future cross-cultural settings where culture-specific experience may be abstracted to analyze the broader principles of behavior in other contexts, representing culture-general skills (Hong, 2010). Hence, BIs' unique bicultural competence permits them to collaborate more effectively with people from different cultural backgrounds (Hong, 2010). Thus, within the international firm, mediation between cultures is facilitated and multicultural team effectiveness enhanced (Hong, 2010). Moreover, BIs have been found to display heightened levels of empathy, which might influence their intercultural negotiating skills and conflict solving capability (Fitzsimmons et al., 2011; Leung, Maddux, Galinsky, & Chiu, 2008).

Immigrant Employee (IE), Self-initiated Expatriate (SIE), and Skilled Migrant (SM)

Literature fails to clearly demarcate between the types SM, SIE, and IE, as all types self-determinately relocate for indefinite time frames, yet usually on a permanent basis (Al Ariss & Syed, 2011; Suutari &

Brewster, 2000). In addition to being internationally mobile, all of the aforementioned types dispose of professional or educational skills and hence qualify as ISME. The definition of SM is the broadest and figures as the overarching concept, considered to embrace the subtype SIE and partly IE.

IEs are by definition employed because of their business knowledge in connection with their country of origin, offering valuable competence in connection with overseas markets (Chung, 2008). Accordingly, their country of origin needs to match the target market of the employing firm. In particular, smaller sized firms are seen to benefit from employing IEs, as they contribute in the form of local market knowledge, existing contacts, and cultural insights, and in consequence assist cost-effective international strategy design (Chung, Enderwick, & Naruemitmongkonsuk, 2010). Yet, IE terminology does not specify any particular educational achievement. However, in order to fulfill their role within the firm, IEs need to convey complex insight in connection with customer behavior, business practices, and international marketing and strategy in relation to the firm's overseas market (Enderwick, 2011). Hence, IEs are recruited because of their host country-specific business knowledge and fulfill the role of an advisor in international business decisions and strategy. In order to be capable to deliver this sort of input, IEs must have acquired relevant work experience and professional skills and thus count as an ISME. Further definition criteria are the recent emigration, which warrants for up-to-date foreign business knowledge, as well as some understanding of the business culture in the country of immigration. Therefore, an IE's cultural knowledge system and abilities are highly specific with regard to the employing firm's target market (the IE's country of origin). Moreover, the IE needs to possess culture-general knowledge, as due to their attributed responsibilities, IEs function as interconnectors between home and host markets. In addition, their place of employment differs from the market they serve; hence during their daily work routine they frequently switch cultural frames. Consequently, in order to be capable to link the two cultures, IEs need to be able to transfer their culture-specific knowledge to the new cultural context, and thus exhibit cultural metacognition, which relates to culture-general knowledge. Furthermore, their behavioral adaptability is essential, as their work responsibilities require serving the host market culture, whilst simultaneously assimilating the foreign as well as corporate culture of the employing firm. This also entails reflective cross-cultural communication and linguistic skills of IEs, indicating a high level of cross-cultural agility. With prolonged exposure to the country of immigration, the corporate and home-culture knowledge and abilities are suggested to increase and the IE may eventually become bicultural with prolonged residency.

Unlike organizational expatriates (OEs) who are transferred within the corporate network for a predetermined time frame, lasting up to five years, *SIE*s migrate autonomously (Al Ariss & Özbilgin, 2010). SIEs either enter the new country of residence with an already signed job contract or without such an agreement and if hired, are contracted as local employees (Biemann & Andresen, 2010) with the length of stay usually being temporary (Al Ariss & Özbilgin, 2010). By being self-directed and qualified, SIEs proactively endeavor to enhance their labor market value by following an international career, or in order to pursue private reasons, such as relationships or social motives, or simply for the interest in a specific foreign country (Howe-Walsh & Schyns, 2010). Hence, SIEs' motivation to relocate largely stems from an interest to learn about different cultures and to find new social and business contacts advancing their professional careers (Al Ariss & Syed, 2011). Consequently, their culture-specific knowledge is home country oriented, yet due to the SIEs' interest in migrating across borders, it is assumed that they are likely to some extent internalize the new cultural meaning system (Peltokorpi & Froese, 2009). Due to the cross-cultural interaction, culture-general knowledge may also be developed; yet, this is not explicitly stated within the terminology. With respect to social networks, their home country ties are supposed to be weaker than the networks of expatriates, as following a boundaryless career implies egocentric focus including breaking ties and sacrificing contacts (Mitchell, Holtom, Lee, Sablynski, & Erez, 2001). However, since SIEs proactively relocate on their own initiative, their effort to connect with alien cultures is suggested to be higher than expatriates' enthusiasm to become rooted in foreign social systems. The technical competence of SIE's is also assumed to be comparatively high, as the migration is mostly motivated by the envisaged career leap this potentially entails. Hence, SIEs can be defined as careerists that have achieved a certain professional status and by implication are very likely to be technically skilled (Biemann & Andresen, 2010).

SMs are highly educated and either permanently or temporarily relocate in a quest to enhance their standard of living with respect to economic, political, cultural, and career aspects, or for the purpose of family reunification (Carr, Inkson, & Thorn, 2005; van den Bergh & Du Plessis, 2012). In consequence, SMs have traditionally been associated with draining the knowledge base of their country of origin, by following migration trajectories from less developed countries to more industrialized nations (Beine, Docquier, & Rapoport, 2008). Based on differing immigration policies, the criteria concerning who qualifies as SM vary extensively across nations. In consequence, literature indecisively delineates the skill levels necessary for being considered an SM. In general, the determination criteria for skills comprise the completion of a tertiary education, achieved professional status, as well as the salary earned (Chaloff & Lemaître, 2009). However, in an effort to circumvent the determination of skill level, SMs have been distinguished according to their occupation, resulting in five categories, namely internationally sojourning senior managers, engineers and technicians, scientists, entrepreneurs, and students (Mahroum, 2000). The culture-specific knowledge of SMs may not be fully established from the outset, yet due to relocating abroad, they are likely to develop foreign culture-specific knowledge, including foreign language proficiency. As a result, they may become bilingual, obtain cross-cultural market knowledge, and a foreign embedded network of contacts (Al Ariss & Syed, 2011).

Organizational Expatriate (OE) and Inpatriate (IN)

Both types are intra-firm transferees, who follow a cross-border assignment, yet with inverted migration trajectories: OEs relocate to foreign subsidiaries of the same corporate network, whereas INs are transferred to the headquarters' location. In most cases the assignment duration is predetermined and the return of the employee is anticipated.

OEs are headquarters managers who are assigned abroad in order to fill a key position or leading management function (Brock, Shenkar, Shoham, & Siscovick, 2008). An OE's role demands competence with regard to transferring technology know-how to subunits, managing foreign staff, and accustoming business practices to concord with local conditions (Adler & Bartholomew, 1992). Accordingly, OEs provide a high level of organizational knowledge and managerial talent and are thus assigned to subsidiaries where technical skills are lacking, or training and control are needed (Daniels & Insch, 2006; Gong, 2003). The common assignment duration spans from two to five years and often involves the relocation of spouse and families (Collings et al., 2007). The most cited advantage for assigning OEs is the outward transfer of expertise and familiarity with corporate practices, as well as the influx of overseas knowledge on return (Enderwick, 2011; Kang & Kim, 2010; Mäkelä, 2007). Thus, OEs have been described as subtle mechanisms for subsidiary control (Harzing, 2001) and key agents for international knowledge transfer (Hocking, Brown, & Harzing, 2004). In order to disperse knowledge on an international level, OEs need to be endowed with culture-general knowledge. Moreover, they are considered to foster formal as well as informal communication networks (Fang, Jiang, Makino, & Beamish, 2010) and enable the corporation to gain global competence (Hocking et al., 2004). However, as their role involves mainly disseminating knowledge across the corporate network, their center of focus is not on absorbing new cultural schemata. Additionally, owing to the transitory nature of their foreign assignment, their country-specific set of knowledge is considered to be less pronounced than their culture-general competence.

INs are transferred from a corporation's peripheral units to the headquarters on a semipermanent basis (Harvey & Buckley, 1997; Reiche, Harzing, & Kramer, 2009). Viewed from the perspective of the corporation, the rationale is to prepare INs for future management positions (Harvey, Speier, & Novicevic, 1999). The IN's motivation to relocate to the headquarters is explained by the anticipated intra-firm career enhancement this will entail (Reiche, 2006). INs are suggested to span boundaries, by balancing between markets at different levels of economic development (Harvey & Buckley, 1997; Harvey et al., 1999). Furthermore, on their return to the sending subunits, they assist in implementing consistency of corporate culture. Also, they represent a source for host country knowledge, including strong ties, for example to government officials (Harvey et al., 1999). Nonetheless, INs are required to assimilate to the organizational culture which is dominated by the values and norms of the headquarters' national culture (Adler & Bartholomew, 1992). Therefore, in comparison to OEs, INs are considered to dispose of more culture-specific knowledge.

Short-term Assignee (STA), Flexpatriate (FP), International Business Traveler (IBT), International Commuter Assignee (ICA), and Virtual Expatriate (VP)

The terminology for STA, FP, IBT, ICA, and VP is insufficiently differentiated (Mayerhofer et al., 2011). All of these represent alternatives to traditional expatriation, which require cost-intensive relocation. As acknowledged by Wood and St. Peters (2013), MNCs shift their prime focus from long-term assignments to shorter tenures, or utilize virtual or multicultural domestic teams (Bandura, 2002; Meyskens et al., 2009; Wood & St. Peters, 2013). Thus, MNCs utilize these types instead of traditional OEs in the attempt to reduce costs (especially tax differentials on the individuals' compensation) and to counteract the challenges in connection with repatriation (Thomas et al., 2008). Due to their work responsibilities, all of the above listed ISME types interact with various foreign nationals stemming from different backgrounds. The assignment duration varies in relation to the operation and may last from a short business trip up to a maximum duration of one year, or, in case of virtual delegation may not involve a change of site at all (Bozkurt & Mohr, 2011; Oddou, Mendenhall, & Ritchie, 2000). Thus, these ISME types engage in global business operations by either frequently visiting different foreign markets or constantly liaising with foreign nationals. Their responsibilities principally involve project-related cross-cultural coordination and management, which may be either company- internal, or with external stakeholders (Welch et al., 2007).

STAs are internally transferred employees who work temporarily in a foreign subsidiary for the duration of 1–12 months. Thus, their assignment is longer than a mere business trip, yet shorter than a year's duration (Bozkurt & Mohr, 2011). STAs may or may not be accompanied by their families (Collings et al., 2007; Mitchell et al., 2001).

FPs describe short-term business travelers who are employed in one country (often the nation of the corporation's headquarters), yet conduct most of their professional role in foreign countries whilst the family remains at home (Mayerhofer et al., 2011). In order to execute their professional role, FPs frequently travel across cultural boundaries at short notice for a short period of time, yet without relocating (Mayerhofer et al., 2004).

Similarly, *IBT*s are ISMEs who spend major parts of their professional lives on short-term trips, visiting multiple foreign target markets, international subsidiaries, and projects located abroad (Oddou et al., 2000; Welch et al., 2007). Thus, frequently flying constitutes an essential component of their daily work routine (Collings et al., 2007). IBTs' area of operation is predominantly sited in developing markets or volatile countries, where expatriates would be reluctant to be transferred to (Thomas et al.. 2008).

ICAs repeatedly travel on a weekly or biweekly basis from their country of residence across national borders to their work location, while the family remains at home (Collings et al., 2007; McKenna & Richardson, 2007). Furthermore, ICAs may travel to several international countries, yet return regularly to their home base in order to participate in corporate briefings and to spend time with their families (Bandura, 2002; Collings et al., 2007).

VPs are physically working from the corporate headquarters, yet from an organizational and operational perspective, their scope is the foreign subsidiary they are in charge of. Therefore, a VP's private and professional realms are psychically separated (Thomas, Lazarova, & Inkson, 2005; Welch et al., 2003). Consequently, VPs are not physically delegated abroad, yet fulfill their work responsibilities from the headquarters location, whilst their task involves managing foreign staff in host locations by making use of electronic and virtual communication technology (Roberts, Kossek, & Ozeki, 1998). Seeing that face-to-face encounters with foreign colleagues and stakeholders are limited, VPs' culture-specific knowledge may be restricted (Holtbrügge & Schillo, 2008).

To summarize, these types of ISME engage in global business operations via frequently interacting with a plenitude of different cultures in various locations. Since their role does not involve permanent relocation, they either are transferred for a short assignment period or regularly travel abroad—or in the case of VPs manage international operations via virtual communication channels (Bozkurt & Mohr, 2011; Oddou et al., 2000). In addition, they are seen as highly competent agents for international knowledge and global competencies dissemination, capable of accessing and building strong formal and informal global networks (Oddou et al., 2000; Welch et al., 2007). Moreover, they are associated with simplifying international activities, including subsidiary development and stakeholder relations (Bozkurt & Mohr, 2011; Welch et al., 2007). Additional capabilities of these ISME types include problem solving skills, foreign subsidiary control, and training of local staff, as well as managerial development (Collings et al., 2007).

Findings

As the review indicates, ambiguity exists among several ISME types of differentiation, resulting in overlapping definitions. In order to illustrate this, and to comprehensively compare the varying levels of cultural competence, this study introduces a novel typology. We argue that the success of ISMEs to interlink international business contexts relies on their competence with regard to specific foreign cultural settings (i.e., culture-specific knowledge) as well as their competence to generalize and adjust flexibly to novel cultures or the global marketplace, which is culture-general competence. In keeping with prior research on international experience, we distinguish between a temporal and diversity component (Adler & Bartholomew, 1992; Shaffer, Kraimer, Chen, & Bolino, 2012; Takeuchi & Chen, 2013). Therefore, this experience-based typology visually depicts the areas of intersection and systematically contrasts ISMEs' foreign competencies by differentiating the ISME types according to two dimensions: (1) the depth of culture-specific competence and (2) the breadth of culture-general competence.

Accordingly, the depth of foreign culture-specific competence relates to the cognitive, affective, and behavioral realm of an employee toward a specific cultural context. We utilize the duration of assignment experience or temporality of relocation as indicators for culture-specific competence. With respect to intra-cluster ambiguity, that is no clear-cut differentiation between the ISME types' duration of experience, we additionally discern the likely intensity of cultural immersion as an indicator for depth. The second dimension depicts the ISME types' versatility to be assigned to, and work effectively within, a multitude of international contexts, permitting the employees to transfer their experience across and beyond their known contexts and enabling them to interact efficiently in a global marketplace. Therefore, the breadth of culture-general competence designates the diversity of international exposures and variety of cross-cultural interactions (Adler & Bartholomew, 1992; Cao, Galinsky, & Maddux, 2014; Wood & St. Peters, 2013).

Depth of Culture-specific Experience

In order to effectively interlink transnational business operations from a firm-centric view, ISMEs need to be knowledgeable about the specific cultural complexities in relation to the firm's home- and at least one foreign context. In addition to this complex cultural expertise, they need to adjust to the foreign cultural schema, enabling the ISME to interact with foreign individuals and thus mediate home-host relations. Therefore, the first dimension to assess the various types of ISME is culture-specific competence that is the combination of knowledge and skills with respect to distinct foreign cultures. Since culture is shaped by its community's interaction and communication, the nature of culture is seen as a dynamic and developmental process which is continuously cultivated. Consequently, to become competent in a specific culture, the employee needs to cognitively, behaviorally, and affectively engage with the cultural context (Hong, 2010; La Fromboise, Coleman, & Gerton, 1993; Sundberg, Snowden, & Reynolds, 1978). Culture-specific competence is hence context-related and complex, and by implication difficult to access and to comprehend, depending heavily on the individual's specific content knowledge about and social relationships within the cultural setting (Andersson et al., 2005; Thomas et al., 2008). Furthermore, in order to frame a cognitive network, absorptive capacity as well as the understanding of the implicit socio-cultural dynamics is required (Hong & Nguyen, 2009; Spender, 1996; Tsai & Ghoshal, 1998; Vance & Paik, 2005). Thus, culture-specific competence combines tacit knowledge of cultural values, beliefs, and culture-specific behavior with explicit intelligence of cultural traditions and history, political and economic systems, institutions, and social structures (Hong, 2010). Hence, culture-specific competence strongly depends on the ISME's exposure to and immersion within a cultural environment, including social as well as institutional networks. Culture-specifically competent individuals have been ascribed to possess a strong cultural identity, being knowledgeable about and sensitive to cultural norms, values, and beliefs, and in command of the local language where they work. As a result, they are anticipated to be capable of communicating with ease in the given cultural setting, maintaining active social relations and negotiating the institutional structures of that culture (Al Ariss & Syed, 2011; Bandura, 2002; La Fromboise et al., 1993). The unique combination of home- and host culture related specific competencies ultimately assists the ISME and in turn the employing company in attaining adaptive payoffs by interlinking cultural environments (Hong, 2010). Accordingly, the longer the duration of foreign exposure (as designated by the types' classification, derived via the literature review), the deeper the culture-specific competence.

Breadth of Culture-general Experience

To effectively execute business operations on an international level, ISMEs need to be able to adjust across a multitude of differing national cultures and hence be endowed with culture-general competence (Searle & Ward, 1990). Due to continuous learning from multiple cross-cultural exposures, ISMEs are anticipated to create a general framework for critically monitoring and assessing new cultures and the differences these might entail compared to their original and experienced cultures. This realization of discrepancies between cultural settings is seen to be essential when operating in the global context, as it facilities open-mindedness and tolerance toward cultural differences (Thomas et al., 2008) and hence prevents ethnocentric mindsets and conducts. Thus, culture-general competence refers to the capacity to capture commonalities and differences among cultures in order to generalize and thus transfer cultural competence internationally (Thomas et al., 2005). Furthermore, culture-general competence includes the ability to treat individuals from foreign cultures with respect, to display interest in learning about different cultures, tolerance and patience in cross-cultural situations, as well as emotional resilience (Paige, Jorstad, Siaya, Klein, & Colby, 2003). In consequence, ISMEs endowed with high culture-general competence may be successfully assigned to a multitude of environments, linking the firm with various different foreign markets. It permits the employees to transfer their experience across and beyond their known contexts, enabling them to interact efficiently in a multinational or global marketplace. Consequently, general competence is the result of various and flexible cultural encounters. In contrast to the depth of competence, culture-general competence relates to the amount of different experiences within changing cultural settings. Therefore, the dimension breadth of experience depicts the culture-general competence, indicated by the number of international

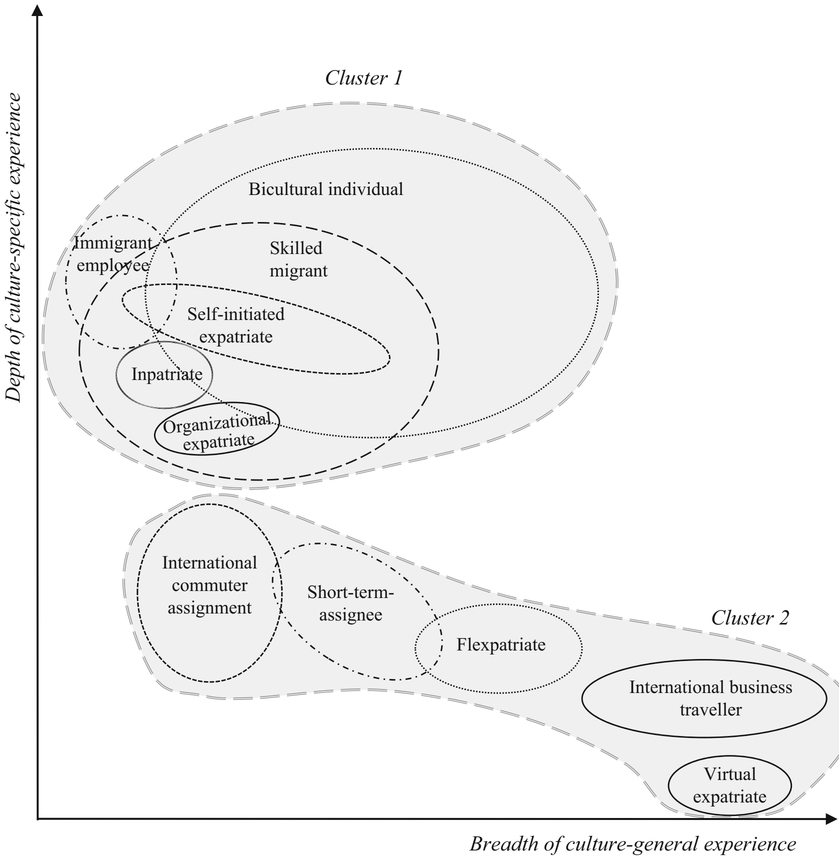

Fig. 2.1 Cultural experience of ISMEs

interactions and foreign assignments. For a figurative depiction of the differentiation between ISME types and their cultural competencies, please refer to Fig. 2.1.

Differentiation Among ISME Types

According to the dimensions' depth of culture-specific competence and breadth of culture-general competence, two broad clusters can be formed: The first one includes bicultural individuals and semi- to permanent assignees or migrants, characterized by deep specific cultural knowledge and skills, owing to experience within a unique foreign cultural context. The second cluster configures employees that frequently and flexibly cross international borders in order to fulfill their work responsibilities. Thus, the second cluster of ISME types is endowed with culture-general competence, as the continuous exposure to varying international settings necessitates a clear comprehension of and adjustment to differing contexts. This in turn leads to a general metacognitive framework for assessing different cultures and their communities.

Accordingly, *cluster 1* assembles the ISME types BI, IE, SM, SIE, IN, and OE (ordered in relation to their depth of culture specificity). In consequence of the immersion within and experience of the adopted culture, BIs dispose of the deepest rooted culture-specific competence, which may also be attributable to IEs, SIEs, and SMs. Consequently, if ISMEs, belonging to cluster 1, spend enough time within a novel cultural domain (which is expected as the definitions include relocation) they may adopt and identify with the new culture and eventually become bicultural, accruing the capability to frame-switch cultural schema. With respect to IE and SIE, there also exists ample overlap with SM, embedding the concepts of IE and SIE. The defining criterion that differentiates IE and SIE from SM is skill, which is not specifically mentioned in either terms of IE or SIE, resulting in indistinct boundaries. Furthermore, as IE are employed due to their culture-specific business knowledge, it is to be anticipated that in addition to foreign culture-specific competence, they dispose of certain professional skills. As the IEs original culture needs to be the same as the corporation's target market, IEs figure as the most confined subtype. In comparison, SIEs may or may not be employed in the country of relocation in a position that may or may not involve applying culture-specific knowledge. Moreover, SIEs are denoted as careerists who endeavor to progress their professional career paths. Consequently, they are considered to be equipped with highly relevant business skills, stemming from their previous position.

To summarize, IE, SM, and SIE all autonomously relocate across national borders for undetermined time frames, yet often on a permanent basis. These ISME types utilize professional skills and business knowledge with regard to their countries of origin. However, their foreign culture-specific knowledge repository may with time eventually turn into bicultural-specific competence, transforming the IE, SM, and SIE types into a BI type. Additionally, as IEs have relocated prior to being recruited in the new country, they might dispose of a higher degree of dual culture-specific knowledge than SIE and SM. However, SM and SIE may repeatedly migrate to foreign locations and thus immerse in more than one foreign culture, leading to a wider scope of international experience and accordingly increase their breadth of culture-general competence.

Both OE and IN can also be considered SM, as both types are skilled and migrate across international borders. They are intra-firm transferees and relocate for a predetermined time frame, with opposed directions of migration trajectories—the OE follows an international assignment abroad, whereas the IN is transferred across borders to the corporation's headquarters. Thus, both types use organizational knowledge with regard to the employing firm and the business environs of the sending foreign unit/headquarters. In consequence of their opposite trajectories, it is argued that their cultural knowledge repositories will converge over the duration of an assignment. Nevertheless, as the assignment is only for a pre-set period, the return is anticipated and thus the motivation to fully immerse within the novel culture depends on the individual's inclination to culturally adjust. Furthermore, since OEs are sent abroad mainly for managing, controlling, and supervisory purposes, they may spend more time to impose corporate culture at foreign subsidiaries than adopting novel cultural schema themselves. Contrasting this, INs are transferred to the corporation's headquarters in order to gain organizational competence with the objective to disseminate this knowledge on their return to the foreign unit. Thus, their motivation to adapt to the novel culture might be superior to the one of OEs. Consequently, it is anticipated that the culture-specific knowledge repositories of OEs and INs may approximate over the duration of an assignment, yet that INs surpass OEs on specific cultural knowledge. Furthermore, OEs often repeatedly follow assignments to differing foreign locations. In comparison, INs are typically transferred only once to the headquarters location. As a result, OEs are considered to be endowed with more culture-general competence, due to the continued adjustment to foreign settings.

Cluster 2 configures ICA, STA, FPs, IBT, and VP. These ISME types interact with colleagues and stakeholders in various different foreign markets. Hence, they are not permanently relocated, but they either follow brief assignments or constantly travel in order to conduct international business—or in the case of VPs, they operate via new telecommunication media. The area of intersection between the classifications is extensive: by definition, ICAs may also work in various settings, creating blurriness between the concepts of ICA, STA, and FP. Besides, the demarcation between STA and FP is ambiguous, as due to repeated short-term assignments STAs may become FPs. Furthermore, as STAs, FPs, and ICAs work abroad for longer time periods than IBTs, who frequently fly to varying countries, IBTs are endowed with less country-specific competence. However, due to the multitude of foreign encounters, they dispose of a higher degree of culture-general competence than ICAs, STAs, and FPs. With regard to VPs, they are mostly situated in one location, yet may also travel to foreign destinations, if their work requires this. Their constant liaising with foreign colleagues demands VPs to have a sophisticated general framework for interacting with culturally different people (culture-general competence).

Serving as indicator for inferior culture-specific knowledge, the second cluster ISMEs are often not skilled to speak the local tongue, but refer to English as lingua franca. However, due to longer sojourns ICAs and STAs are anticipated to be more culture-specifically versed. In comparison, owing to their constant traveling or liaising with foreign partners and colleagues FPs, IBTs, and VPs are anticipated to be endowed with cosmopolitan mindsets, engaging in various differing settings and accordingly demonstrating culture-general competence. In contrast to cluster 1, these ISME types are considered to have inferior culture-specific competence. However, due to the variation in foreign destinations cluster 2 subtypes flexibly interact with numerous different cultures. Hence, they are considered to be endowed with high culture-general competence, permitting them to effectively interact across various cultures.

Comparing ISMEs' Cultural Competencies

Viewed from a firm-centric angle, cluster 1 ISME types constitute a source for deeply rooted, specific competence. Due to foreign experience, BI, IE SM, SIE, OE, and IN may limit information asymmetry and counteract the risks associated with foreign markets. This source of specific competence is particularly essential when entering and operating within foreign markets. Therefore, the employing firm may benefit from consulting on these types of competence, which includes explicit as well as hard-to-access tacit foreign knowledge. In case of BIs this competence extends to knowledge about at least two cultural domains. IE, SM, SIE, and IN present information resources with regard to their former home culture, including customer behavior, business practices, international marketing, and market entry strategies (Enderwick, 2011). In addition, this competence may further extend to culturally close markets. Seeing that emigration of these types is recent, it is to be anticipated that they are closely linked within the social as well as institutional networks of their original culture. This provides the employing firm with information that facilitates local adaptation, especially if the target market of the firm is congruent with the country of origin of the ISME (as in the case of IEs) (Chung, 2008). Furthermore, their scope of knowledge may be increased to bicultural competence over time. Hence, they might be able to frame-switch and be proficient in the new language as well as having detailed knowledge regarding the adopted culture. This may be used to more efficiently share organizational knowledge and foster headquarters-subsidiary communication. Additionally, if the firm endeavors to internationalize its operations, all these types may be of assistance with regard to perceptive and eloquent informal networking and conflict mediating (Hong, 2010). Furthermore, due to repeat migration or advancing international career paths, they may increase their culture-general competence. In order to increase the leverage effect of these, firms might implement job-rotation systems that enable their staff to work internationally. Additionally, the challenges in connection with repatriation should be foreseen and actively prevented by the employing firm. This can be embarked on by training and developmental programs that are devised by multinational teams, rather than being planned by headquarters representatives (Adler

& Bartholomew, 1992). As the principal rationale behind inpatriation consists in preparing INs for managing roles, their competence with respect to their country of origin may not be utilized by the headquarters. Similarly, competences acquired during foreign assignments of OEs are seldom recognized at the parent company, as their main responsibility is outward knowledge transfer of headquarters business practices. Thus, we argue that INs dispose of slightly deeper foreign country-specific knowledge than OEs, yet OEs may have a wider scope of internationally applicable competence, due to repeat assignments. However, the only type that is specifically utilized as a source for distinct culture-specific knowledge is the IE. Therefore, it is to be assumed that firms are not sufficiently making use of the specific foreign knowledge and abilities of their employees. Furthermore, SMs are often employed due to skill shortages in certain professions in the recipient country, yet their deep country-specific competence which might be of merit to the firm is often overlooked in favor of technical skills. Besides, in the case of BIs, IEs, and SMs the firm will not have to sustain the costs for relocating spouse and families, as they are recruited locally (Enderwick, Tung, & Chung, 2011). To reiterate, cluster 1 ISMEs are anticipated to counteract information asymmetry by delivering valuable information inputs. Furthermore, the internationally expanding firm may benefit from consulting with these types to attain country-specific advice in strategic business decisions, in particular during the research phase of overseas market entry (Enderwick, 2011), or when envisaging local responsiveness (Adler & Bartholomew, 1992).

Cluster 2 ISME types do not relocate, yet they travel or follow short-term assignments mainly in order to represent the firm internationally, rather than serving as a source for information. As they need to apply their cross-cultural skills on a day-to-day basis in order to span boundaries between cultures, they are thought to be highly equipped with culture-general competence. Consequently, their social capabilities require both behavioral adaptability and cross-culture communication skills (Thomas et al., 2008). However, in addition to culture-general competence, ICAs and STAs are considered to be endowed with deeper foreign knowledge, as ICAs mostly travel between two cultural contexts and STAs stay for longer in specific cultural contexts. Contrasting this, FPs and IBTs dispose of a higher degree of culture-general knowledge as their work responsibilities require them to frequently fly between different international settings and to interact with different cultures from a diverse range of international backgrounds. Hence, in order to effectively execute their professional role, they must comprehend business contexts from a global perspective (Adler & Bartholomew, 1992). However, due to short-stint traveling, it is argued that cluster 2 types will not imbue deeply anchored foreign culture-specific competence. In the case of VPs, there exists little face-to-face encounters with different cultures, as interactions are mostly conducted via telecommunication media, rendering this type's first-hand experience of foreign cultures less intense. This owes to the fact that VP's interaction with foreigners is generally restricted to office hours. Additionally, social ties take time to develop and can hardly be created from video conferencing, alone. Furthermore, apart from the content information, supplementary cues like body language may be lost due to telecommunication media not being able to capture this. Therefore, in order to successfully execute their responsibilities, their culture-general skills need to be wide-scoped. In consequence, they should increasingly be employed in the upper echelons as global or transnational managers, thus linking the dispersed network of subsidiaries and aligning international business to global business strategies, processes, and standardization (Daniels, 1987).

Implications for Practitioners

By introducing the ISME overarching terminology, practitioners are assisted in gaining insight in and clarification of an otherwise highly fragmented research area. Moreover, HR-professionals benefit from the inclusivity of the term, as it incorporates all types of cross-culturally skilled human capital. This facilitates the recruitment and placement processes, since it outlines the entirety of internationally skilled professionals available for employment and capable of reducing information asymmetry in connection with international business. In addition, the novel experience-based typology explicates the competences and cultural expertise of ISMEs, providing clarification with regard to the complexity of theoretic recommendations. Moreover, this two-dimensional typology contrasts the ISME types of differing capabilities by developing two clusters, offering efficient guidance for firms intending to capitalize on the experiences of ISMEs:

ISMEs belonging to cluster 1 are endowed with deeply rooted foreign knowledge. Accordingly, firms that endeavor to increase their local responsiveness or prepare for overseas market entry are advised to employ cluster 1 ISMEs. Their profound market insight, which includes both explicit knowledge and tacit qualities, renders them an efficient, though hitherto largely untapped, source for market selection in internationalization endeavors (Fitzsimmons et al., 2011). Their often bicultural competence allows for frame-switching between the original and adopted cultural schema, which may positively affect social networking and encounters with business associates stemming from similar cultural contexts. In line with this, cluster 1 ISME types may prove to be proficient in building cross-cultural trust, as they are endowed with foreign language skills and corresponding value schema. Also, their intimate knowledge of business conducts and network ties may positively impact on establishing contacts with potential corporate partners. Thus, it is proposed to consult cluster 1 ISMEs particularly where intimate market comprehension, local responsiveness, and network ties within specific contexts are important. In general, cluster 1 employees provide the firm with a largely unexploited, yet readily available and efficient source for foreign knowledge creation.

Cluster 2 encompasses ISME types whose daily work routine involves cross-cultural interactions in multiple and varying foreign contexts. In consequence thereof, these types shape generic frameworks for comprehending and assessing cultural dissimilarities and hence dispose of high levels of culture-general competence. This is thought to foster global business standardization and corporate communication. Due to frequently changing work locations they are likely to be more flexible and linked within a broader network of internationally spread contacts. Due to constant traveling and liaising with culturally different locales, they may easily become oriented in novel cultural schema. Thus, firms following global, standardized strategies should increasingly employ cluster 2 ISMEs in management positions. They are also thought to foster multinational teamwork, as cluster 2 ISMEs are likely to be equipped with cosmopolitan mindsets, which are thought to deter culture-infused conflicts. Generally, it is recommended to appoint cluster 2 professionals when the objective is to transfer and spread knowledge on a global scale.

As a further pragmatic implication of these findings, international firms should increasingly document their employees' backgrounds, as currently little or no information on the cultural circumstances of personnel is recorded. The only facts commonly noted that indicate foreign competence are language skills, place of birth, and previous international employment. However, if an employee has been brought up biculturally, or is a second-generation migrant, this usually is imperceptible and hence denotes an untapped resource for creating intra-firm cultural competence.

Implications for Theory and Future Research

The literature review illustrates the relevance for integrating multiple research streams into one overarching field. We demonstrate that the various types of ISME are ambiguously defined and hence indistinctively demarcated. Therefore, future research should take a holistic perspective and discontinue distinguishing between particular types, but subsume and capture cross-culturally experienced employees in one all-inclusive classification, that is ISMEs. Furthermore, the literature review also indicates that there exist two most relevant experience-based groups of employees, one possessing deep culture-specific experience and the other endowed with broad culture-general experiences. In consequence thereof, two clusters can be formed which unnecessarily render a distinction between the types, as any individual could be classified according to the dimensions of depth and breadth of cross-cultural experiences. Thus, the prevailing conceptual blurriness between determining types of internationally skilled employees is countered by introducing an experience-based typology which adds conceptual clarity by structuring the ISME types according to two dimensions. In addition, any novel and forthcoming type that satisfies the criteria of being internationally skilled and employable may be subsumed under this experience-based typology.

Despite the fact that this typology elucidates the differing cultural competences of the international workforce, this study did not empirically validate these findings. Additionally, the list of ISME types researched in this study may not be exhaustive. This is largely due to firms devising new HR structures in an attempt to decrease costs and to serve the global market. Furthermore, since cultural competence highly depends on the individual`s inclination to adjust to novel cultural schema, it may be advisable to conduct more research to investigate cultural competence on an individual level and the implications this has for the specific ISME, as well as the employing corporation. This would also include capturing more indirect personal and professional journeys through life. An alternative research direction, which draws on the results of this study, is a comparison of ISME's international experience and the implications which the depth and/or breadth have on the development of leadership qualities. Pertaining to the upper echelons perspective, research on how these dimensions affect corporate strategy would also add to the field (Hambrick & Mason, 1984). Accordingly, future research would not only contribute to the field of HR but also affect international business. In line with this, it is advisable to examine whether besides the separation into the dimensions' depth and/or breadth of international experience there exist further dimensions, such as the intensity of exposure, which may interact with the development of cultural competence. Besides, research on the corporate level is necessary, for example to verify whether firms endeavoring international standardization favor cluster 2 over cluster 1 ISME types. Additionally, more insight is needed into the effects of cultural competence on the internationally active firm and whether the potential of ISMEs is comprehended, as well as utilized.

North American Perspective

An Experience-based Typology of the International Workforce

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This chapter could not be timelier inasmuch as every day's news covers complications and controversies about the international workforce. These include such subjects as mass migrations for both political and economic motives, undocumented workers, effects of remittances, recent and long-term stateless individuals, changing factor endowments, and the social, economic, and political consequences on both home and host countries as people become part of a foreign workforce. Thus, I enthusiastically read this manuscript, especially since the raison d'être of this book was to bring a European (mainly German) perspective to a subject primarily studied from a North American (mainly United States) viewpoint.

At first, I hoped to find an empirical comparison of the two areas. But then, I concluded that the authors have compiled a set of promising descriptions and definitions of necessary terminology for making such future comparisons. In fact, the whole area of international business (and probably other disciplines as well) has suffered from a lack of common clarity that too often has resulted in the proverbial "comparing apples with oranges". I encourage anyone who plans to work in this area to take a good look at Table 2.1 so as to explain exactly what they mean.

The first thing that struck me when I read the chapter was how more refined the terminology has become. I pulled out a study I published in a now defunct journal way back in 1980 (Daniels, 1980) that attempted in many ways to make the same distinctions among types of foreign workforce participants. I note that some of the descriptions therein now have names attached to the people involved—for example, border movements now have ICAs; target-temporary movements and the fulfillment of structural vacancies now employ STAs; permanent-indefinite movements employ either immigrant employees or SIEs. The old term of third-country national has been divided into INs and OEs. Hopefully the terminology that has now emerged will become permanent, thus enabling better pursuit of longitudinal studies. Future research could pick up on the terminology of this chapter (1) to group the explanation of the acronyms for each type of person in the international workforce in such a way that the reader can follow the materials more easily and (2) to bring in re-immigrants, which is a thorny issue between Canada and the

United States, that is Canada claims it pays most of the acculturation cost for immigrants who end up working in the United States.

Aside from clarifying foreign worker types, Raupp and Puck have laid out an ambitious delineation of the types of foreign workers according to their depth and breadth of cultural competence, and, thus, how each might contribute differently to organizations' adaptability. This delineation is based on an extensive literature survey. Although the authors do not use formal hypotheses, each short discussion could be turned into hypotheses by expanding its literature and depth of discussion. Overall, this breadth is an advantage for future research, as the chapter introduces a very wide span of conjectures, each of which might be expanded into formal studies. Considerably more research is necessary before embarking on an empirical study as we need to know more about the specific characteristics of each type of foreign workers—which of course cannot be achieved in a single study. Still, by providing an overview about each type the authors deliver an interesting starting point for future studies.

I want to make a few comments on the general delineation. First, the chapter examines competencies from a static viewpoint without regard to employees' experience before arriving in their present positions. Thus, they may belong to both clusters as laid out in the chapter. Second, international firms commonly gather employees' cultural information only on place of birth, language skills, and previous international employment. Determining if that is true could be a worthwhile research topic in the future. Further, Raupp and Puck suggest that firms should solicit more cultural background information. This is a promising starting point and future studies could seek information on for example, foreign travel, nationality of relatives, or study abroad experience. Third, my experience is that individuals will seek out expertise not just formally but also informally, such as by contacting individuals that have visited a particular foreign country, either on a short-term visit or a prolonged assignment. Future research could extend on the role of expatriate networking as well. This might be particularly interesting to see whether there are differences between European and American expatriates.

The study of Raupp and Puck provides another interesting avenue for further research. Future studies may analyze changing immigration patterns whereby people, whether for economic or political motives, move abroad to an area dominated by their own nationalities, such as Marseilles for North African Arabic speakers, Miami for Latin American Spanish speakers, and Vancouver for Chinese speakers. Concerning this matter, two relevant questions come to my mind: How does their acculturation process resemble or differ from those described in the chapter? In what ways can companies tap these resources to help them become more competent culturally?

Overall, this chapter covers a very broad array of expatriate types and potential contributions. By expanding any one of these, one can develop articles that extend the field. Further, they form the basis for making comparisons between European and United States norms at either the organization or the individual level.

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3

Language Barriers in Different Forms of International Assignments

Helene Tenzer and Tassilo Schuster

Introduction

German companies are increasingly operating on a global scale with business operations taking place in numerous countries. International business activities are always accompanied by language-related barriers as companies are confronted with multiple local languages and a multinational workforce. To increase the efficiency of corporate communication, documentation and cross-national teamwork, more than half of all companies listed on the major German stock exchange (DAX) have started to implement common language policies in both their headquarters and their foreign subsidiaries (Marschan-Piekkari, Welch, & Welch,

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1999a; for a general viewpoint please see Peltokorpi & Vaara, 2012) and made English their official corporate language.[1] Companies like Adidas, Daimler, Deutsche Bank and Siemens adopted English as their official corporate language to facilitate team coordination, recruit global talent, integrate foreign acquisitions and reach global markets. However, introducing a common corporate language also creates friction among a multinational firm's workforce and is fraught with challenges (for an overview see Piekkari, Welch, & Welch, 2014). For instance, Louhiala-Salminen, Charles and Kankaanranta (2005) argue that subsidiaries of multinational companies in non-English-speaking countries encounter difficulties when communicating with other corporate units and employees who lack English skills. As a result, they may not be invited to attend key meetings and are thus excluded from decision-making processes. Fredriksson, Barner-Rasmussen and Piekkari (2006) add that the adoption of a common language does not automatically improve employees' knowledge of it—even if English is used as a "transit language" between the various local languages of a company's subunits, exchanges between non-native speakers of English with different linguistic backgrounds are often highly complex (Nickerson, 2005). Accordingly, communication in global corporations remains multilingual with a variety of local tongues being used along with the official corporate language (Janssens & Steyaert, 2014; Luo & Shenkar, 2006). Recognizing the multinational functions as a "multilingual entity" (Welch & Welch, 2015), Nestlé translated its corporate values statement into over 50 languages before sending it to its 330,000 global employees (Néstle, 2010).

The interplay between English and multiple local languages poses a particular challenge for expatriates who principally work outside their native language area. These individuals not only mediate between corporate headquarters and foreign subsidiaries but also bridge linguistic divides. Today, we see that companies are increasingly using expatriates for a broad set of different objectives (i.e., to develop global managers, to transfer knowledge and competence or to better control foreign subsidiaries) with the result that the types of international assignments

[1] All 30 companies of the German stock index were contacted in November 2014 and asked about their corporate language policy.

have also been diversified. For instance, the use of long-term assignments is increasingly limited to important strategic purposes, whereas multinational companies frequently send employees on a series of short-term assignments to different destinations in order to acquire a global mindset, provide specialized skills on project teams, and to address specific customer needs (Collings, Scullion, & Morley, 2007). This development underlines the idea that expatriates increasingly rely on their employers' official corporate language, as they are confronted with a high diversity of local languages. However, we will show that a lack of fluency in the host country language may separate expatriates from local colleagues.

Expatriates have become one of the most important strategic assets in multinational companies as they execute a broad spectrum of important tasks in foreign subsidiaries with positive effects on various dimensions of subsidiary and headquarters performance (Harzing, 2001; Minbaeva & Michailova, 2004; Shin, Morgeson, & Campion, 2007). To unfold these beneficial effects on performance, it is mandatory that expatriates overcome language-related barriers. Traditionally, language-related barriers have been largely neglected (Harzing, Köster, & Magner, 2011; Harzing & Pudelko, 2014) or were considered equivalent to a range of other barriers such as the lack of a supportive social network (Bader & Schuster, 2015; Wang & Kanungo, 2004; Wang & Nayir, 2006), as well as difficulties in adjusting to challenging and unfamiliar cultural conditions (Bhaskar-Shrinivas, Harrison, Shaffer, & Luk, 2005; Nicholson & Imaizumi, 1993; Parker & McEvoy, 1993; Shaffer, Harrison, Gregersen, Black, & Ferzandi, 2006). Moreover, previous studies underline that multinational companies focus on work-related competences when selecting potential candidates for international assignments, whereas communication skills and intercultural competence are still considered as secondary characteristics (Collings et al., 2007; Suutari & Brewster, 2001). However, expatriates strongly depend on their relational abilities, that is their ability "to deal effectively with [...] superiors, peers, subordinates, and business associates and clients", which "greatly influences the probability of successful performance" (Tung, 1981, p. 28). As language constitutes "the basic means of communication in organizations" (Vaara, Tienari, Piekkari, & Säntti, 2005, p. 595), it represents a critical resource for the success of international assignments.

Management scholars have only recently started to illuminate the "multifaceted role of language" (Brannen, Piekkari, & Tietze, 2014, p. 496) in international business, mostly in the context of headquarters-subsidiary relationships and global teamwork. A small number of language-related studies in international business have touched upon the importance of language during international assignments (see, e.g., Barner-Rasmussen & Björkman, 2005; Harzing & Pudelko, 2013; Lauring, 2008; Luo & Shenkar, 2006; Marschan-Piekkari et al., 1999a; Wright, Kumagai, & Boney, 2001), but very few explicitly focus on expatriates as cross-lingual communicators (see, e.g., Peltokorpi, 2010; Selmer & Lauring, 2015). Based on the crucial importance of efficient communication for expatriate success, the objective of this book chapter is to analyze the language-related barriers that expatriates face during international assignments.

To provide a nuanced picture of the language-related barriers that expatriates experience during international assignments, the tasks expatriates must execute while being abroad need to be considered. This is because these tasks might significantly influence the importance of language proficiency and linguistic capabilities for the expatriate's success. The existing expatriate literature acknowledges that different types of international assignments exist and offers a series of meaningful taxonomies categorizing assignment objectives and expatriate roles according to different criteria. To realize our objective, we therefore re-classify the assignment types discussed in the most prominent taxonomies based on the degree of interaction with local staff in the host country and with employees at headquarters, thus distilling existing taxonomies into a new, language-related typology. This allows us to discuss which types of international assignments are particularly vulnerable to the language effects which surfaced in recent international business research. In this context, we focus particularly on the complex interplay between a multinational corporation's official corporate language, its parent country language and the local language spoken in an expatriate's host country.

The remainder proceeds as follows: In the next section, we review the key theoretical developments in the emerging literature on language in international business to outline various effects of language on outcomes of international assignments. Next, we discuss selected taxonomies of international assignment types in the expatriate literature and re-classify their constituent parts into a language-sensitive typology without developing novel denominations. Subsequently, we systematically merge the rationales of both literature streams, which allows us to draw differentiated conclusions on how language affects expatriate success as a function of international assignment types. Then, we outline the theoretical contributions that our integration of longstanding taxonomies of expatriate roles with recent theoretical developments in language-related management research are making to both literature streams. Finally, we provide important practical implications for expatriate selection, training and global staffing.

Theoretical Background

The Impact of Language on Organizational Behavior and Language-related Barriers

In the fast growing literature on language in international business and organizational behavior, it becomes evident that scholars from different disciplines strive to capture the complex influence of language on workplace behavior with different methodological and theoretical approaches (Piekkari et al., 2014; Terjesen, Hinger, Tenzer, & Harzing, 2014). Given that individual adjustment, interpersonal relationships and group dynamics can play a decisive role for expatriate success (Hechanova, Beehr, & Christiansen, 2003; Liu & Shaffer, 2005), we focus on studies analyzing language effects on the individual and the group level. Within these areas, recent reviews of the emerging language literature in international business reveal several theoretical foci which have attracted particular scholarly interest. A substantial body of research has explored the emotional responses language triggers among employees of multinational corporations, whereas an even larger number of publications have investigated linguistic influences on the social identities of organizational members. Several researchers have addressed language barriers as obstacles to trust building, while others targeted the distortions they create in organizational power relations. In the following sections we will provide an overview of recent theoretical advances in these selected areas.

Language Effects on Employees' Emotions in Multinational Corporations

Given that research on language in organizations is still in its infancy (Neeley, 2013), employees' emotional reactions to linguistic diversity have only very recently attracted scholarly interest. Non-native speakers of a company's official corporate language fear negative evaluations based on their limited proficiency and worry about the related effects on their general career outlook (Neeley, 2013). The resulting emotional conflicts and hostile stereotyping lead to miscommunication, which in turn increases language-based anxiety (Harzing & Feely, 2008; Tenzer & Pudelko, 2013). Individuals generally cope with negative emotions by avoiding or modifying situations in which they are exposed to them (Gross & Thompson, 2007). In the specific case of language-induced emotions, they frequently eschew meetings held in a foreign language and selectively choose interlocutors based on their language skills (Hinds, Neeley, & Cramton, 2014). Non-native speakers of the official corporate language also frequently seek relief by switching back into their mother tongue (Hinds et al., 2014; Neeley, Hinds, & Cramton, 2012), thus creating discomfort, irritation and suspicion among colleagues who are excluded from these exchanges (Harzing et al., 2011). This conflict further impedes effective communication and can produce, in the worst case, a vicious cycle of negative emotions. Consequently, language-induced negative emotions can introduce inefficiencies, impede collaborative efforts and lead to losses in productivity and performance at the team level (Neeley et al., 2012). On a more macro level, with respect to headquarters-subsidiary communication, these dynamics can hamper strategic decision-making on a global scale and impede effective global integration and control (Harzing & Feely, 2008).

Language Effects on Social Identity Formation in Multinational Corporations

According to Henderson (2005), each language community considers certain forms of communication behavior as appropriate, with speakers frequently but erroneously considering these norms as universal. If their expectations are not met in communication across language barriers, they may mistakenly attribute language-based friction to their colleagues' personalities and consequently form negative attitudes about members of other language groups. Once these negative attributions take on a leading role, the relationship between language groups can quickly deteriorate. Several authors have therefore established a connection between language barriers and social identities in multinational corporations.

Social identity and self-categorization theories (Tajfel & Turner, 1979) are used by language researchers in management to explain why language diversity can separate employees into groups based on a shared language and thus give rise to language boundaries in a multinational corporation (van den Born & Peltokorpi, 2010). As the use of specific language nuances signal a sense of familiarity (Chong, Guillen, & Rios, 2010), language-based clusters form within the multinational firm based on homophily, a tendency to interact with similar people (Byrne, 1971; Mäkelä, Kalla, & Piekkari, 2007). These clusters unite employees sharing a common mother tongue who can easily create and maintain interpersonal relationships and exchange knowledge (Fredriksson et al., 2006). Consequently, language emerges as a key factor for self-categorization and the categorization of others (Harzing & Feely, 2008; Piekkari, 2006). Some sociolinguists even argue that language is a more important marker of an individual's identity than age, gender or race (Giles & Johnson, 1981). Neeley et al.'s (2012) investigations give evidence of "us" versus "them" divisions between native and non-native speakers of a multinational corporation's mandated language. These language-based intergroup boundaries have detrimental effects that can decrease organizational identity, knowledge transfer, control, coordination and communication in multinational corporations (van den Born & Peltokorpi, 2010).

Language Effects on Trust Formation in Multinational Corporations

A number of studies have identified language barriers as an obstacle to the development of interpersonal trust (see, e.g., Lagerström & Andersson, 2003; Piekkari, 2006). Feely and Harzing (2003) suggested that language differences can distort and damage relationships and create insecurity and distrust. Barner-Rasmussen and Björkman (2007) specifically revealed a strong connection between language fluency and perceived trustworthiness in the relationship between different units of a multinational firm. Neeley (2013, p. 485) found that a corporate language mandate may lead non-native speakers of the official corporate language to distrust native speakers, fearing they might "deceive them because of their superior language ability". Tenzer, Pudelko and Harzing (2014) investigated these effects in more depth and distinguished linguistic influences on different trust forms. They demonstrated that employees tend to attribute a low overall competence to colleagues with limited proficiency in the working language of their unit, for instance English as the official corporate language, and consequently develop lower ability-based trust in them. If colleagues fail to deliver expected results due to language-based misunderstandings, their integrity-based trustworthiness is judged as low. If they exclude foreign colleagues by speaking their mother tongue, their perceived benevolence-based trustworthiness suffers. All these effects reduce rationally calculated, cognition-based trust within a multilingual workforce. Additionally, the above described anxiety resulting from unequal language proficiency reduces employees' willingness to make themselves vulnerable to colleagues and therefore impedes the formation of emotion-based trust.

Language Effects on Power Relations in Multinational Corporations

The pioneering studies on language in international business (Marschan, Welch, & Welch, 1997; Marschan-Piekkari et al., 1999a; Marschan-Piekkari, Welch, & Welch, 1999b) have already revealed that language diversity substantially influences power relations in multinational corporations. Tenzer and Pudelko (2014) highlighted that disparity in employees' proficiency levels in the official corporate language and the headquarters language is the key reason for language-based power distortions. Employees can achieve informal power in the corporation if they are more proficient in these relevant languages than their colleagues on the same formal level (van den Born & Peltokorpi, 2010; Welch & Welch, 2008). Since many multinational firms have adopted English as their official corporate language, native English speakers are particularly likely to achieve language-based positions of power (Tietze, Cohen, & Musson, 2003). Consistent with this proposition, Peltokorpi and Vaara (2012) found that host country nationals in Japanese subsidiaries of foreign multinationals who are highly fluent in English can control information flows between Japanese colleagues with lower English proficiency and parent country nationals with limited or no knowledge of Japanese. On the other hand, employees lacking relevant language skills may be excluded from critical exchanges of information (Fredriksson et al., 2006), are less involved in decision-making (Louhiala-Salminen et al., 2005; Zander et al., 2011) and thus experience a relative decline of power within their corporation (Luo & Shenkar, 2006).

Consequently, the distribution of language skills can distort formal power and authority relationships in multinational corporations (Harzing & Feely, 2008). If communication channels are determined by language capabilities rather than by a formal position in the company, so called "parallel information networks" can develop. This means that employees would rather contact colleagues who share their native language than speak in a foreign language to the manager, despite the manager being officially in charge of the issue in question (Harzing & Pudelko, 2014; Marschan et al., 1997). As a consequence, communication may be determined by "shadow structures" gluing subsidiaries together in networks that function independently from official organizational structures (Marschan-Piekkari et al., 1999b).

It is important to note that linguistic effects on employees' emotions, social identities, trust formation and power relations are interrelated and have strong reciprocal effects. As trust formation is partly emotion-based (McAllister, 1995), individuals are more inclined to trust members of their social in-group (Lewicki & Bunker, 1996) and illegitimate power distortions can constitute a considerable emotional burden (Greer, 2014). To tease out their prevailing effects, we decided not to include the complex interactions but to separately investigate the four areas of language barriers in the context of international assignments. We will therefore offer an overview of different assignment types and develop a language-sensitive typology to provide a nuanced picture of language-related barriers that expatriates face during international assignments.

Different Types of International Assignments

In the existing expatriate literature, it is often argued that not all international assignments are alike. The following two cases of international assignments within a German multinational company headquartered in Munich can serve as examples to illustrate this aspect. Case 1: The Munich headquarters send a highly skilled German manager to a foreign subsidiary in Sao Paulo to take over as CEO for the entire Brazilian market. Case 2: The Munich headquarters send a Spanish IT expert from Barcelona to an Indian subsidiary in Bangalore to fix a specific technical problem. These two cases are hardly comparable as tasks, challenges and performance indicators differ—however, from a traditional perspective both cases would be regarded as international assignments. To take this fact into consideration, various researchers started to describe similarities and differences of international assignments and subsequently developed seminal taxonomies to better understand the nature of this phenomenon (Caligiuri, 2006; Dowling, Festing, & Engle, 2007; Edström & Galbraith, 1977; Harzing, 2001; Hays, 1974).

While these taxonomies focus on various meaningful attributes like control mechanisms and key purposes of international assignments, none considered language-related attributes as distinctive criteria. For realizing our objectives, we decided to re-classify previously identified types of international assignments into a language-related typology without developing novel denominations. Two distinctive dimensions have to be considered as they are crucial from a linguistic perspective. The first dimension is *interaction with local employees in the host country*. This dimension refers to the need to interact and communicate with local employees and managers in a foreign subsidiary in order to fulfill the assigned tasks efficiently. The second dimension is *interactions with employees at headquarters* and refers to the prerequisite to interact and communicate with employees and managers in the headquarters to accomplish the assigned job efficiently. In the following sections, we will first review established taxonomies, and then re-classify the particular categories along these dimensions. Finally, we will connect them with the above identified language effects on emotions, social identity, trust and power relations in a multinational corporation's workforce.

An early but prominent taxonomy of international assignments was developed by Hays (1974), who differentiated between expatriates as (1) *Structure Reproducers*, (2) *Troubleshooters*, (2) *Operational Elements* and (4) *Chief Executives*. According to Hays (1974), a *Structure Reproducer* is an expatriate whose task is to transfer formal and informal structural elements that are established in the headquarters to foreign subsidiaries. For instance, this could be an accounting function, a marketing framework or a production system which proved to be efficient in the headquarters and thus should be copied and installed in foreign subsidiaries. In contrast, *Troubleshooters* are sent to foreign subsidiaries to analyze and correct a well-defined technical problem, whereas *Operational Elements* take over a specific task and thus support the implementation of primary services and production functions in an already existing operational structure. Finally, *Chief Executives* are assigned to direct and manage the entire foreign operations—thus mainly carrying out strategic tasks.

Tung (1981) employed this taxonomy and concluded that *Chief Executives* and *Structure Reproducers* require extensive interactions with members of the local workforce, whereas *Troubleshooters* can fulfill their tasks without strong interactions with local employees and managers. As *Operational Elements* take over specific tasks in foreign subsidiaries which are embedded in the organizational structure, it is reasonable to suppose that those expatriates will strongly need to interact with host country peers to share or receive task-related information. In contrast, expatriates as *Troubleshooters*—in extreme cases—are able to do their job and fix the technical problems without having to interact with local employees at all.

Concerning the second dimension, it seems to be obvious that *Chief Executives* have to interact extensively with the headquarters in order to harmonize the subsidiaries' activities with the headquarters' corporate strategy. *Structure Reproducers* build and manage functional departments by mimicking the headquarters' structure. As they are typically selected for the international assignment because they already understand the replication requirements and know-how to set up local activities in compliance with the headquarters, these expatriates require only a limited interaction with the headquarters. Expatriates as *Troubleshooters* and *Operational Elements* will also only need a limited amount of interaction with employees and managers at the headquarters. *Troubleshooters* might only have to provide feedback to the headquarters in order to communicate whether the problem is solved. *Operational Elements* do not have to contact the headquarters at all, as they are embedded in the subsidiary's hierarchy and might only informally interact with the headquarters through existing ties in their social network.

A second taxonomy was developed by Edström and Galbraith (1977), who recognized that different reasons for transferring expatriates exist and therefore suggested to categorize international assignments according to their primary purpose. This breaks down into (1) *to fill positions*, (2) *to develop managers* and (3) *to develop organizations*. The first motive for transferring expatriates is *to fill positions* when qualified local individuals are not available or could not be easily trained. Harzing (2001) commented that the underlying rationale of those international assignments is the transfer of technical knowledge, as companies cannot identify or motivate local candidates who have this technical knowledge to work for the company. Consequently, this category is similar to Hays' (1974) *Operational Element*. The second motive for sending expatriates to foreign subsidiaries aims at *educating high-potential individuals* in international management practices. The purpose is to create a pool of candidates who have the required skills and experience to manage and direct a multinational company. International assignments undoubtedly support these high-potential individuals to develop skills and know-how in international management practices, to learn how to efficiently handle divergent institutional environments and to become culturally more sensible and competent. Finally, Edström and Galbraith (1977) regard international assignments as applicable for *developing organizations*. This motive became visible when multinational companies stopped considering foreign subsidiaries as simply distribution channels for products developed and produced in the headquarters (international strategy) and started to assign strategic tasks to foreign subsidiaries. Today, many foreign subsidiaries act as centers of excellence in which knowledge and know-how are developed for the entire organization and are considered strategically crucial for the long-term success of the multinational company (transnational strategy).

To evaluate the relevance of language-related barriers, these categories have to be classified according to the extent of interactions with local employees in the host country and the amount of interactions with headquarters. Similar to *Operational Elements*, international assignments to *fill positions* are characterized by a high level of interaction with local employees in the host country, as those expatriates interact with peers from the host country to share or receive task-related information. In contrast, assignments of this type include limited interactions with employees and managers located at the headquarters, because all tasks are embedded in the subsidiary's hierarchy and can be carried out autonomously from the headquarters' decisions. International assignments to *develop managers* are characterized by a high level of interaction with local employees in the host country, as developing know-how regarding international business activities, handling new business environments and acquiring intercultural competence can only be achieved by interacting with and learning from host country nationals. In contrast, the purpose of gaining intercultural competence does not require interaction with headquarters-based employees, most of whom are the expatriate's compatriots. Finally, international assignments to *develop organizations* are characterized by both high interaction levels with local employees in the host country and with employees and managers of the headquarters, as both types of interactions are mandatory to coordinate strategic tasks, develop knowledge and transfer it between subsidiaries and headquarters.

A third important taxonomy was developed by Harzing (2001), who widely referred to Edström and Galbraith (1977) when discussing the constitutive categories. However, in contrast to those authors, she put a specific attribute to the fore—namely the use of expatriation as a control mechanism. Therefore, she distinguishes between (1) *Bears*—expatriates who are used to effectuate personal and cultural control, (2) *Bumble-Bees*—expatriates who control by socializing local employees in the host country and (3) *Spiders*—expatriates who create informal communication networks to perform their controlling tasks. *Bears* do not need much interaction with local employees in the host country in order to control and supervise their actions. However, they still need significant interaction with the headquarters in order to receive the tasks delegated to the subsidiaries and to report ongoing issues of the subsidiaries. *Bumble-Bees* are used to transfer shared values, norms and beliefs and thus control by socialization. They have to interact intensely with employees in the subsidiaries in order to make such socialization happen. However, it is reasonable to assume that those expatriates have only limited interactions with employees and managers in the headquarters as they have internalized the corporate culture prior to their international assignments. Interaction with the headquarters is therefore just needed to keep oneself up-to-date on organizational goals. Having integrated the headquarters' attitudes, norms, values and standards into their own identity, *Bumble-Bees* can transfer the corporate culture autonomously, that is without extensive interactions with employees and managers in the headquarters, to foreign subsidiaries. *Spiders* are characterized by a strong personal network between the expatriate, local employees in the subsidiaries as well as former colleagues in the headquarters, in which information is informally distributed. Given that *Spiders* foster interpersonal linkages to realize informal control and communication objectives, it is reasonable to conclude that those international assignments rank high on both dimensions.

A fourth taxonomy was introduced by Caligiuri (2006), who is the first to provide a theoretical reasoning on how to classify international assignments. She highlights that international assignments can always be categorized by considering (1) the amount of intercultural effectiveness needed in order to be successful on the assignment—which overlaps significantly with our first dimension, interactions with local employees in the subsidiary—and (2) the presence or absence of a developmental component of the international assignment. Based on these considerations she distinguished four different types of international assignments. The first is called *Technical Assignments,* which is very similar to Hays' (1974) *Troubleshooter* and refers to expatriates that are assigned to a foreign subsidiary to fix a specific technical problem. According to Caligiuri (2006), technical assignees do not have significant interactions with host nationals working at the foreign subsidiary and thus have little need for intercultural sensitivity in order to work efficiently. Moreover, most tasks those expatriates perform are quite similar to those in the headquarters—for instance technicians on an oil refinery, system engineers on a continuation client site and system analysts interfacing with a computer system. Thus, it seems reasonable to suppose that expatriates on *Technical Assignments* have only limited interaction with employees at the headquarters. Consequently, this type of international assignments ranks low both on the first and on the second dimension. The second type of international assignments is named *Developmental or High-potential Assignments* and is highly overlapping with Edström and Galbraith's (1977) category *International Assignment to Develop Managers*. The main purpose of those international assignments is the professional, managerial and technical development of expatriates, which according to Caligiuri (2006) includes the improvement of cultural intelligence and sensitivity. Consequently, it is reasonable to conclude that high levels of interaction with host nationals are critical to develop these skills. As discussed earlier, those international assignments only require limited interactions with employees and managers of the headquarters to develop know-how regarding international business activities and to acquire intercultural competence. The *Functional Assignments* in Caligiuri's third category is comparable with Hays' (1974) *Operational Elements*. According to Caligiuri (2006), those expatriates perform similar tasks as technical assignees, however they need to interact with host nationals in order to be efficient. Based on these considerations, we conclude that *Functional Assignments* are characterized by high interactions with local employees in the host country and limited interactions with employees in the headquarters. Finally, Caligiuri (2006) includes *Strategic or Executive Assignments* as the forth type of international assignments in her taxonomy. This category has characteristics which highly overlap with Hays' (1974) *Chief Executives*. Those expatriates mainly execute strategic tasks such as entering a new market, developing a country base in a new area or acting as general manager of joint venture. Those tasks certainly require a vast amount of interactions with both local employees in the host country and employees in the headquarters.

The last taxonomy discussed in the present chapter was developed by Dowling et al. (2007). This taxonomy distinguishes between six different roles of expatriates labeled as (1) *Agents of Direct Control*, (2) *Agents of Socializing*, (3) *Network Builders*, (4) *Transfer of Competence and Knowledge*, (5) *Boundary Spanners* and (6) *Language Nodes*, thus including categories that have been neglected in other taxonomies or have become increasingly important in recent years. The first three categories—*Agents of Direct Control*, *Agents of Socializing* and *Network Builders*—refer to control motives and highly overlap with Harzing's (2001) taxonomy. *Agents of Direct Control*—which Harzing (2001) named *Bears*—refer to expatriates who ensure compliance of foreign subsidiaries through direct supervision, whereas *Agents of Socializing*—labeled as *Bumble-Bees* by Harzing (2001)—transfer values, norms and beliefs to foreign subsidiaries in order to build a common corporate culture which in turn helps to ensure compliance. The development of a strong corporate culture, and thus the ability to use more informal control mechanisms, can be supported by international assignments as the adaption of common work practices is encouraged. Finally, Dowling et al. (2007) consider expatriates as *Network Builders* who foster interpersonal linkages that can be used for informal control and communication purposes. Harzing (2001) uses the analogy of *Spiders* to describe this type of international assignments. As these categories have been previously described in detail, we will only refer to the conclusions drawn there.

Beyond these categories, Dowling et al. (2007) acknowledge that expatriates can act as *Agents of Knowledge and Competence Transfer*. This role highly depends on the expatriates' ability to teach others, to create an environment of openness and to motivate others to share ideas and implement best practices. As these expatriates create the basis for knowledge transfer, we conclude that they need strong interactions with local employees in the host country as well as with employees at the headquarters. *Boundary spanning* refers to activities that bridge internal and external organizational contexts. Expatriates can collect host country information, can act as representatives of their companies in host countries and can influence local employees and other host country agents. Dowling et al. (2007) provide examples of expatriates who interact with embassies in host countries, enabling them to build networks with governmental agents, to gather market intelligence and to promote the company's profile. The description of this task leads to the conclusion that *Boundary Spanners* need strong interactions with both local staff in the host country and with employees in the headquarters in order to achieve their tasks. The last category is labeled expatriates as *Language Nodes*, referring to expatriates who act as linguistic intermediaries (interpreters). This role is crucial if two actors do not have the language skills that are required to communicate directly. In most cases, expatriates do not have an official position in the communication network but are released from their official tasks to act as an interpreter. In this case again, it can be concluded that expatriates as *Language Nodes* require strong interactions with both local staff in the host country and with employees in the headquarters in order to achieve their tasks.

By analyzing the categories of the various established taxonomies from a linguistic perspective, we are able to develop a comprehensive framework in which we classify all categories accordingly. Figure 3.1 illustrates this framework.

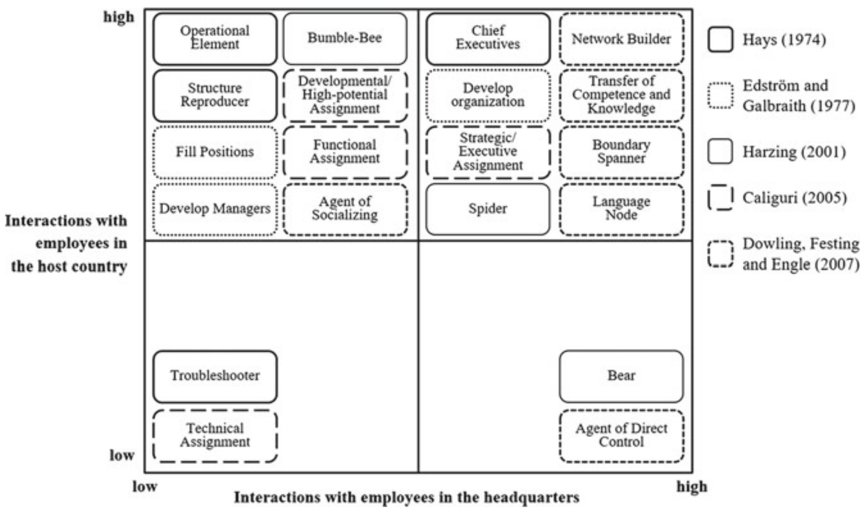

Fig. 3.1 Typology of international assignments from a linguistic perspective

Discussion

The Impact of Language Barriers on Different Types of International Assignments

In the following paragraphs, we connect recent findings on language effects in international business with the above developed typology of international assignments. We will highlight which types of assignments are particularly vulnerable to the emotional impact of language, its effect on social identity formation, trust and power relations between expatriates and their local colleagues. In this context, we need to consider the complex interplay between a multinational corporation's official corporate language, its parent country language and the local language spoken in an expatriate's host country. If multinational corporations designate an official corporate language other than their parent country language, they most frequently select English which has come to be accepted as the lingua franca of business (Jeanjean, Stolowy, Erkens, & Yohn, 2014; Kankaanranta & Planken, 2010). Even in multinational corporations operating with such a language mandate, the use of the parent country language remains pervasive at headquarters due to the majority of home country nationals among its staff. Similarly, local languages are still very frequently spoken in foreign subsidiaries, as local employees' proficiency in the official corporate language or in the parent country language is often limited (Harzing & Pudelko, 2013). This corporate multilingualism leads to a dynamic use of language resources (Janssens & Steyaert, 2014), which profoundly influences the working environment of international assignees.

The *emotional impact* of language barriers is most likely to influence expatriates on international assignments that rely on extensive interactions with the local staff in the host country such as structure reproducers, agents of socializing and knowledge transfer agents, as most emotions are triggered by particular interaction incidences (Weiss & Cropanzano, 1996). In contrast, interactions with headquarters will hardly be affected in this respect, as many expatriates are still parent country nationals (Harzing, 2001; Mayrhofer & Brewster, 1996) speaking the multinational corporation's parent language. Thus, whereas interactions between expatriates and the headquarters happen in the multinational corporation's parent language, expatriates mostly communicate with the host country staff in the most frequently selected corporate language, English. To a limited extent, expatriates will also communicate with the local staff in the host country language (Harzing & Pudelko, 2013). However, as many multinational companies increasingly replace long-term assignments with frequent temporary assignments to a diverse set of assignment destinations, such interactions become rarer. Interactions in which both expatriates and local staff do not communicate in their mother tongue are highly vulnerable to language-induced negative emotions. In this context, we need to bear in mind that relative differences in proficiency levels between a multinational corporation's employees trigger more language-based anxiety or resentment than low levels of absolute proficiency (Tenzer & Pudelko, 2013). To illustrate this effect, we might consider the above-mentioned example of the German expatriate who was sent from her/his company's Munich headquarters to a subsidiary in Sao Paulo. If prior international experience provided her/him with superior proficiency in the official corporate language (English), her/his Brazilian colleagues or subordinates with lower English proficiency will fear being judged as incompetent and resent the expatriate's rhetoric superiority. Consequently, they may more frequently switch to Portuguese in order to seek relief from the foreign language pressure. If the German expatriate has only limited Portuguese proficiency—which is highly likely—this code switching effectively bars her/him from fulfilling her/his assignment's communicative purpose, in turn creating resentment and/or anxiety on her/his part. The level of negative language-based emotions would be lower in groups with more equal proficiency levels. If the German expatriate shared an intermediate level of English with her/his Brazilian colleagues, everyone would struggle in conversation, but the emotion-provoking feelings of inequality would be less prevalent. To summarize, language-based emotions endanger expatriate success on assignments that require a high degree of interactions with locals, particularly if proficiency levels in the corporate and local language strongly vary.

As discussed previously, language is a key factor for self-categorization and the categorization of others. Language-based *social identity formation* and the resulting antagonism between in-groups and out-groups often hinders the exchange of information and causes serious problems in achieving the assigned tasks during international assignments. We argue that a language-based social identity formation is most likely to occur when expatriates rely on intense interactions with the headquarters independent of the interaction intensity with the local staff. The rationale behind this assumption is that host country nationals will more likely categorize the expatriate as an outsider to their local organization if he or she frequently interacts with the headquarters—in a language that is largely unknown to the majority of the local workforce. In other words, while the local staff can efficiently communicate with each other and the expatriates with the headquarters, the local workforce struggles in communicating with expatriates and vice versa, as they do not share the same mother tongue. The language-based social identity formation will occur even if a company has installed an official corporate language policy such as English. The reason for this is that even though they share a common language, it is widely evident that the proficiency in the official corporate language differs between the expatriates and the local workforce. The above-mentioned German expatriate in Sao Paulo can use her/his native proficiency in the parent country language to maintain good communicative relationships with the Munich headquarters, thus better fulfilling his/her mandate to report extensively to the parent company. However, this comparative ease of communication in her/his native language may induce him to overemphasize her/his reporting duties to headquarters, while neglecting her/his mandate to exchange information with Brazilian colleagues in English. It is very likely that host country employees notice this behavior acutely, interpret it as disregard for their Sao Paulo unit and consequently reinforce their perception of the foreign emissary from headquarters as an outsider. This effect will be amplified when the expatriates' English skills are far superior to those of the local workforce. Following the tendency of homophily, local employees are likely to reduce their efforts to exchange information with the expatriate using the official corporate language, instead resorting to effortless exchange in Portuguese with their compatriots. As a result, the German expatriate will find it very difficult to fulfill her/his mandate to interact efficiently with subsidiary colleagues. To summarize, language-based social identity formation is unproblematic in international assignments that require low interactions with the headquarters. However, frequent communication with headquarters will increase the likelihood that the local workforce categorizes the expatriate as an outsider and therefore might endanger expatriate success if subgroup formation hinders an efficient interaction between the expatriate and the local workforce.

Linguistic impediments to *trust formation* are likely to become most salient during international assignments characterized by limited interactions with local employees and managers in the host country independent of the interaction intensity with the headquarters (e.g., troubleshooters or agents of control). According to Harrison, Price and Bell (1998), a higher degree of collaboration between employees weakens the effects of easily recognizable surface-level diversity (including readily noticeable diversity in mother tongues) but strengthens those of deep-level diversity (including less evident knowledge and value orientations). In contrast, if expatriates interact with local staff only infrequently, they are unable to comprehensively evaluate the (deep-level) competence levels, working principles and attitudes of their local colleagues. Instead, their perceptions of colleagues' trustworthiness remain largely focused on the (surface-level) distortions caused by language-related barriers. The following example helps to illustrate this abstract line of argumentation. If a German expatriate's English proficiency far exceeds the fluency of her/his local Brazilian colleagues, she/he may unwittingly associate her/his evaluation of their task and technical competence with their difficulty to express ideas in English and consequently judge them as less trustworthy in terms of expertise. If the Brazilian colleagues fail to complete the job the expatriate assigned to them, merely because they do not understand the instructions, the expatriate is likely to assess them as unreliable and untrustworthy. If local staff additionally seek relief by switching to their native Portuguese, the expatriate may feel excluded, doubt their benevolence toward her/him and call their trustworthiness into question even more. Conversely, the expatriate's limited or complete lack of Portuguese proficiency can cast doubts on her/his ability and/or willingness to adapt to the local context, thus reducing her/his trustworthiness in the eyes of locals. If the Brazilian colleagues and the expatriate only interact infrequently, they have few opportunities to exchange feedback and to clarify these misunderstandings, so language-based distrust is likely to persist. Once again, we argue that relative differences in proficiency levels among a multinational corporation's workforce trigger more barriers to trust formation than absolute proficiency levels and conclude that trust formation would be higher in groups with more equal proficiency levels. If the German expatriate shared an intermediate level of English with her/his Brazilian colleagues, everyone would have to make communicative efforts and would not prematurely judge the trustworthiness of the counterpart. In contrast, interactions with headquarters are not touched by this effect, as long as the expatriate is a parent country national with native mastery of the home country language.

Similar to language effects on emotions, we argue that the impact of language barriers on *power relations* is more acute when expatriates rely on extensive interactions with the local staff independent of the interaction intensity with the headquarters. In fact, the exchange of information between expatriates and employees located in the headquarters remains largely untouched by linguistic influences because they communicate in their mutual mother tongue. In contrast, the formally assigned power balance between expatriates and local staff can be disturbed in several ways by differences in the relative language proficiency. If one side is more proficient in the official corporate language than the other, this party can leverage their superior rhetorical power to their advantage and consequently increase their relative influence. Local staff can also use their native command of the host country language to purposefully exclude less proficient expatriates from information exchanges, thus enhancing their position of power. Expatriates serving as agents of socializing, working on functional assignments or serving as language nodes are required to channel information and knowledge from local staff to headquarters and vice versa. Their work as an officially assigned communication channel can be severely hampered if language barriers cause local employees to bypass the expatriate and to use informal communication channels instead.

Let us assume that our exemplary German expatriate in Brazil speaks little or no Portuguese. As a result, the local staff has to speak English to report to her/him and obtain information in return. To evade this effort, the Brazilian staff may be tempted to seek out a compatriot or any other fluent Portuguese speaker at the Munich headquarters to request information in their native tongue, while only exchanging the bare minimum with the expatriate. If locals eschew interaction with the expatriate, she/he is not only reduced in power below her/his formally assigned position but she/he is also unable to fulfill her/his assignment objectives. Overall, language effects on power relations are more salient for expatriates interacting intensely with locals, but highly disruptive if high interactions with headquarters are also required.

To sum up, we integrate our conclusions into the language-related typology of international assignments to show which assignment types are most vulnerable to specific language effects.

As Fig. 3.2 shows, language effects on emotions and power relations are crucial when expatriates have extensive interactions with employees in the host country. In case of high interactions with employees at the headquarters, language effects on social identity formation have to be considered as well. On the contrary, language effects on trust come to the fore when expatriates only have limited interactions with employees in the host country, no matter how intensely they interact with employees in the headquarters.

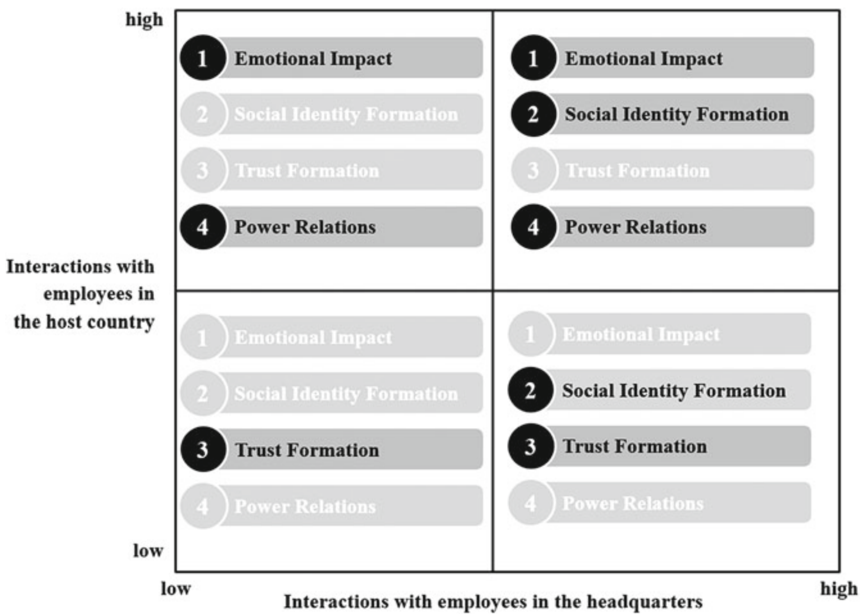

Fig. 3.2 Importance of language-related barriers as a function of different levels of interactions with employees in the host country and in the headquarters

Theoretical Contributions

Our conceptual study contributes to the expatriate literature in various ways. First and foremost, the study is among the first that systematically addresses language-related barriers in the field of expatriate management. Whereas previous research considered language as secondary for expatriate success, this study emphasizes the importance of language as a crucial factor, which expatriates depend on to deal effectively with superiors, peers, subordinates, business associates and clients who have a great impact on expatriate performance. A profound understanding of language effects becomes increasingly mandatory to secure expatriate success, as international assignments have changed in recent years from sending expatriates on a single long-term assignment to repetitive short-term assignments in a diverse set of countries, heavily confronting the large majority of expatriates with language-related barriers. In this context, our study particularly focuses on the complex interplay between a multinational corporation's official corporate language, its parent country language and the local language spoken in an expatriate's host country. Discussing four important effects of language-related barriers, we have shown that language causes negative emotional responses among employees of multinational corporations, restrains a common social identity, constitutes an obstacle to trust building and distorts organizational power relations. Subsequently, the study introduced a language-sensitive typology of assignment types, a distinction helping to understand how strong the impact of language-related barriers will be on desired outcome variables. Whereas previous taxonomies in the expatriate literature have focused on various meaningful attributes like control mechanisms and key purposes, none have considered language-related attributes as distinctive criteria. Our language-sensitive typology closes this gap and accounts for two distinctive dimensions—*interactions with local employees in the host country* and *interactions with employees at headquarters*—which are crucial from a linguistic perspective. Finally, by systematically discussing the complex interplay between a multinational corporation's official corporate language, its parent country language and the local language spoken in an expatriate's host country, the study shows that not only a low absolute language proficiency of expatriates and local colleagues but also relative differences in proficiency levels among the multinational corporation's workforce can hamper expatriate success.

In a nutshell, our study offers additional theoretical explanations for mixed results in empirical studies concerning language effects on expatriate success and provides meaningful implications for further research. First, the study shows that the impact of language-related barriers on expatriate success is highly dependent on the international assignment type. Consequently, future empirical studies should control for the prevalent assignment type or focus on one specific type in order to evaluate the effects of language on expatriate success. Second, the study provides meaningful reasons as to why the official corporate language, as compared to local languages, will gain in importance. Therefore, future empirical studies should not only ask respondents about local language skills but also include questions concerning the official corporate language. Finally, the study draws attention to differences in relative proficiency levels between expatriates and local workforces, suggesting that future empirical studies should not exclusively focus on expatriates' language proficiency but also check for the proficiency level of key local staff.

Practical Recommendations

Our language-sensitive typology of assignment types and its discussion in the light of common language effects carries important practical recommendations for expatriate selection and training. It demonstrates that language requirements strongly vary between assignment objectives and expatriate roles, indicating where multinational corporations need to consider language skills as a key selection criterion and where other factors may take precedence. Language is hardly relevant in assignments requiring little interaction with either headquarters or local staff such as *Troubleshooter* or *Technical Assignments*, so multinationals will be well advised to select the best technician for these jobs. However, as soon as interaction in the official corporate or local language with host country staff comes into play, communicative competence is needed. If interactions with locals become pivotal for expatriate success, like in the case of *Operational Elements* or *Agents of Socializing,* language should be considered as one key factor in the selection and training process. Language concerns should gain highest priority for the selection of candidates fulfilling roles as *Language Nodes*, *Boundary Spanners* or *Network Builders* because the success of these international assignments is strongly determined by the efficiency of handling interactions with both headquarters and the local unit.

Our study does not only suggest which expatriation types multinational corporations should concentrate their linguistic resources on, but it also indicates which languages are relevant in this respect. Ideally, expatriates should gain some fluency in their host country language. However, considering the short notice and limited duration of many international assignments, this requirement would severely constrain companies' staffing choices. Therefore, proficiency in English as the lingua franca of business is much more important for the success of highly interactive international assignments. Our discussion of linguistic challenges highlights the need for multinational corporations to select candidates with high English proficiency for these types of positions. To expand their linguistic resources, they can provide language training to high potentials, thus enlarging their pool of suitable candidates. In addition, we suggest sensitizing expatriates to language-related effects such as negative emotions or social identity formation and training them on how they can mitigate such consequences. In other words, we strongly recommend that multinational companies offer courses on self-perception and appearance as well as sensitivity trainings that help expatriates to understand how the local workforce might perceive them and how they can counteract potential negative perceptions.

Moreover, our discussion yields the surprising finding that an expatriate's success does not necessarily improve along with his/her English proficiency in a linear way. If proficiency levels are highly unequal, the standardization of communication around a common corporate language can lead to friction between expatriates and local subsidiary staff. In these cases, multinationals would be well advised to provide English training on a broader basis, aiming to improve language skills also among local employees. This would enable human resource managers to match proficiency levels between expatriates and their immediate coworkers to some extent. As our discussion has shown, the better working climate, solidarity and joint efforts made by speakers with intermediate but similar fluency can outperform the cooperation of team members with a higher sum of absolute skills but friction due to disparate language proficiency.

Limitations and Future Research

Our study is subject to a number of limitations, which provide the basis for future research. First, the scope of this chapter did not allow us to explore possible interactions between the impact of language barriers on individual emotions, social identity formation, trusting relationships and power relations between expatriates and their local colleagues. Considering that emotions (McAllister, 1995) and social identification (Lewicki & Bunker, 1996) constitute important determinants of trust formation, future research could fruitfully investigate how language effects in these areas interact and how these interdependencies influence expatriate success. Extending Hinds et al.'s (2014) recent work on the interplay between power contests, emotion regulation and subgroup dynamics to the specific context of international assignments would also constitute a promising avenue.

Second, we had to limit our discussion to internal communication within a multinational corporation, thus excluding the exchanges between expatriates and external stakeholders in the host country such as suppliers, customers or government officials. Considering that host country nationals working for multinational corporations are not always culturally interchangeable with the rest of the host country population (Caprar, 2011), it would certainly be interesting to extend our investigation in this direction. Local employees of a foreign multinational are more likely to have a global mindset and skills in the official corporate language or the parent country language compared to their external compatriots. Consequently, communication across corporate boundaries will likely be fraught by even higher language barriers than internal interactions.

Finally, the scope of our study did not allow us to capture the possible influence of local resistance to corporate language mandates or

English-only policies (Phillipson, 2003). Depending on their historical background, different host countries might vary in their reactions to corporate language policies. We argue that these local particularities cannot be part of a parsimonious general model but need to be investigated as contextual influences for each individual assignment.

Conclusion

This book chapter has systematically connected recent theoretical advances regarding the impact of language on international business with well-established taxonomies of expatriation objectives and expatriate roles. Having shown the differential impact of language in different assignment contexts on a theoretical level, this book chapter encourages future research empirically investigating the proposed relationships. Both qualitative and quantitative studies will be needed. The former provide up-close insights into the lived experiences of expatriates, whereas the latter can test the strength of the proposed relationships and counterbalance the current dominance of qualitative studies in language-related international business research (Pudelko, Tenzer, & Harzing, 2015).

North American Perspective

Language Barriers in Different Forms of International Assignments

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This nuanced conceptual look at language-related demands and barriers in different types of expatriate roles is a highly welcome topic that warrants further empirical research. The chapter extends our understanding of the role of expatriation and language as well as the interaction among expatriates and host country locals with respect to the official corporate language and the local language. The proposed typology, which stipulates the relative importance of language-related barriers based on the degree of interactions with headquarters and host country employees, is a useful guide for researchers as well as practitioners.

The study of language and expatriates appears to be relatively nascent, so it may be early days to identify clear differences between the European and North American perspectives. Nevertheless, I will mention, albeit hesitantly, a few potential areas of difference. The most obvious is that English-speaking North Americans have often had the luxury of working in their native language, since English is the *lingua franca* of so many multinationals. Despite notable exceptions (e.g., Japanese companies where English speakers are linguistic outsiders), the challenges of dealing with two foreign languages—the local language and a different corporate language—has been less figural for many North Americans to date. As a result, North American expatriates and scholars alike may be slower to perceive the barriers or likely to perceive them in different ways, perhaps from a position of unconscious relative privilege as opposed to experiencing barriers themselves (this may not be the case for non-English-speaking North Americans in Mexico and Canada). For example, pre-departure training for native English-speaking expatriates, if it addresses language at all, might mention adapting one's communication for non-native speakers and avoiding an unconscious tendency to promote host country employees who are the most fluent but not necessarily the most competent.

Another potential difference could be the usage of third country nationals (TCNs) in expatriate jobs, a group that was not mentioned here. US multinationals commonly use TCNs, many of whom are already fluent in local languages and selected for that reason. It might be easier in some cases, for North Americans to employ TCNs than Europeans due to EU mobility constraints. Nevertheless, it would be interesting to see how that unique population perceives the role of language and language barriers in their work.

Some North American scholars (c.f., Schumann, 1978) see language fluency and intercultural competence as interrelated since linguistic fluency alone does not guarantee appropriate intercultural communication or competence. Keeley (2014) found that higher levels of global competencies predicted higher language acquisition in Chinese students studying Japanese in Japan. He used the Global Competency Inventory, a measure based in large part upon a thorough review of expatriate effectiveness competencies (Stevens, Allan Bird, Mendenhall, & Oddou, 2014). In the chapter, the assumption that the difficulties between the German expatriate and the host country locals are due to relative levels of language fluency would only be accurate if a low level of intercultural competence could also be ruled out. Thus, I would encourage measuring both intercultural competence and language fluency in future research and also including the question of directionality among the variables under study.

In my opinion, the topic of language demands and fluency for expatriates is an important one. I predict that this field of research will follow the lead of Tenzer and Schuster and continue to uncover and research more nuances and boundary conditions, as suggested in the following paragraphs.

Tenzer and Schuster rightly noted the possible influence of local resistance to corporate language mandates or English-only policies as another factor that could influence the study. There may also be countries or regions where multiple languages and different levels of fluency are more readily accepted and viewed more positively.

Culture is another important boundary condition worth consideration. In relationship cultures, as opposed to task cultures, good relationships are a threshold condition for being effective at work. Is it possible that all expatriate jobs require relationships and a greater degree of language fluency in relationship cultures? In high-power distance cultures, *Chief Executives*, as defined in the typology, do not necessarily face high demands for fluency in local languages, and, in reality, many are not. Due to the power inherent in their role and the resulting allowances made for them, chief executives often have bilingual staff and direct reports who adapt to the chief executive's language, rather than the other way around. Their external high-level contacts in the local government and elsewhere may also speak English, so fluency in the local language is unnecessary. Furthermore, I have observed chief executives who only knew the basic greetings in the local culture who were widely trusted and revered. Factors other than a shared language result in trust. Personal trustworthiness and organizational trust might be a replacement for the trust that develops from a shared language. Organizational factors such as organizational fairness, organizational culture, and a strong focus on meritocracy or some other superordinate goal might create a cohesive, inclusive environment in which the language barriers described in the chapter are diminished.

The proposed typology bears some similarity to a global leadership typology (Reiche, Bird, Mendenhall, & Osland, 2015) that uses the level of global complexity (similar to the complexity inherent in expatriate roles) and global connectivity (similar to the degree of interactions with both the host country and headquarters employees) to distinguish among different types of global leaders. That typology, however, does not limit the parties with whom the expatriate interacts to host country and headquarters employees; instead it includes all the various stakeholders, within and without the organization, with whom global leaders interact. The other difference between these two categorization attempts is that the proposed global leader typology aims to measure the actual degree of interconnectedness and complexity in individual jobs. It does not assume that all types of global leadership jobs are the same. Empirical research could determine whether the same caveats are necessary with expatriates and their language demands. The same caveat could also apply to the authors' typology in the future. I encourage the authors to test their typology empirically, thereby continuing to make a valuable contribution to this field.

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4

A Social Network Perspective on International Assignments: The Role of Social Support

Tassilo Schuster and Benjamin Bader

Introduction

Some scholars have recently acknowledged that a satisfying social network is a promising instrument in achieving a good well-being, fostering cultural adjustment, and improving job satisfaction as well as job performance (Farh, Bartol, Shapiro, & Shin, 2010; Li & Rothstein, 2009; Wang & Kanungo, 2004; Wang & Nayir, 2006). Caligiuri and Lazarova (2002) emphasize that "social interaction and social support […] is one of the most critical determinants of cross-cultural adjustment". However, this research field is still in its infancy and various scholars have emphasized the need for more research in

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order to understand the effects of the social environment on desired outcomes. For instance, Harrison et al. (2004) stress new investigations concerning expatriates' social environment and point out that this topic is still under-researched. Similarly, Osman-Gani and Rockstuhl (2008) highlight that empirical investigations of expatriates' social networks have only recently been offered and emphasize the need to pay more attention to the concrete interactions of expatriates. Li and Rothstein (2009) show that the expatriate literature already includes many factors such as an expatriate's personality traits, international experience, and marital status, whereas expatriate social networks and the resulting impacts have been widely neglected. Finally, Bader and Schuster (2015) call for future studies to test a comprehensive model by considering the structure of social networks, the mediating social support dimension, and the effect on psychological well-being at the same time.

In a nutshell, the potential effects that originate from expatriates' social networks when investigating specific outcomes of international assignments should be considered as it is an important and timely topic that needs more research attention. Several authors have recently begun to employ a social network perspective by including social network characteristics such as size (number of ties), closeness (proximity to network ties), frequency (regularity of contact with ties), and diversity (share of people with different demographic characteristics within the network) to test their effects on psychological well-being, cultural adjustment, job satisfaction, and job performance. However, the majority of these studies share a weakness in that they consider social support in a rather unsystematic or too general way. It seems that the construct is arbitrarily included without a sound theoretical basis. Oftentimes, the emergence of social support is implied in some sort of black box model. This impedes a comprehensive understanding of the social environment and its influence on desired outcome variables by providing social support.

As there is still a lack of understanding as to what role social support plays in international assignments and how the construct should be incorporated in empirical studies, this book chapter aims at advancing the understanding of social support in the expatriate literature in three ways. First, by providing a comprehensive overview of social support with regard to international assignments. Second, through suggesting a theory-based measurement of social support, and finally by testing the proposed measurement against the data of 435 expatriates through the use of a confirmatory factor analysis. In other words, attempts are made to open the black box. Furthermore, implications for researchers are provided in terms of how the construct should be measured and integrated in future studies.

The remainder of this chapter proceeds as follows: First, we give a brief overview regarding the literature on social support in the context of foreign assignments. Based on the results of previous studies, we develop a sound conceptual model as to how social support should be incorporated in future studies. Next, we present an appropriate measurement model and check its validity by employing a confirmatory factor analysis. The chapter then concludes with a discussion of the results that also outlines theoretical implications.

State of Research on Social Support

Social support has been studied extensively over the past years, predominantly in the field of social psychology. It is commonly employed in the context of network structures, support functions and interpersonal relationships; however, it has recently gained attention in the expatriate management literature. This is because it has been proven to be a crucial factor influencing psychological well-being, cultural adjustment, job satisfaction, and performance. Rather than being a well-defined and measureable entity however, social support represents a meta concept that still lacks specificity and definition (Hupcey, 1998; Hutchison, 1999). In this matter, Hutchison (1999) states that the "lack of commonly accepted notion to which social support refers beyond the vague idea of a positive influence […], makes it difficult to integrate the results obtained in areas that differ in their agendas and methods" (p. 1520). In other words, a simple transfer from social psychology into the expatriate literature might be inappropriate without having a comprehensive understanding of the construct. Therefore, it is reasonable to define social support before converting the concept into the expatriate literature. Subsequently, we will discuss how the construct has been employed in the field of expatriate management. Finally, we develop a comprehensive conceptual model of how social support should be incorporated in future studies.

Social-psychological literature provides many definitions of social support. Even though those definitions use different terminologies, most of them refer to common characteristics—implying some type of positive interaction and supportive behavior provided to a person, or in Shumaker and Brownell's (1984) words: "(s)ocial support is an exchange of resources between at least two individuals perceived by the provider or the recipient to be intended to enhance the well-being of the recipient" (p. 13). It is important to note that Shumaker and Brownell (1984) consider well-being as a "broad outcome measure" (p. 13) that might include cultural adjustment, job satisfaction, and performance. In the expatriate literature, social support is considered as valuable resources obtained from the expatriate's social network that enhance well-being, cultural adjustment, and other outcomes during the international assignment by providing emotional, instrumental, informational, and appraisal assistance to the expatriate (Caligiuri & Lazarova, 2002). Such supportive behavior is crucial for desired outcomes as expatriates face various challenges during their time abroad.

Shaffer, Harrison and Gilley (1999) were among the first to include social support in the expatriate management literature and analyzed its effects on cultural adjustment of expatriates during international assignments. They assume that higher levels of social support from supervisors and co-workers will facilitate expatriate work adjustment, whereas higher levels of logistical support will have a positive effect on interaction and general adjustment. The results indicate that social support is beneficial for cultural adjustment in different ways. Even though the authors did not distinguish between different dimensions of social support per se, they considered different sources of social support and called attention to the expatriates' social network. In other words, when different people provide different 'kinds' of social support, it is reasonable to assume that social support consists of more than one dimension.

Caligiuri and Lazarova (2002) advanced the viewpoint of Shaffer et al. (1999) and included different sources of interactions as antecedents of social support, which in turn should have a positive impact on cultural adjustment. In this conceptual study, host, home, and third-country nationals are considered an invaluable resource to receive information about culturally acceptable norms and to reduce uncertainty associated with work and non-work situations. However, whereas Shaffer et al. (1999) did not consider different dimensions of social support, Caligiuri and Lazarova (2002) acknowledge different dimensions of social support by distinguishing between instrumental, emotional, and informational support. Figure 4.1 illustrates this perspective, attributing these types of interactions (dimensions of social support) to a mediating role between sources of interactions and cross-cultural adjustment.

Kraimer, Wayne and Jaworski (2001) followed a similar approach when they analyzed the effects of social support on cultural adjustment. They distinguished between sources and dimensions of social support in a narrower sense. However, whereas the authors explicitly differentiated between different sources of support by simultaneously including parent company, foreign facility, leadership, and spousal support, only rudimentary notes concerning divergent dimensions of support can be found. The same holds true for the study conducted by Lee and Van Vorst (2010) who analyzed expatriates in Taiwan to understand how social capital and social support influence cultural adjustment. Both studies provide a definition of social support developed by Leavy (1983), which reads: "the

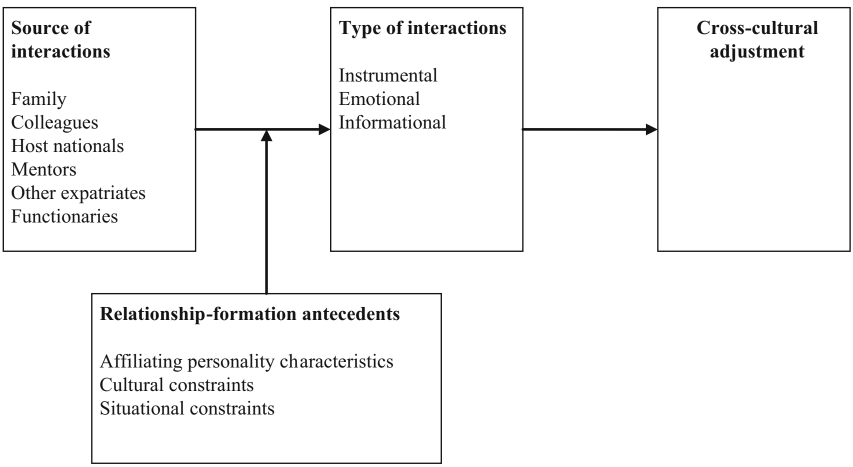

Fig. 4.1 Research framework of Caligiuri and Lazarova (2002)

availability of helping relationships and the quality of those relationships" (p. 5). Moreover, both refer to Kahn and Quinn (1976) who distinguish between three different dimensions of social support: aid, affect, and affirmation. However, even though both studies mention and acknowledge those dimensions, they have not distinguished between them, neither in operationalization nor when discussing the results. Instead, Kraimer et al. (2001) as well as Lee and Van Vorst (2010) focused on different sources of support when they discussed their results. Both studies highlight that social support from different sources has a divergent effect on general, work, and interaction adjustment.

Another relevant study was conducted by Li and Rothstein (2009), who included social support as a mediating factor between social network characteristics such as size, closeness, and frequency and their outcome variables—job satisfaction and performance. The research model is illustrated in Fig. 4.2. The results of this study indicate that a larger social network as well as closer and more frequent relationships with host country nationals (HCNs) provide more social support to expatriates, whereas home country national networks were not found to be significantly related to the amount of social support. Hence, this study once again treats social support as a universal indicator rather than differentiating between different dimensions.

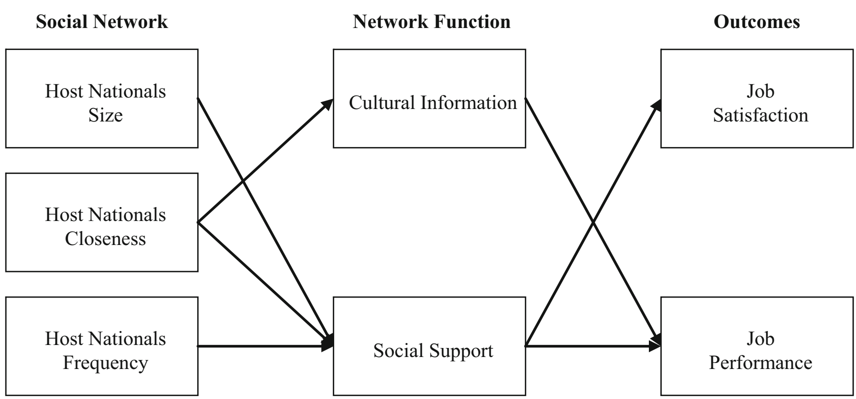

Fig. 4.2 Research framework of Li and Rothstein (2009): compiled by the authors. *Note*: only significant relationships displayed

In contrast, Wang (2001) considers different dimensions of social support by explicitly referring to the path-breaking and well-cited work of House (1981), who categorizes social support into four broad types—emotional support, instrumental support, informational support, and appraisal support. Emotional support captures the provision of empathy, love, trust, and caring and is usually the result of a long lasting, deep rooted relationship with strong ties, although less intimate ties can provide emotional support under certain circumstances as well (Berkman & Kawachi, 2000). Instrumental support refers to all tangible help and services that directly assist a person in a specific situation. It involves aid of any kind, money, labor, providing transportation, and time (House, 1981; Wills, 1985). Informational support contains advice, suggestions, and information that a person can use to address specific problems. Concerning this matter, Mezias & Scandura (2005) state that reliable information may start with identifying appropriate grocery stores, dry cleaners, entertainment venues, restaurants, and other services but is often extended to understanding country-specific norms and values which can increase expatriates' comfort and contribute to reducing stress. It is important to know that in contrast to instrumental support, this dimension of support only comprises the transmission of information and is therefore intangible (House, 1981). Finally, appraisal support covers constructive feedback and affirmation (Glanz, Rimer, & Viswanath, 2008). This dimension involves feedback, affirmation, and social comparison. By obtaining affirmation, individuals are able to self-evaluate actions and build self-confidence. Appraisal support is beneficial to expatriates in various demanding situations. For instance, expatriates often doubt their own actions in the new environment with divergent cultural norms, which leads to a damaged self-perception. Like informational support, appraisal support is not tangible and is restricted to the transmission of information (House, 1981).

These different types of social support that people receive through interactions with individuals within their social network have a strong positive impact on various outcomes (Wang, 2002). Albrecht and Adelman (1987) argue that emotional support presents a platform where expatriates can articulate their uncertainty and problems. Such a platform helps them to develop a more objective perspective on stressful events in a highly uncertain environment. In addition, emotional support helps expatriates to resolve challenging issues they face while being abroad. Informational support, in turn, enables expatriates to reduce uncertainty and stress by relativizing negative internalized attributions that ignore the local context. Instrumental support helps expatriates by assisting them with personal resources such as time, money, and labor that promote feelings of social integration and thus increases the psychological well-being of expatriates. Finally, appraisal support informs expatriates about appropriate and inappropriate behavior and increases their skills to adapt to the local conditions in a more efficient and faster way.

Unfortunately, in the following studies Wang does not consistently follow those considerations and falls short when considering different support dimensions in her empirical work. For instance, Wang and Kanungo (2004) employed a black box model when analyzing the effect of network characteristics such as network size, cultural diversity, localization, closeness, and frequency on psychological well-being. Social support is just used to theoretically explain the causal relationship between those variables. Furthermore, two years later Wang and Nayir (2006) investigated whether the effect of social network characteristics and social support is influenced by the location of the international assignment. In this study, the authors assumed that expatriates in Turkey and China would establish different social networks and would receive different amounts of social support. Surprisingly, the authors did not regard social support as an outcome of social network characteristics but considered it on the same level. Moreover, this consideration contradicts some of their later statements. For instance, they state that expatriates need a culturally diversified network to obtain different types of social support and thus allude to a multi-dimensional concept of social support. They also state that social capital will bring social benefits, such as social support, to achieve better personal outcomes and thus refer to the mediating role of social support between network characteristics and desired outcomes. Supporting this, the authors provide a model in which they include components of social interaction—both social network characteristics and social support—which is illustrated in Fig. 4.3.

In addition, two studies published in 2010 looked at beneficial effects of social support. One is by Farh et al. (2010), who present a conceptual five-stage process model that specifies how expatriates form

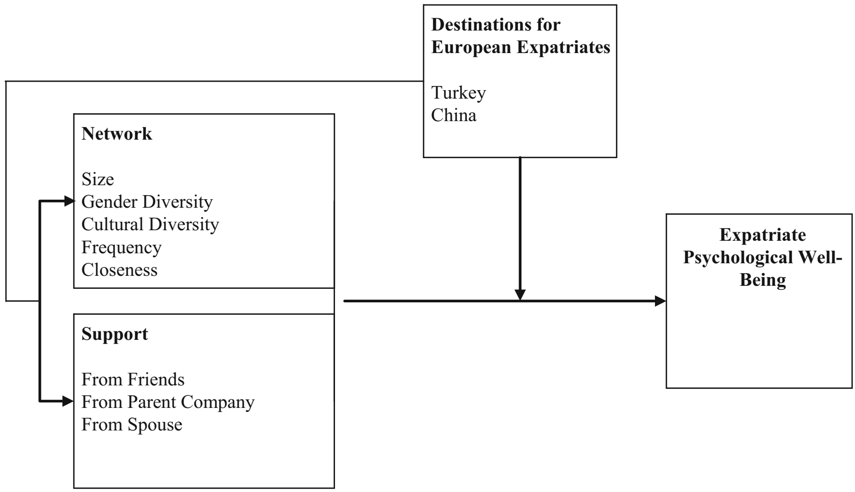

Fig. 4.3 Research framework of Wang and Nayir (2006): compiled by the authors

adjustment facilitating support ties in a culturally unfamiliar context. Even though the authors focus on how such network ties are formed, they provide relevant statements with regard to social support. The other one is by Stroppa and Spieß (2010), who analyzed the effect of social support provided by different network partners (supervisors, co-workers, friends, spouses) on received socio-emotional and instrumental support. Both studies took two different dimensions of social support into account and thus (implicitly) acknowledge its multi-dimensional form of the construct. Concerning this matter, Farh et al. (2010) state “network ties have been shown to provide expatriates with ‘informational support’—information assisting expatriates’ functioning and problem solving in the host country and ‘emotional support’—emotional resources helping expatriates feel better about themselves and their situation when adjustment difficulties become overwhelming” (p. 434). On the contrary, Stroppa and Spieß (2010) considered socio-emotional and instrumental support as outcome variables and analyzed which group of people such as supervisors, co-workers, family, and friends have the strongest effect on them.

Finally, Bader and Schuster (2015) investigated the impact of expatriate social network characteristics on psychological well-being in a terrorism-endangered environment by employing a social network perspective. Even though they ground their consideration on House's (1981) four dimensions of social support, the study is also still restricted to a black box model and thus can only provide theoretical arguments concerning the relationship between social network characteristics and psychological well-being. The authors point out that social support plays a mediating role between the social network characteristics and desired outcomes and highlight that different dimensions of social support may have divergent effects on psychological well-being. However, no empirical proof was delivered.

To sum up, there is no doubt that social networks and social support in the expatriate context have received attention lately. However, there is still a tremendous ambivalence on how to integrate social support in (empirical) analyses and how to actually measure the construct. The different approaches chosen by the aforementioned scholars are too unsystematic and the theoretical justifications for opting for one or the other approach are too ambiguous. Therefore, it is time to align this body of research and to provide recommendations on how social support should be treated in future studies in order to advance our understanding and to support researchers in their efforts. Successfully advancing the concept of social support in expatriate literature and making studies comparable require scholars to 'speak the same language' and derive the same meaning from the same construct.

In order to do so, we need to classify all factors that are closely connected to social support, combine where possible, and separate where necessary. Based on social support literature within the field of social psychology and mental health, we recommend to distinguish between social-structural conditions (macro level), social networks (mezzo level), and psychosocial mechanisms (micro level) (Berkman & Kawachi, 2000). Social-structural conditions (macro level) represent the larger social and cultural context in which social networks are embedded. The social-structural conditions will have an overall impact on how social networks are formed, what impact they have on psychosocial mechanisms, and finally how those mechanisms impact specific outcomes. For instance, research showed that the cultural distance will have a tremendous impact on whether expatriates can easily build relationships with HCNs (Farh et al., 2010). Wang and Nayir (2006) called attention to the idea that not only the cultural distance but the host country culture per se influence the possibility to build social networks. Moreover, it is reasonable to assume that the headquarters-subsidiary relationship has an effect on how much social support host country peers are willing to provide to the expatriate. For instance, if host country peers receive the impression of being patronized, they will restrict their social support or misguide the expatriate with negative impact on desired outcomes. Social networks—being dismantled into social network structure and characteristics of network ties—represent sources and their characteristics for social support. For instance, previous research provides strong evidence that expatriates can obtain different forms of social support from different groups of people. In particular, HCNs have shown to be exceptionally important for cultural adjustment (Black, Mendenhall, & Oddou, 1991; Li & Rothstein, 2009). Accordingly, research has focused on various antecedents of HCN social support (Farh et al., 2010; Pichler, Varma, & Budhwar, 2012; Varma, Budhwar, & Pichler, 2011; Varma, Pichler, & Budhwar, 2011). Moreover, there is evidence that both the size and diversity of the expatriates' social network are beneficial for cultural adjustment and psychological well-being, as more and different types of social support can be obtained (Wang & Nayir, 2006). Finally, we have seen evidence that not only the structure of the social network, but also the characteristics of its ties have to be considered, such as intimacy, frequency, and reciprocity as they determine how much social support the network members are willing to provide. For instance, it is reasonable to assume that an expatriate's spouse will provide him or her with a different kind of social support than a supervisor would. In other words, social networks are the antecedents of social support and determine what kind and how much social support a person can obtain. Social support represents the psychosocial mechanisms with various positive effects on outcomes, such as psychological well-being, cultural adjustment, job satisfaction, and performance. It has been argued that social support functions as a stress buffer, reduces uncertainty, can relativize negative internalized attributions, and promote feelings of social integration. Therefore, these functions are extremely relevant for future research in an expatriate context. However, it has to be highlighted that social support should not be

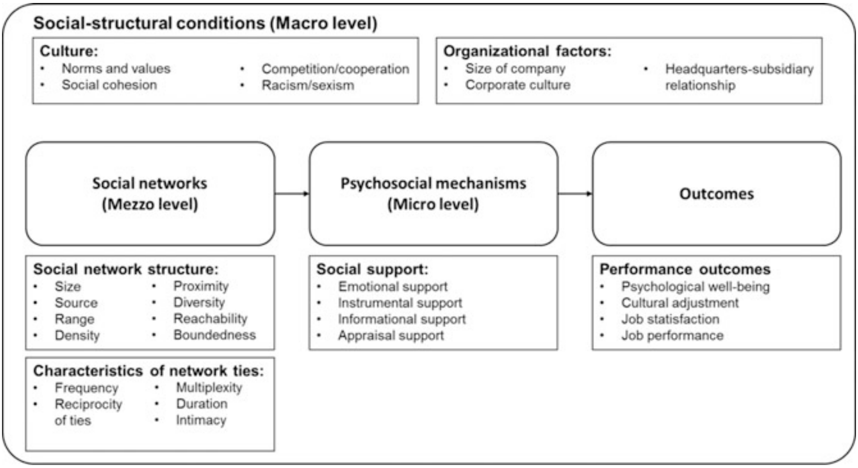

Fig. 4.4 Conceptual framework for future studies

treated as a global indicator, but different dimensions should be taken into account since different forms of social support might have different effects on desired outcome variables (Malecki & Demaray, 2003). In the social-psychological literature, social support commonly consists of emotional, instrumental, informational, and appraisal support, however with varying denominations (Malecki & Demaray, 2003). The conceptual framework, illustrated in Fig. 4.4, helps to convert conflicting viewpoints of social support to a common denominator and thus is beneficial in making future studies comparable.

Measures of Social Support

Established Operationalization of Social Support in the Expatriate Management Literature

In the previous section, we provided an overview on how social support was included in the expatriate literature and a conceptual model on how social support could be employed in future studies. However, whereas the last section focused on the rationale behind applying social support in the expatriate literature, we will now discuss the actual measurement of social support since there is still no common agreement on how to measure this construct. Various ways and several items and scales have been developed and applied so far. We address this problem and review articles that previously included measurements of social support in the field of expatriate management. We aim to reach conclusions and recommendations from the social-psychological literature and propose an appropriate scale. The concept of social support, and in particular its measurement, is critical to researchers interested in analyzing the role that social support plays with regard to psychological well-being, cultural adjustment, job satisfaction, and performance. As outlined in the previous section, most of the studies treated social support as a unitary factor rather than a complex, multi-dimensional construct (Malecki & Demaray, 2003). As a consequence, in most empirical studies social support was operationalized in a uni-dimensional way (Li & Rothstein, 2009; Wang, 2001; Wang & Nayir, 2006). On the contrary, in the field of social psychology, several authors stress the argument to consider social support as a multi-dimensional construct as specific types of social support are associated with certain sources of support and differential effects on outcomes can depend on the type of social support they receive (Malecki & Demaray, 2003). Based on previous theoretical reasoning in the expatriate literature, choosing a multi-dimensional construct and thus following the stream of social-psychological literature appears to be a more promising approach, though perhaps more difficult to apply.

Digging into the social-psychological literature, many valuable arguments are revealed that suggest revisiting the operationalization of social support in expatriate literature. Jacobson (1986), for instance, called for analyzing the constituent elements of the construct, as social support represents a complex phenomenon. Malone-Beach and Zarit (1995) argued with recourse to Krause and Markides (1990) that factor analysis indicated social support being composed of subscales. Lakey and Cohen (2000) provide a comprehensive overview on how to measure social support and argue that the employed perspective determines whether a uni-dimensional or a multi-dimensional measurement is more appropriate. Referring to the expatriate literature, we argue in favor of opting for a multi-dimensional measurement, as the provided arguments for it appear more plausible and more in line with the theory. For instance, Caligiuri and Lazarova (2002) emphasize distinguishing between different dimensions of social support because their respective purpose differs. Bader and Schuster (2015) as well as Stroppa and Spieß (2010) provide reasonable evidence that different dimensions may have varying effects on the outcomes. Moreover, the above-mentioned reasoning regarding different sources generating different kinds of social support is also quite convincing.

Item Selection

In order to account for these arguments, we developed a multi-item scale for social support with the different subscales recommended by House (1981) that have been frequently applied and argued for in literature. A review of the expatriate literature concerning existing operationalizations of social support shows that the majority of authors assessed social support globally, with operationalizations ranging from a single-item scale (Johnson, Kristof-Brown, & Klein, 2003), a four-item scale (Caplan, Cobb, French, Van Harrison, & Pinneau Jr., 1975), up to a 20-item scale (Wang, 2001). In contrast to these studies, Ong and Ward (2005) developed a multi-item scale considering the two subscales of socio-emotional and instrumental support. This was employed by Stroppa and Spieß (2010) in a recent study. In order to develop an appropriate scale containing all four sub-dimensions of social support, we decided to build on the scales developed by Wang (2001) and Ong and Ward (2005) as both scales consider various work and non-work related aspects. Subsequently, items from these scales were modified and complemented by further items generated from qualitative interviews with HR experts. During this process, we paid attention to avoid redundancy among items, multiple negatives, double-barreled items, colloquialisms, and jargons. Finally, we rephrased exceptionally lengthy items (DeVellis, 2012).

It is worth mentioning that we decided against including items developed by Caplan et al. (1975) and Johnson et al. (2003) as these items are formulated in a way that is too general and vague. Moreover, we decided against including Black and Gregersen's (1990) operationalization, as this measurement is more on the mezzo level and evaluates the characteristics of network ties, rather than social support aspects. The results of this review are illustrated in Table 4.1 (A summary of all items is shown in Appendix D.1)

Each item was discussed among the authors and provided to HR experts in the field of expatriate management. As these experts confirmed that the items are clearly understandable and unambiguous, we integrated them without further changes. In total, we applied ten items to measure emotional support, ten items for instrumental support, five items for informational support, and four items for appraisal support. Those items consider both work and non-work related support aspects and were measured on a five-point rating scale (see Appendix D.2).

Table 4.1 Divergent operationalization of social support in the expatriate management literature

Original development	Measurement model employed by	Dimensions	Number of items
Wang (2001)	Wang and Nayir (2006) Li and Rothstein (2009)	*Global perspective* Uni-dimensional	20 items
Johnson et al. (2003)		*Global perspective* Uni-dimensional	1 item
Black and Gregersen (1990)		*Global perspective*	5 items
Caplan et al. (1975)	Shaffer et al. (1999) Lee and Van Vorst (2010)	*Global perspective* Uni-dimensional	4 items
Ong and Ward (2005)	Stroppa and Spieß (2010)	*Differentiated perspective* Two-dimensional (socio-emotional support and instrumental support)	18 items

Sample

In order to test the developed measurement model of social support, we collected data using a sample of expatriates with current international assignments in various countries. We made sure to address a very broad sample of many expatriates in many different countries, different industries, and on different assignment types in order to avoid potential biases. Therefore, individuals currently on international assignments were approached with an online survey by the researchers and asked to participate in this study. In total, we received 435 usable data sets. The sample size exceeds the sample requirement recommended by Nunnally (1978) of 300 respondents for scale testing.

Out of the 435 expatriates in our sample, 165 originated from Germany (41.3 %), 32 from the USA (8.0 %), 31 from UK (7.8 %), 24 from Switzerland (6.0 %), 22 from India (5.5 %), and 126 from other countries around the world. Thirty-five expatriates refused to answer this question. The five most frequently mentioned host countries are Thailand (31), India (29), Russia (23), Afghanistan (17), and Kenya (14). The remaining 297 expatriates were assigned to various other countries distributed around the globe. Twenty-four respondents did not provide an answer to this question. The sample includes 233 male (57.4 %) and 173 female (42.6 %) expatriates. Twenty-nine respondents did not indicate their gender. The average age of the expatriates in our sample was 42.3 years with a standard deviation of 11.6 years. The youngest expatriate was 20 years old whereas the oldest was 78. Thirty-six people in our sample have a secondary education or less, 84 have a Bachelor's degree, 247 a Master's degree, and 43 people possess a PhD. Twenty-five people refused to answer this question. Moreover, 142 people indicated that they are not in a committed relationship, whereas 201 expatriates are married and 59 are living with their partner. Thirty-three respondents did not indicate their relationship status. Of those with a partner, 177 were accompanied by their partners or families respectively, whereas 165 expatriates went alone. Ninety-three expatriates did not answer this question. The average international experience of expatriates in our sample is 6.47 years. Finally, our sample is comprised of 215 expatriates working for NGOs and

220 expatriates working for privately held multinational companies. Overall, since less than 10 % of the values were missing, we decided to deal with this by applying a mean substitution.

Results of the Confirmatory Factor Analysis

As our literature review revealed, the construct social support has previously been employed in various ways. Whereas most authors assessed social support globally, theoretical considerations from the social-psychological literature advocate a four-dimensional solution. An initially conducted exploratory factor analysis argued for a three-dimensional solution[1], that is recommended by Malone-Beach and Zarit (1995). In order to find the most appropriate model, we applied a confirmatory factor analysis and followed the recommendations of Bollen (1989). Accordingly, we tested the following potential and promising models against a null model, in which no factors are considered to underlie the observed variables, correlations between observed indicators are zero, and the variances of the observed variables are not restricted. Against the null model we tested:

- *A one-factor model.* This model suggests that the observed items represent a single dimension of social support and that social support should be measured uni-dimensionally (Wang, 2001).
- *A four-factor model.* This model is grounded in the social-psychological literature and recommended by the well-cited work of House (1981). It accounts for four distinct dimensions of social support: emotional, instrumental, informational, and appraisal support.
- *A three-factor model.* This model distinguishes between three distinct dimensions of social support: emotional, instrumental, and informational support, as proposed by our initial exploratory factor analysis (results are not reported in this book chapter) and recommended by Malone-Beach and Zarit (1995).

[1] The results of the initially conducted exploratory factor analysis are available on request from the authors.

- *A three-factor second-order model*. This model suggests that social support is a latent second-order construct composed of the three first-order latent variables: emotional, instrumental, and informational support.

For all models we estimated the parameters and fit indices by employing a variance-covariance matrix with ML estimation using IBM SPSS AMOS 22. In order to compare the different models against each other, we followed the recommendations of Ryff and Keyes (1995) and determined whether a 'clean' model fits the data well. In other words, in the first stage we did not improve the fit of the measurement model by correlating measurement errors. Instead, we assumed that all measurement errors occurred randomly. To test the different models, we investigated and reported the relative chi-square, the standardized root mean square residual (SRMR), the comparative fit index (CFI), the root mean square error of approximation (RMSEA), and the Akaike information criterion (AIC). Comparing the overall fit indices of the first four models, which are illustrated in Table 4.2, shows that the three-factor model—as proposed in our initial exploratory factor analysis—is the best-fitting model. As can be seen, this model has the lowest relative chi-square (3.155), representing an acceptable fit (Marsh & Hocevar, 1985). Moreover, the SRMR is below the threshold of .05, which indicates a good fit (Byrne, 2009; Hu & Bentler, 1999). The CFI is .910, slightly above a liberal threshold of .90 (Bentler, 1992) and the RMSEA is .070, which can be considered an acceptable fit (MacCallum, Browne, & Sugawara, 1996; Steiger, 2007). Finally, we took the AIC into account, a comparative

Table 4.2 Comparative analysis of different models of social support

Model	X^2/dXf	SRMR	CFI	RMSEA (PCLOSE)	AIC
1. Null model	23.050	0.416	0.000	0.225 (0.000)	9,416.362
2. One-factor model	14.719	0.215	0.422	0.178	5,665.205
3. Four-factor model	4.841	0.177	0.839	0.094 (0.000)	1,935.397
4. Three-factor model	3.155	0.049	0.910	0.070 (0.000)	1,301.847
5. Three-factor second-order model	2.332	0.069	0.887	0.045 (1.000)	2,982.831

measure of fit, which is meaningful when two different models are estimated. Lower values indicate a better fit highlighting that the three-factor model, with the lowest AIC (1,301.847) of all models, has the best fit. These results strongly support our notion that social support should not be treated and measured as one single factor. One should rather distinguish between different dimensions. However, instead of the assumed four-factor solution, the results reveal that there is a high intercorrelation between appraisal and informational support, resulting in a low discriminability between these constructs. The standardized estimate of the covariance between these constructs showed a .95 relationship. In other words, it seems reasonable to reduce these two dimensions into one dimension, labeled informational support.

In the light of these conclusive findings, we further focus on the three-factor solution and deepen our understanding by improving the fit and by employing configural and metric measurement invariance tests. Therefore, we distinguished between different groups and compared across organization type, gender, assignment destination, home region, and actual assignment duration. Finally, we analyzed potential issues regarding common method bias.

Figure 4.5 shows the clean three-factor model with standardized estimates and reveals that the factor loadings of instrumental support range from .71 to .86, the factor loadings of informational support range from .67 to .88 and those of emotional support from .69 to .76—all in an acceptable range. In order to improve the model fit, we correlated those measurement error terms with a modification index of >20. By doing so, our model fit improved significantly, as Table 4.3 depicts.

We conducted a series of measurement invariance tests by employing a multi-group moderation test using critical ratios for differences in AMOS in order to validate that the factor structure and loadings are sufficiently equivalent across groups. The distinctions between groups included the organization type (NGOs vs. Business), gender, assignment destination (Africa, Asia, Europe, America), destination country's risk, home region of the expatriates (Asia, Europe, America), and actual assignment duration (less than 12 months vs. more than 12 months). The results of the invariance tests revealed that the data

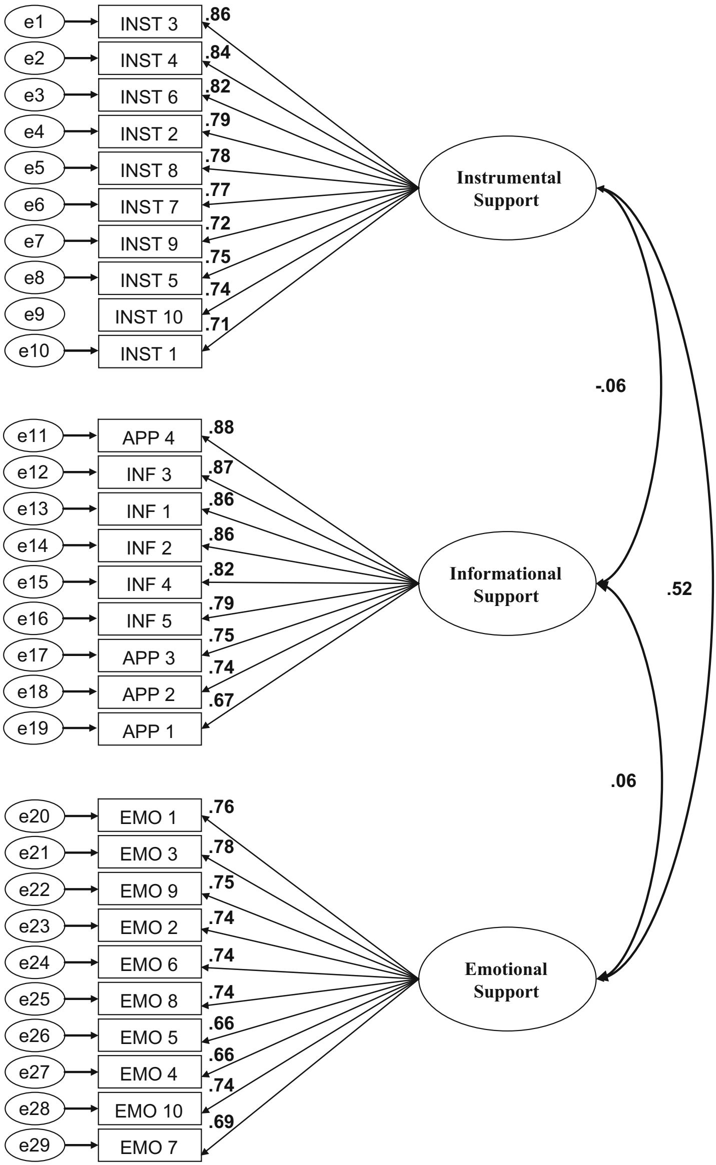

Fig. 4.5 Three-factor model with standardized estimates—clean model

Table 4.3 Model fit indices of the optimized three-factor model

Model	X^2/df	SRMR	CFI	RMSEA (PCLOSE)
Original three-factor model	3.155	0.049	0.910	0.070 (0.000)
Optimized three-factor model	2.091	0.045	0.956	0.050 (0.474)

Table 4.4 Validity and reliability measures of the three-factor model

No.	CR[a]	AVE[b]	MSV[c]	ASV[d]	1.	2.	3.
1. Informational support	0.942	0.647	0.004	0.004	0.804		
2. Instrumental support	0.935	0.593	0.274	0.139	−0.062	0.770	
3. Emotional support	0.914	0.514	0.274	0.138	0.058	0.523	0.717

[a]*CR* Composite reliability
[b]*AVE* Average variance extracted
[c]*MSV* Maximum shared variance
[d]*ASV* Average shared variance

are indeed invariant across all groups. Moreover, when testing for common method bias by including a common latent factor, we discovered some evidence of common method bias in the instrumental support dimension. However, this effect did not occur in any other dimension. Finally, we tested the validity and reliability of the three-factor model. As can be seen in Table 4.4, there are no validity concerns.

Discussion

One purpose of this study was to investigate whether social support in the expatriate literature should indeed be treated and measured as a multi-dimensional construct, as suggested by social-psychological literature, or whether to follow a uni-dimensional approach. Reputable research has argued for both options; however, based on theoretical considerations, the multi-dimensional approach appears superior. Having applied a confirmatory factor analysis using data from a broad range of expatriates assigned to a diverse set of countries, working in different organizations, and on different assignment types, we found strong support for not treating social support as a uni-dimensional construct and thus conclude to consider the reasoning in social-psychological literature. In particular, the model best fitting our data was one suggesting to distinguish between three different dimensions of social support—emotional, instrumental, and informational support. Whereas our first assumption based on theory and the argumentation of House (1981) was to distinguish between four dimensions of social support (emotional, instrumental, informational, and appraisal), however, our data clearly advocate Malone-Beach and Zarit's (1995) approach and to distinguish just between three dimensions (emotional, instrumental, informational support). Our confirmatory factor analysis outlines a high intercorrelation between appraisal and informational support, resulting in a low discriminability between these constructs. In other words, it seems reasonable to reduce these two dimensions into one dimension. While this finding at first appears counterintuitive, it can be justified from a theoretical perspective as well. In contrast to instrumental support, informational support merely involves the transmission of information and is therefore considered as an intangible form of social support (House, 1981). Appraisal support involves the transmission of information as well, however, just in the form of affirmation, feedback, and social comparison, and therefore belongs to intangible social support. Our analysis confirms the consideration that feedback and appraisals can be seen as 'judgmental information' which suggests subsuming appraisal as a special kind of information. Instead of the theoretically designed four categories of social support, our data recommend a three-factor solution of social support.

Moreover, our analysis indicates that the types of social support employees receive from their network are independent from gender, expatriates' home region, assignment duration, assignment destination, destination country's risk, as well as the kind of the assigning organization. Based on our data of 435 expatriates, we could not detect any significant differences in the three social support dimensions. This is an important finding when investigating the effects of social support on desired outcomes as the developed scale can be employed in many different settings, for instance, when comparing expatriates who work either for NGOs and other non-profit companies or for MNCs. It is reasonable to assume that motivations and organizational assistances that expatriates receive during the assignment differ between the kinds of organizations, thus one might expect that expatriates experience differences in terms of social support as well and thus call for a differentiated measurement.

Contribution, Limitations, and Implications

This study contributes to the expatriate management literature in various ways. First and foremost, the study is the first to systematically address the usage of social support in the field of expatriate management. By grounding our consideration in the literature of social psychology, we deliver recommendations on how to incorporate and measure social support in expatriate research from now on. This is an important contribution in terms of unifying research on expatriate social networks and social support, promoting a proper and easier application of the construct that is comparable across studies. Moreover, by showing relevant advantages of a multi-dimensional over a uni-dimensional construct, we successfully integrate well-argued knowledge in the original field of the construct—social psychology—in the literature on expatriates.

Second, this study opens the 'black box' of social support and now distinguishes between several dimensions. Bader and Schuster (2015), for instance, implicitly argued that there are different kinds of social support, all of them having a different effect on their outcome variable (psychological well-being). However, due to their way of considering social support, they were not able to deliver a more precise answer. With the results of our CFA, we now should be able to overcome this shortcoming. From a more general viewpoint, this means that this chapter paves the way for a deeper understanding of the role of the social environment of expatriates during international assignments. The conceptual model enables researchers to properly consider different variables of the social environment in a differentiated way. For instance, it can be used to investigate which group of people (sources of social support) are able to provide which kind of social support.

Third, this study extends the scope of expatriate literature by accounting for two very important groups of expatriates, those working for NGOs as well as those being assigned by MNCs. As our results point out, in terms of social support there are no significant differences between those groups, which is an important finding that can be applied in future studies.

Moreover, future studies can provide evidence as to which kind of social support is more beneficial for cultural adjustment and psychological well-being. As Bader and Schuster (2015) have indicated, there are certain situations in which emotional support is unfavorable for obtaining a high psychological well-being. The differentiation of different support dimensions as well as the presented possibility to measure subscales of social support enable researchers to deepen the understanding of the underlying mechanisms. Finally, besides distinguishing between the types of organization an expatriate works for, future research could address the question of whether these dimensions of social support can also be found when surveying self-initiated expatriates (SIEs). Those types of expatriates usually have different motives to go abroad and often act differently in the host country (Froese & Peltokorpi, 2013). Therefore, it is reasonable to assume that they form different kinds of social networks and perhaps perceive different kinds of social support.

As with every study, this one is not without limitations. Despite our efforts to target a broad audience of expatriates, our sample cannot be considered representative. In order to claim full generalizability, it would be necessary to survey a sample that reflects the actual demographic distribution of the entire expatriate population. Moreover, this study relies on self-reported data. Even though the quality and kind of social support needs to be measured in terms of how it was perceived by the individual, it could be helpful to extend the study by also questioning the provider of the respective social support, in order to get a better picture of the entire phenomenon. Finally, this study must be considered as the initial step of a scale development and validation of social support as we need further tests on convergent, discriminant, and nomological validity. Moreover, as a further step it might be reasonable to exclude items based on content adequacy assessments.

Despite its limitations, we are convinced that our study can serve as a foundation to drive forward the important research on social support in an expatriate context. It is theoretically grounded and provides strong empirical evidence for the measurement of social support that can be of use for many future studies in this field.

North American Perspective

A Social Network Perspective on International Assignments: The Role of Social Support

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Host Country Nationals and Social Support

Over the last two or three decades, scholars have regularly called for closer examination of the role played by host country nationals (HCNs) in the expatriate adjustment process. In response to these calls, we have seen a few empirical studies examining the antecedents and consequences of the social support offered by HCNs to expatriates. Given the continuing growth of global corporations, and the resultant demand for expatriates, it is critical that we continue to investigate the HCN-expatriate interaction, so we may better understand the factors that impact HCN decision to offer social support to expatriates or withhold such support. As anyone who has worked and/or lived in another country can attest, the support of HCNs goes a long way in helping people adjust to the new city/country. Indeed, as I was reading the accompanying chapter, I started to think about my own experiences when I moved to the USA, from India, just over 25 years ago. While I had been lucky enough to travel across India, I had never left the country, and was indeed rather nervous, to say the least. Furthermore, in addition to moving thousands of miles away to start a new life, I was also making a major lifestyle change—going from working as an executive to starting graduate school. I landed at the small airport on a national holiday—the airport was literally 'closed!' As I sat on a bench rifling through my bag trying to find a quarter so I could call the university's number (remember, this was before the internet and cell phones, etc.), I heard a voice asking me "are you Arup?" I looked up to see a friendly face—an Indian graduate student who had come to pick me up (the Department Secretary had requested that he receive me). Over the next few weeks, he proved to be very helpful in my adjustment to the new city/country—he drove me to the grocery store, invited me to his dorm room for dinner a few times and offered lots and lots of advice, and answered all my questions—and I had a whole bunch!

Over the next several weeks, I slipped into a routine (classes, library, student center activities) and got to know several other students, staff, and faculty members, who each helped in their own way, to different degrees. I have no doubt that my adjustment would have been that much more difficult if it were not for all these folks. However, I have wondered why each one of them helped me out. The first individual I had encountered was originally from India—is that why he decided to come to the airport to pick me up? For that matter, I often wondered why the secretary had asked him and not any of the other doctoral students. Then again, the handful of other folks that offered me social support were not from India, so why did they decide to befriend me? Was it something about me, or something about them? Did they expect something in return, or was the help offered without any expectations?

It is perhaps this experience that has led me to investigate the HCN role in expatriate adjustment. In my research, my colleagues and I have found that variables such as collectivism, dogmatism, ethnocentrism, and perceptions of value similarities can have a significant impact on HCN willingness to offer support. In other words, it seems that HCNs use a process of social categorization to determine if the individual expatriate is similar to them or different. Once they have made this determination, the expatriate in question is cast into their in-group or out-group, and it is this categorization that determines whether the expatriate will receive the required support.

Of course, not all HCNs are automatically motivated to help expatriates by offering social support. Indeed, in many cases, organization policies might actually cause HCNs to be suspicious or jealous of the expatriates, causing them to withhold information from the expatriates. As an example, in most cases, expatriates are paid much more than HCNs, often for doing the same job. Not surprisingly, this causes HCNs to be upset or angry at the organization, thus causing them to avoid the expatriates socially.

The question this raises is—how do we ensure that HCNs offered appropriate levels of social support to the expatriates to help with their adjustment, given that the longer the expatriates take to adjust, the slower they will be in getting up to speed on the assignment. Clearly, this is a very complex issue and requires multiple, comprehensive investigations, in numerous different environments and contexts, so we may better understand the factors that guide HCN willingness to offer social support.

In my own research, I have found, not surprisingly, that expatriates need social support from HCNs to adjust to the new location. The type of support needed can vary—from needing help with identifying good schools for expatriates' children to finding appropriate housing, HCNs can help expatriates in numerous ways. While these findings corroborated earlier findings and supported our predictions, we also found several surprising results when investigating this phenomenon. For example, in one study, we found that both male and female HCNs from India would prefer to work with female expatriates from the USA than male expatriates from the USA. In another study, we found, that contrary to our predictions, Chinese HCNs expressed preference for Indian expatriate colleague over those from the USA.

Where Do We Go from Here?

What is clear is that the expatriate-HCNs relationship is rather complex and defies easy generations. As such, comprehensive investigations of this relationship are required, so we may better understand the dynamics of the relationships. In this connection, the accompanying study is a good first step in that direction. As Schuster and Bader note, social support is a multi-dimensional construct and should be operationalized accordingly in future empirical investigations. After all, we cannot expect that all expatriates require the same type of support—for that matter, not all HCNs might be equipped to offer all types of support. This, if we are to "open the black box" of social support, we need to start peeling away the layers, so we can better understand this multi-dimensional, complex construct.

While the emerging research has begun to show promise in terms of "opening the black box" of social support, it is clear that further studies are needed in order to help us better understand the complex HCN-expatriate relationship. In addition to understanding the various dimensions of social support, there are several related issues that should also be examined. For example, there are different types of expatriates, not just those who work for multinational corporations—self-initiated academics, nurses, students, and so on. Ironically, the bulk of expatriate research has concentrated on MNC expatriates. It is important that other types of expatriates are also brought under the purview of this stream of research. Relatedly, the type of role the expatriate plays in his/her host country might have a significant impact on HCNs willingness to offer social support. As an example, a teacher may receive much higher levels of social support and be integrated into the community much faster, as opposed to an investment banker or an actor. Finally, the HCNs' own behavior and attitudes are likely to play a significant role in determining whether they receive the required social support.

Overall, it is clear that expatriates need social support and will continue to do so—however, the type of social support needed may be different, and the willingness of HCNs to offer support may also very significantly.

Appendix D.1: Divergent Operationalization of Social Support in the Expatriate Management Literature

Wang (2001):

[Dimensions were not considered by Wang (2001)]

Instrumental

Your friends, colleagues, and supervisors helped you out in a crisis situation at work, even though they had to go out of their way to do so.

Your friends, colleagues, and supervisors loaned you or gave you something that you needed at home/work.

Your friends, colleagues, and supervisors helped you out when too many things needed to get done.

Your friends, colleagues, and supervisors helped you to take care of your family when you were busy or away.

Your friends, colleagues, and supervisors gave you tangible help in settling down in the local country.

Emotional
Your friends, colleagues, and supervisors listened to you when you needed to talk about your private feelings during the overseas assignment.
Your friends, colleagues, and supervisors are people with whom you can totally be yourself.
Your friends, colleagues, and supervisors were concerned about your well-being in your overseas assignment.
Your friends, colleagues, and supervisors could be counted on to console you when you were very upset at work.
Your friends, colleagues, and supervisors helped you feel better when you were very irritable working in the local situation.

Informational
Your friends, colleagues, and supervisors gave you information about local entertainment activities.
Your friends, colleagues, and supervisors gave you information about local customs.
Your friends, colleagues, and supervisors gave you information about where you can buy what you need for home/work.
Your friends, colleagues, and supervisors gave you information about how to get things done at your work in the local situation.
Your friends, colleagues, and supervisors gave you information about how to deal with interpersonal relationships with local people.

Appraisal
Your friends, colleagues, and supervisors would let you know that you did something well at work with local people.
Your friends, colleagues, and supervisors told you that what you did does not comply with local customs.
Your friends, colleagues, and supervisors made it clear what was expected of you at work.
Your friends, colleagues, and supervisors gave you objective feedback about how you were handling your problems at work.
Your friends, colleagues, and supervisors told you that what you wanted to do at work was right.

Black and Gregersen (1990)
Work related social support
To measure social support at work a four-item Likert-type scale was utilized which measured how accessible and helpful organization members were to the individual.
(No more information on the concrete items are provided)

Non-work related:
Measures concerning the frequency of interaction
(6 = annually; 5 = semiannually; 4 = quarterly; 3 = monthly; 2 = weekly; 1 = daily)

Johnson et al. (2003)
To what extent did you obtain non-work information, business information, and social support from each person listed
(1 = not at all–5 = to a great extent)

Caplan et al. (1975)
1. He/she goes out of his/her way to make my work life easier.
2. He/she is easy to talk to.
3. He/she can be relied on when things get tough at work.
4. I can express my feelings freely to him/her.

(1 = not at all–5 = to a great extent)

Ong and Ward (2005)
Socio-emotional support
1. Comfort you whenever you feel homesick.
2. Listen and talk with you whenever you feel lonely or depressed.
3. Share your good and bad times.
4. Spend some quiet time with you whenever you do not feel like going out.
5. Spend time chatting with you whenever you are bored.
6. Accompany you to do things whenever you need someone for company.
7. Visit you to see how you are doing.
8. Accompany you somewhere even if he or she doesn't have to.
9. Reassure you that you are loved, supported, and cared for.

Instrumental support
1. Provide necessary information to help orient you to your new surroundings.
2. Help you deal with some local institutions' official rules and regulations.
3. Show you how to do something that you didn't know how to do.
4. Explain things to make your situation clearer and easier to understand.
5. Tell you what can and cannot be done in Singapore.
6. Help you interpret things that you don't really understand.
7. Give you some tangible assistance in dealing with any communication or language problems that you might face.
8. Explain and help you understand the local culture and language.
9. Tell you about available choices and options.

(1 = no one would do this–5 = many would do this)

Appendix D.2: Items Used to Measure Social Support and Perform the Analysis

Emotional Support

Item	Question: To what extent do you agree with the following statements concerning your social network (friends, colleagues, and supervisors)?	Mean	S.D.
EMO1	People in my social network listen and talk to me whenever I feel lonely and depressed.	3.747	1.045
EMO2	People in my social network share good and bad times with me.	3.731	1.012
EMO3	People in my social network spend some quiet time with me whenever I do not feel like going out.	3.103	1.170
EMO4	People in my social network spend time chatting with me whenever I am bored.	3.288	1.111
EMO5	People in my social network comfort me whenever I feel homesick.	3.185	1.232
EMO6	People in my social network accompany me to do things whenever I need someone for company.	3.387	1.104
EMO7	People in my social network visit me to see how I am doing.	2.976	1.146
EMO8	People in my social network accompany me somewhere even if he or she doesn't have to.	3.031	1.145
EMO9	People in my social network reassure me that I am loved, supported, and cared for.	3.605	1.132
EMO10	People in my social network give me the impression that I feel safe and secure during the foreign assignment.	3.752	1.100

Cronbach's alpha: 0.916

Informational Support

Item	Question: To what extent do you agree with the following statements concerning your social network (friends, colleagues, and supervisors)?	Mean	S.D.
INF1	Through information of people in my social network I feel safe during my assignment.	2.942	1.169

INF2	People in my social network give me information on how to do and act appropriately.	2.988	1.102
INF3	People in my social network said things that made my situation abroad clearer.	2.938	1.118
INF4	People in my social network suggested some action I should take.	2.964	1.087
INF5	People in my social network give me information about the safety issues during my foreign assignment.	3.058	1.222

Cronbach's alpha: 0.925

Instrumental Support

Item	Question: To what extent do you agree with the following statements concerning your social network (friends, colleagues, and supervisors)?	Mean	S.D.
INST1	People in my social network provide necessary information to help orient me to my new surroundings.	3.969	0.929
INST2	People in my social network help me in dealing with some local institutions' official rules and regulations.	3.827	1.024
INST3	People in my social network show me how to deal with new issues that occur during my foreign assignment.	3.736	0.967
INST4	People in my social network give me explanations to make my situation clearer and easier to understand.	3.700	0.964
INST5	People in my social network tell me what can and cannot be done during my foreign assignment.	3.427	1.051
INST6	People in my social network help me to interpret situations that I don't really understand.	3.615	0.967
INST7	People in my social network give me some tangible assistance in dealing with any communication or language problems that I might face.	3.549	1.118
INST8	People in my social network explain and help me to understand the local culture and language.	3.596	1.095
INST9	People in my social network tell me about available choices and options.	3.538	0.971
INST10	People in my social network help me in dealing with safety issues.	3.554	1.112

Cronbach's alpha: 0.938

Appraisal Support

Item	Question:	Mean	S.D.
	To what extent do you agree with the following statements concerning your social network (friends, colleagues, and supervisors)?		
APP1	People in my social network tell me that I am doing good work.	2.815	1.198
APP2	People in my social network give me feedback if I do something that is not in accordance with local principles.	2.903	1.107
APP3	I get feedback from people in my social network concerning my worries and fears.	2.935	1.090
APP4	People in my social network give me suggestions on how to deal with problems.	2.930	1.108

Cronbach's alpha: 0.861

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5

The Effect of Host Country Nationals' Social Support on Expatriates' Adjustment—A Multiple Stakeholder Approach

Anna Katharina Bader

Introduction

Increasing globalization and the resulting importance of foreign markets for multinational enterprises (MNE) have led to a dynamic exchange of staff among countries. In particular, many MNEs send expatriates to their subsidiaries to explore and manage business opportunities abroad (Gong, 2003; Harzing, 2001). Research has shown that expatriates face various challenges during their assignments, which are related to the challenges of living and working in a foreign country (Black, Mendenhall, & Oddou, 1991). Resulting difficulties in adjusting to these environments have led to a vivid discussion on how to increase the success and decrease the failure of an expatriate assignment. One strand of research has focused on the individual antecedents of expatriates' success such as personality or individual

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values in order to create an understanding of which individuals have the highest chance of becoming successful expatriates (e.g., Caligiuri, 2000a, 2000b; Holopainen & Björkman, 2005; Peltokorpi & Froese, 2012, 2014; Templer, 2010). The second strand of research has focused on organizational factors, such as the selection, training, or perceived organizational support in order to derive implications of how organizations can foster the success of the assignment (e.g., Anderson, 2005; Bader, 2015; Caligiuri & Cascio, 1998; Selmer, 2001). Besides these factors, research has investigated the role of various stakeholders during expatriate assignments (Bader, Berg, & Holtbrügge, 2015; Davies, Kraeh, & Froese, 2015; Takeuchi, 2010). In particular, increasing interest has been shown in the role of host country nationals (HCNs) for expatriates' success (e.g., Massingham, 2010; Pichler, Varma, & Budhwar, 2012; Toh & DeNisi, 2005, 2007; Toh & Srinivas, 2012). HCNs have been increasingly studied in terms of pay inequality (Bonache, Sanchez, & Zárraga-Oberty, 2009; Oltra, Bonache, & Brewster, 2013; Toh & DeNisi, 2003), and in terms of their role in information sharing and social support for expatriate adjustment (Farh, Bartol, Shaprio, & Shin, 2010a; Mahajan & Toh, 2014; Toh & Srinivas, 2012; Toh & DeNisi, 2007). While prior studies have recognized different HCN actors who might affect the expatriation process, such as HCN supervisors, co-workers, or subordinates (Toh & DeNisi, 2007), the role of these HCN actors has yet to be sufficiently differentiated. Empirically, research has either focused on HCNs with the same qualification (Bonache et al., 2009; Oltra et al., 2013; Toh & DeNisi, 2003), subordinates (Templer, 2010), or no differentiation among different HCN actors has been provided at all (Caligiuri & Lazarova, 2002; Pichler et al., 2012). In this chapter, in turn, I argue that a more systematic analysis of different groups of HCNs and their influence on expatriates is necessary. In response, the primary purpose of this chapter is to disentangle the way different HCN actors in the work and non-work domains of the expatriate contribute to expatriates' cross-cultural adjustment.

By doing so, I contribute to the literature in three main ways. First, I contribute to research on the social networks of expatriates (Bader & Schuster, 2015; Caligiuri & Lazarova, 2002; Farh et al., 2010a;

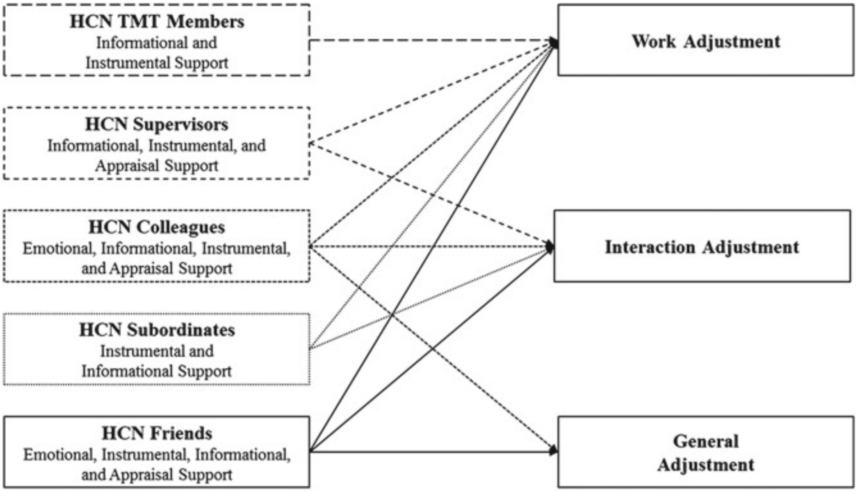

Fig. 5.1 Multiple Stakeholder Framework of HCNs' social support. HCN TMT Members

Stroppa & Spieß, 2010) and disentangle HCN stakeholders and their role in expatriate adjustment. Toh and DeNisi (2007) proposed that HCN supervisors, co-workers, and subordinates are important HCN stakeholders, whom I will accordingly consider in my examination. Additionally, I argue that the social support of the HCN top management team (TMT) also has an important influence on adjustment. In particular, subsidiaries that are strongly localized and where the TMT mainly consists of HCNs, the TMT's attitude towards and support of expatriates is particularly important. Furthermore, in the non-work sphere, HCN friends will be important resources for the expatriate. Consequently, I investigate the particular role of HCNs on the level of TMT members, supervisors, colleagues, subordinates, and friends in expatriate adjustment.

Second, I extend research on the cross-cultural adjustment of expatriates (e.g., Black et al., 1991; Caligiuri, 2000a; Caligiuri & Cascio, 1998) by deriving a model that disentangles the role of HCN groups in the network for different types of cross-cultural adjustment. Granovetter (1973) argued that ties between network members differ according to their strength. Strength is related to the amount of time spent in, emotional intensity, intimacy/trust, and the reciprocal character of a relationship (p. 1361). My analysis will take account of the probable strength of ties between the expatriate and the five groups of HCNs introduced above. This will allow investigation of which type of support will most likely be provided by each group and how this contributes to different forms of cross-cultural adjustment, i.e., general, interaction, and work adjustment (Black and Stephens (1989).

Third, building on conservation of resources (COR) theory (Hobfoll, 1989a), this chapter offers a more distinguished framework to understand the difficulties in expatriate adjustment. While most of the research has either focused on social identity theory (SIT) (Tajfel & Turner, 1986) and social exchange to explain mechanisms of exclusion or support by HCNs (e.g., Bader & Schuster, 2015; Toh & DeNisi, 2007; Varma, Budhwar, & Pichler, 2011; Varma, Pichler, & Budhwar, 2011), or theories related to injustice between expatriates and HCNs (Bonache et al., 2009; Oltra et al., 2013; Toh & DeNisi, 2003), this chapter extends this view by particularly focusing on the loss of resources (Hobfoll, 1989a) during assignments. Such loss can be, for instance, constricted relationships to friends and families or networks in the home country, which I argue to be important factors influencing the adjustment process of expatriates. By investigating possible losses that might increase expatriates' stress and accordingly examining how different actors in the HCN network of the expatriate can help to substitute these losses, I derive more comprehensive implications for HCNs' social support of expatriates during their assignments.

This chapter is organized as follows. I will start with an introduction to the theoretical backgrounds of the analysis: COR and social support theory. Subsequently, by reviewing existing literature, I will answer the question, under what conditions HCNs are willing to provide social support to expatriates. After this, I develop the model and propositions about the influence of various HCN stakeholders on different types of cross-cultural adjustment. After the discussion of my findings, I conclude this chapter with implications for future research including a cross-cultural outlook.

Theoretical Backgrounds and Literature Review

COR theory (Hobfoll, 1989a) argues that individuals try to maintain their level of resources. Resources exist in different forms, such as objects (cloths, cars, etc.), personal characteristics (self-efficacy, empathy, etc.), conditions (family status, employment security, etc.), or energies (time, money, etc.). Stress develops when individuals perceive a potential or actual loss of resources. Expatriation involves many types of resource loss which can increase the perceived level of stress. For instance, in the non-work domain, due to their international relocation, expatriates have lost parts of their private networks and personal relationships, leaving them isolated in the new environment. Consequently, expatriates and their families suffer from disturbed relationships and even diminished self-esteem (Mendenhall & Oddou, 1985; Naumann, 1992). Furthermore, their personal conditions have changed; for instance, in terms of knowledge about where to purchase their favorite products, or which doctors to visit. A similar situation occurs in their working environment as well. Expatriates have to build new networks and need to understand the new political and procedural rules in the local subsidiary. Thus, the risk of resource loss during expatriation is particularly high.

To master these challenges and substitute for these losses, HCNs have been argued to be an important resource. Prior research exemplified their important role in terms of information sharing and emotional support at work and in the private life (Caligiuri & Lazarova, 2002; Malek, Budhwar, & Reiche, 2015; Toh & DeNisi, 2007). Receiving the informational and emotional support of HCNs are two important aspects of the more general construct of social support. Social support is defined as positive interactions with others and related to various positive outcomes, such as job satisfaction, affective commitments, and lowered intentions to quit (for a meta-analysis see Ng & Sorensen, 2008). Frese and Semmer (1991) argued that social support is a primary need of humans as social beings and increases self-confidence and mental well-being. Social support can be provided by institutions, such as the employer, or individual stakeholders, such as HCNs (Malek et al., 2015). To clarify the construct and types of social support, House (1981) provided one of the most prominent systematizations. House differentiates among four different types of support: emotional, instrumental, informational, and appraisal support. Emotional support is related to receiving empathy, love, trust, and care and is most likely nested within strong personal ties and relationships. The emotional support of HCNs is an important resource for expatriates to balance the loss of emotional support of friends and family in the home country. Instrumental support is received via financial support, the exchange of resources, or other kinds of tangible help and services. Thus, HCNs who offer help in terms of introducing the expatriate to other stakeholders in the organization can substitute the loss of their networks in the home organization. In terms of information or advice needed to solve current problems on the job, informational support provided by others is a valuable resource to encounter the loss of behavioral and performance-related security coming along with expatriation. Similarly, appraisal support is important in terms of feedback and affirmation. Through appraisal support, expatriates can receive information about how others perceive their behavior in the new cultural environment and can develop confidence about their actions, diminishing the stress resulting from the loss of behavioral security in terms of required and socially accepted behaviors within the new culture.

Antecedents of Social Support of HCNs

While there is agreement on the significant role of HCNs' social support, Toh and DeNisi (2007) argued that supporting expatriates is not necessarily required by the job roles of HCNs. In turn, supporting expatriates in the workplace goes beyond contractual formalities and does not always take place. To understand the antecedents of HCNs' social support behavior, prior studies have most prominently drawn from SIT (Tajfel & Turner, 1986). SIT suggests that an individual defines and adjusts their self based on different social categories. Social categories can build upon surface level characteristics such as age and gender, or deep-level characteristics such as values and attitudes (Harrison, Price, & Bell, 1988). While similarities in these categories lead to the development of a common group identity and an in-group judgment, differences can lead to out-group evaluations often resulting in a "us" versus "them" attitude. According to SIT, individuals have multiple social categories that can be used as the basis of self-definition. However, some categories become more salient in particular settings, which will, in turn, influence the attitudes and behaviors within this setting (Hogg & Terry, 2001). In the expatriate context, nationality is an important and salient characteristic that can influence the relationship between expatriates and HCNs. In particular, prior research related differences in nationality and the corresponding social categorization of expatriates to the likelihood of HCNs' willingness to provide social support. Toh and DeNisi (2007) proposed that differences at the surface level (such as ethnicity, pay, and status differences as well as length of interaction) as well as at the deep level (such as differences in personal values, ethnocentric attitudes, and collectivistic values) can increase the salience of nationality differences as a basis of out-group categorization. This leads to lower degrees of the provision of role information and social support. Supporting this, Varma, Pichler, et al. (2011b) and Pichler et al. (2012) found that value similarity and ethnocentrism decreases out-group judgments and increases the provision of role information as well as social support. Varma, Budhwar, et al. (2011a) further identified the meaning of personal liking in this relationship as well as the role of job level. HCNs are more likely to provide social support to colleagues and subordinates than to supervisors. At the same time, individual attitudes influence the behavior of HCNs towards expatriates. HCNs with higher openness to experience, higher extraversion, positive attitudes towards diversity, low ethnocentrism, and positive prior experience with expatriates have a more positive attitude towards expatriates and are thus more likely to support them (Arman & Aycan, 2013). Research on justice has also shown that status similarity based on culturally aligned pay leads to the higher psychological well-being of HCNs and consequently higher levels of knowledge-sharing (Mahajan, 2011).

Social Support of HCNs and Cross-Cultural Adjustment

Caligiuri and Lazarova (2002) and Toh and Denisi (2007) proposed that social support of HCNs is an important factor in the cross-cultural adjustment of expatriates. Cross-cultural adjustment is defined as the individual's psychological comfort with different aspects of a foreign environment and an important success factor during expatriation (e.g., Florkowski & Fogel, 1999; Haslberger, Brewster, & Hippler, 2013; Peltokorpi, 2008; Takeuchi, Lepak, Marinova, & Yun, 2007). Black and Stephens (1989) categorized three different aspects of cross-cultural adjustment: (1) General adjustment refers to the general living conditions in the host country. (2) Interaction adjustment is related to communication style and interpersonal communication with locals. (3) Work adjustment is defined by comfort with the expectations and performance standards in the host organization. While work and general adjustment are located in the work and non-work domains, respectively, interaction adjustment is a more complex phenomenon. Caligiuri and Lazarova (2002) proposed that social interactions with HCNs are related to the work and non-work spheres of expatriates. Thus, adjustment to interaction with locals relates to both domains and is located at their intersection.

While prior research has provided a general understanding of the relationship between HCN social support and cross-cultural adjustment, the specifics have not been disentangled yet. First, HCNs have mainly been referred to as a homogeneous group without differentiating between different HCN actors. However, second, I argue that there are not only different actors to be considered, but also that they have distinct effects on cross-cultural adjustment. For instance, HCN supervisors will have a very different role for cross-cultural adjustment compared to subordinates or even friends in the private domain, because they can provide a different kind of social support. Therefore, I will develop propositions regarding the impact of different HCN actors' social support on the three forms of cross-cultural adjustment. Analyzing different types of losses during expatriations through the lens of COR, this chapter will include the social support of HCN TMT members, supervisors, colleagues as well as subordinates (work domain) and HCN friends (non-work domain). To avoid duplication with the sections above, in the following, I will not focus on the antecedents of the social support of these groups, but consider the case where both expatriate and HCNs are willing to provide and receive social support (Fig. 5.1).

Generally, TMT members are less in personal contact with employees compared to, e.g., supervisors. Thus, according to the classification of Granovetter (1973), the ties between them could be considered rather weak. Expatriates, however, are mostly among the top talents of their home organization (RES Forum, 2015) and have high visibility among the TMT members in the headquarters, because foreign assignments are often intended as developmental measures for future leaders (Mezias & Scandura, 2005; Solomon, 1995; Vance & McNulty, 2014). Consequently, Zander, Zander, Gaffney, and Olsson (2010) argued that "[r]ecruitment, staffing and promotion of future leaders are essential to any MNE, and most often activities that attract undivided top management attention" (p. 460). Yet, not all expatriates are future leaders, some of them are sent for knowledge transfer in a non-managerial position. Still, any type of knowledge transfer is also a highly strategic and important task (Chang, Gong, & Peng, 2012; Vance, Vaiman, & Andersen, 2009) and attention from the top managers is equally likely. Unfortunately, while contact and global communication with the headquarters per se is evaluated as being important during assignments (Hocking, Brown, & Harzing, 2007), Paik, Segaud, and Malinowski (2002) showed that communication between expatriates and the home organization tends to be rather low, because expatriates feel that they do not have much time to communicate with the home organization. On the other hand, leaving the home country organization for a subsidiary comes along with a risk of an "out of sight, out of mind" attitude, resulting in lower attention from the TMT in the home organization (Tung, 1988). This is unfortunate, because COR (Hobfoll, 1989a) proposes that when conditions change and expatriates lose this attention as a resource, their stress will increase.

To compensate this loss, receiving attention and social support from the TMT in the host country becomes a crucial factor for expatriates. However, the TMTs in subsidiaries have only received scant attention (Gong, 2006). This is unfortunate for two reasons. On the one hand, COR proposes that if TMT members take the time to personally interact with the expatriate, this could reduce expatriates' stress, because it can be a substitute for the loss of attention from the TMT in the headquarters. On the other hand, the TMTs in the host country consist of different nationalities, such as parent country nationals, third country nationals, and HCNs. Still, HCN members are an important subgroup of the TMT (Gong, 2006), because due to their local origin they are most knowledgeable about the local political and market conditions (Toh & DeNisi, 2005). Accordingly, beyond attention, they can provide expatriates with important further resources such as informational support in terms of acting and succeeding in the foreign market. Furthermore, due to their local network, through introducing the expatriates to key stakeholders within and outside the organization, they can also pave the way for expatriates' success. Consequently, I argue that the informational and instrumental support of HCN TMT members will be a strong predictor of expatriates' work adjustment. Following this argumentation, I propose:

Proposition 1 *HCN top management team members' social support (informational and instrumental support) has a positive influence on expatriates` work adjustment*

HCN Supervisors

Perceived supervisor social support is defined as the extent to which supervisors care about the well-being of their subordinates and acknowledge their achievements (Eisenberger, Stinglhamber, Vandenberghe, Sucharski, & Rhoades, 2002). Supervisor social support is of crucial importance for organizations, as it is found to directly reduce turnover and increase commitment (Maertz, Griffeth, Campbell, & Allen, 2007; Stinglhamber & Vandenberghe, 2003). Eisenberger et al. (2002) argued that supervisors' social support has greater effects on work outcomes than TMT members' because supervisors have more contact and daily interactions with them. Due to this regular interaction, the ties will be rather strong (Granovetter, 1973). Consequently, COR suggests that when expatriates go abroad, the resulting loss of this relationship can increase stress for expatriates.

In turn, when expatriates work with an HCN supervisor, the supervisor needs to take over a particular role to substitute the loss. First, because supervisors' support has been related to various aspects including their role as a mentor as well as sponsor for the careers of subordinates (Scandura & Schriesheim, 1994), by providing informational and instrumental support in terms of job roles, they can increase expatriates' work adjustment. Second, Carraher, Sullivan, and Crocitto (2008) found that having an HCN mentor also had positive effects on social interactions of the mentee, such as knowledge-sharing and teamwork. Extending this, due to their regular contact and mentoring role, supervisors can give direct feedback on the behavior of expatriates, i.e., appraisal support, and thus help them to better understand their social environment. Consequently, HCN supervisors can significantly foster expatriate success by influencing interaction adjustment. This leads to the following propositions:

Proposition 2a *HCN supervisors' social support (informational, instrumental, and appraisal support) has a positive influence on expatriates' work adjustment*

Proposition 2b *HCN supervisors' social support (informational, instrumental, and appraisal support) has a positive influence on expatriates' interaction adjustment*

HCN Colleagues

Research on HCNs has mostly defined them as people on the same hierarchical level and with similar competencies and has often focused on negative aspects such as perceived injustice in terms of pay equality from the HCN perspective (Bonache et al., 2009; Mahajan & Toh, 2014; Toh & DeNisi, 2003). However, in my analysis, I highlight the beneficial role of HCN colleagues on the same level. While the relationship to supervisors and subordinates is affected by hierarchical relationships, the relationship to colleagues can become very open and personal. Often, interaction is even more frequent than with the supervisor and reciprocal help is common, leading to very strong ties between colleagues (Granovetter, 1973) that can even turn into friendships (Pettinger, 2005). An international assignment to another subsidiary leaves the expatriate in a situation of loss of their existing network of colleagues and friends at work. Consequently, literature on socialization and onboarding, i.e., special support for the first days and months for new entries, has frequently proposed to include "buddies" on the same hierarchical level to support newcomers (Klein & Polin, 2012; Louis, Posner, & Powell, 1983). Buddies are defined as colleagues with a longer tenure in the respective company. Thus they posses more organization-specific knowledge and can provide special help to the newcomers. Rollag, Parise, and Cross (2005) argued that buddies can support newcomers in terms of sense-making of the host organization and understanding unwritten or tacit rules. They also proposed that buddies can more easily help to build an informal network within the organization, which is above and beyond the social support of supervisors, leading to higher work adjustment. Additionally, personal feedback about the expatriate's cross-cultural behavior can influence interaction adjustment at the intersection of the work and non-work domains. Furthermore, questions such as where to get particular groceries, utilities (e.g., broadband, TV, etc.) or services (e.g., competent tradesmen, laundry, etc.), can better be discussed with a person on the same hierarchical level. As communication with peers and co-workers is more informal, expatriates can also communicate about their challenges and problems both in the work and non-work domains and receive emotional support from them. This can foster spillover effects, the influences of one domain on cross-cultural adjustment in another domain (Takeuchi, Yun, & Tesluk, 2002, p. 655); in this case, from the work to the non-work domain. In case the relationship has reached this more personal level, even the general adjustment in the non-work domain can be increased. This leads to the following propositions:

Proposition 3a *HCN colleagues' social support (informational, instrumental, appraisal, and emotional support) has a positive influence on expatriates' work adjustment*

Proposition 3b *HCN colleagues' social support (informational, instrumental, appraisal, and emotional support) has a positive influence on expatriates' interaction adjustment*

Proposition 3c *HCN colleagues' social support (informational, instrumental, appraisal, and emotional support) has a positive influence on expatriates' general adjustment*

HCN Subordinates

Leaving a job in the home country for an international assignment also comes along with the loss of a well-known team back home and thus the need to familiarize with a new team in the host country. However, the perspective of HCN subordinates has not yet been extensively studied. Toh and DeNisi (2003) argued that subordinates can be an important factor in promoting or hindering the success of an expatriate. For instance, work adjustment is influenced by the perception of attitudes of HCNs (Florkowski & Fogel, 1999). If HCN subordinates have an ethnocentric attitude, the expatriate's work adjustment decreases (Templer, 2010). Furthermore, HCN subordinates can easily evaluate the performance and behavior of the expatriate, because they have precise and detailed information about the required goals and roles of the team led by the expatriate. Both facets bring them to a very important position in terms of expatriates' success. First, as expatriate leaders interact with their subordinates regularly, subordinates can help the expatriate in turn to develop interactional competence by giving feedback and asking questions about particular behaviors, thus contributing to interaction adjustment. Second, they can give information on existing projects, prior experiences, and other team-related information to enable the expatriate to lead the team successfully. Thus, they also contribute to the work adjustment of expatriates. However, because the relationship is also influenced by the hierarchical structure, the ties with subordinates will be weaker than with colleagues. Thus, expatriates will not be likely to seek emotional support. Against this backdrop, I propose the following:

Proposition 4a *HCN subordinates' social support (informational, instrumental, and appraisal support) has a positive influence on expatriates' work adjustment*

Proposition 4b *HCN subordinates' social support (informational, instrumental, and appraisal support) has a positive influence on expatriates' interaction adjustment*

HCN Friends

While expatriates can develop close ties towards HCN actors in the network within the organization, the bonds with friends in the private life are mostly deeper and more personal to the expatriate (Pahl, 2000). Weakening these ties due to long-distance relationships during the assignment can be a very burdensome and stressful event. Despite the fact that modern communication technologies have developed impressively and allow regular, low-cost personal interactions via phone and internet, there is still an effect on the quality of these relationships. This happens especially when there is an inconvenient time difference between home and host country. This is unfortunate, since individuals the expatriate has strong ties with, such as friends, provide particularly more and better emotional and appraisal support than others (Shen & Kram, 2011). Furthermore, these actors also provide more information and advice (Mäkelä & Suutari, 2009; Reiche, Harzing, & Kraimer, 2008).

To substitute this loss, making friends in the foreign environment is a crucial process for expatriates. Besides other expatriates, HCNs can be a valuable resource for friendship. Because of the frequent interaction and emotional attachment (Granovetter, 1973) of friendship, they can be an important source of emotional support. Furthermore, HCN friends are the actors who are easiest to approach in terms of asking questions about issues in private life, such as food, stores, traffic, and the like. Due to the fact that friends' interactions with the expatriate take place mostly in the non-work domain, HCN friends' social support will have a high influence on the general adjustment of the expatriate. However, since they typically provide honest and personal appraisal support as well (Shen & Kram, 2011), they can also contribute to interaction adjustment by giving feedback to the expatriates or explaining behaviors of their colleagues. Additionally, Takeuchi et al. (2002) argued that spillover effects from the private to the working life exist. For instance, through information and explanations about typical procedures and processes in local organizations conferred by HCN friends, expatriates will also become more confident in their working environment and eventually adjust themselves better with work processes. Building on this, I propose the following:

Proposition 5a *HCN friends' social support (informational, instrumental, appraisal, and emotional support) has a positive influence on expatriates' work adjustment*

Proposition 5b *HCN friends' social support (informational, instrumental, appraisal, and emotional support) has a positive influence on expatriates' interaction adjustment*

Proposition 5c *HCN friends' social support (informational, instrumental, appraisal, and emotional support) has a positive influence on expatriates' general adjustment*

Discussion

Drawing on COR (Hobfoll, 1989a) and taking into account the various resource losses that expatriates experience during their assignments, I examined the influence of different HCN actors on expatriate adjustment. The theoretical model proposes that different HCN actors have a different influence on the three dimensions of cross-cultural adjustment (Black & Gregersen, 1991). While HCN TMT members influence the work adjustment of expatriates, supervisors and colleagues influence both work and interaction adjustment. The model further suggests that colleagues, as well as family and friends, are of crucial importance because social support from those actors contribute to work, interaction, and general adjustment. This indicates strong spillover effects between the work and non-work domains.

Theoretical Implications

This research contributes to the literature in three ways. First, building on the nascent research on expatriate social networks (Bader & Schuster, 2015; Caligiuri & Lazarova, 2002; Farh et al., 2010a), I investigated the role of various HCN stakeholders in expatriation management. While prior research has only limitedly considered different HCN actors and mainly referred to HCNs as one homogenous group within the social network of the expatriate, my model proposes that different HCN actors exist that need to be taken into account separately. By investigating the role of HCN TMT members, supervisors, colleagues, subordinates, and family and friends, I provided a new and more fine-grained and salient categorization of HCN actors and their respective influence on expatriates' adjustment.

Second, I developed a theoretical model that differentiates not only between different sources of support, but also the type of support that is provided by these sources, explaining the respective effects on cross-cultural adjustment. Using COR as a theoretical base to analyze the changes of resources related to an assignment, the model suggests that HCNs can be beneficial to substitute for the loss of different relationships in the network of the expatriate in different ways. The strongest effects are most likely to occur when ties between actors become close and personal such as with friends and colleagues. On the other hand, Granovetter (1973) proposed that weak ties can also be strengthened, because those actors have access to social networks that could not be accessed without these weak ties. Thus, while the effects of actors with weak ties, such as TMT members, or medium ties, such as supervisors and subordinates, might not be as multi-faceted as the effect of close ties, all of them are nevertheless a very valuable resource for expatriates.

Third, research has often argued that expatriation is a stressful event (Black et al., 1991; Norifumi & Mohr, 2015). This fact has mostly been related to issues of cross-cultural differences of the new environment and the resultant role ambiguity and novelty (Mendenhall & Oddou, 1985; Norifumi & Mohr, 2015; Toh & DeNisi, 2007). However, COR theory (Hobfoll, 1989a) provides a more elaborated basis for understanding the stress of expatriation. It argues that the potential and actual loss of resources of different kinds that comes along with expatriation increases stress among expatriates. By extending the arguments of COR (Hobfoll, 1989a) to the HCN–expatriate relationship, I extend research on SIT and differences between HCNs and expatriates. In particular, I provided a theoretical underpinning for the fact that losses, such as the attention of TMT or close networks, are also stressful for expatriates. However, with my model, I deliver theoretically-based propositions of how different groups of HCNs can be a valuable source to regain old or even gain new resources.

Practical Implications

Based on my theory-grounded model, I derive four important practical implications related to the social support of HCN actors. First, MNEs can support expatriates by hiring HCNs who have an open attitude and are willing to support expatriates (Arman & Aycan, 2013). Second, the model proposes that actors in the upper hierarchy, such as the TMT of the subsidiary, play an important role for expatriates. Their attitude and behavior significantly shapes the environment of the expatriate. Thus, MNEs need to sensitize their subsidiary heads and TMTs in terms of their role of expatriate adjustment. Third, the model proposes that HCN colleagues have a very particular role for expatriates. Along with earlier literature (Klein & Polin, 2012; Louis et al., 1983), I propose that subsidiaries should include buddies, i.e., HCNs on the same level with longer tenure; in particular, during the start of the assignment to ensure a smooth beginning. These buddies can help the expatriate not only to understand unwritten and culture-dependent rules within the organization, but can also help expanding the expatriates' social networks and assist them with private issues to foster work, interaction, and general adjustment. Fourth, HCN friends are also important anchors for expatriates. However, it will be difficult for companies to support the expatriate to find HCN friends in their host country. Yet, some assistance could, for instance, be provided by helping the expatriate find sports clubs, parent networks, or provide them information on other occasions to meet HCN friends.

Avenues for Future Research

Based on my theoretical considerations and the derived model, I will highlight some avenues for future research in this section. First, as my research is of a conceptual nature, the proposed relationships need an empirical testing before final conclusions can be drawn. Therefore, future research should emphasize on distinguishing between HCN subgroups instead of treating them as a homogenous group, and then further, empirically test the level of social support expatriates derive from them and how this affects their adjustment.

Second, both the development of social networks and cross-cultural adjustment are time-dependent. In other words, neither a social network (and the derived support) develops overnight nor does adjustment. Therefore, a valuable avenue for future research would be a longitudinal study that investigates both the change in the social network (and thus the social support) and the cultural adjustment. Doing so would allow the derivation of a deeper understanding on the cause–effect relationships hypothesized and clearly distinguish between the shift from social support coming from the old social network to the new one, truly accounting for the loss and regain of resources.

Third, and most importantly, while the model deepens our understanding of HCNs' influence, I have not considered cultural differences among countries. For instance, Hofstede (2001) found that there are differences in the perception and importance of hierarchy among nations. He referred to this as power distance. Because of these differences in hierarchical structures, the requirements and expectations towards leadership will differ according to the origin of the expatriate. I argue that expatriates transferred from a culture with rather high power distance such as Russia or the United Arab Emirates (Hofstede, 2001) will be in need of strong leadership and positive social interaction with upper managerial ranks to cope with their assignment, while social support from co-workers or subordinates will be less influential. On the other hand, employees from cultures which are less hierarchical such as the USA or Germany (Hofstede, 2001) will have a lower need for support by upper managerial ranks, but will appreciate support from all levels equally. Thus, besides testing the theoretical model, I would like to pave the way for cross-cultural comparisons. In this regard, it would be interesting to test, if for instance the degree of power distance in the home country or on the individual level moderates these relationships and compares if the effect of support from particular levels on adjustment differs depending on the degree of power distance.

North American Perspective

The Effect of Host Country Nationals' Social Support on Expatriates' Adjustment—A Multiple Stakeholder Approach

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Anna Katharina Bader has presented an examination of the multiple host country nationals' (HCNs) sources of social support whom expatriates may benefit from. Her chapter recognizes and differentiates HCNs by job categories and relative job position to the expatriate assignee in question. Specifically, she proposes that research should consider five groups of HCNs: top management team (TMT) members, supervisors, colleagues, subordinates, and friends. Using COR theory (Hobfoll, 1989b), Bader effectively argues that prior to arriving at the host location, expatriates possessed a set of social resources in the home country that could also be distinguished into these five categories. With the relocation, these resources are, to some degree, lost, and thus require replacing potentially through host country relationships. Although the stress perspective has heavily influenced early research on expatriate adjustment (e.g., Kraimer, Wayne, & Jaworski, 2001) and brought about the notion of adjustment among expatriates as they coped with the stressors of the assignment, this idea of matching and replacing resources with host national sources is a new and potentially fruitful way of thinking about social support for expatriate newcomers.

The most promising category highlighted in Bader's model is the host country TMT. This has, in my opinion, been the most overlooked category of support and largely assumed to not play a significant part in the success of the expatriate. Bader has initiated a conversation that is important to have in future work regarding the potentially critical role this category of HCNs may have. The shape and form in which this support would be most meaningful for the expatriate still requires further study and elaboration. Many questions remain to be explored: Can the home country TMT be truly substituted with the host country TMT? Is it merely a replacement or an enhancement? Could there also be long-term benefits that extend beyond the expatriate assignment at the host location, and if so, what would they be? One also wonders what might happen to expatriate adjustment if HCN TMT member(s) demonstrates one of the categories of social support outside of informational and instrumental support? Would this then have an extraordinary impact on adjustment simply because it is not expected yet originating from a high-status source? It would seem that a kind word of encouragement, or a recommendation for a restaurant from a TMT member could potentially have quite a different influence on the expatriate than if they came from a coworker or subordinate. Or is it the case that the source and status level of the originator of the support are not important, as long as the needed support is made available? And finally, what would be the role of the HCN TMT if the expatriates were assigned to join the ranks of the TMT—how would this affect its impact and the impact of the other sources of HCN support?

Following along these lines of theorizing, it is clear that much remains to be researched and understood in the realm of HCN roles in the expatriate socialization process, as well as post-assignment (e.g., Reiche, 2012). While it is useful to think about HCNs with these broad categorizations, it is also important to be mindful that members in each of these categories are not homogenous and may vary in their approach in providing or withholding support. While thinking about positive relations, it is also necessary to consider adverse relations that may occur from within the same category or in other categories, and whether the presence of such relations could be so devastating that sources of support elsewhere may not buffer the expatriate from its harmful effect.

The field should also continue to see adjustment as a two-way process—not losing sight of the proactive role that expatriates can and should play. Expatriate newcomers are not only passive recipients of social support, but can also be authors of their own support networks. The most obvious people to approach for support may not always be the ones with the support the expatriate truly needs at the time (Farh, Bartol, Shapiro, & Shin, 2010b). By the same token, just because social support is provided, it may not be accepted, or actually useful and viewed as such. Social support, when the target is not ready to receive, can be counterproductive and even resented by the targets of the support. The literature should continue to draw on the significant advancements made in the socialization literature to understand the dynamic relationship between the newcomer and the organizational insiders (for a recent review, see Wanberg, 2012). The proactive seeking of support by the expatriate, the timing of help, or the "invisibility" of help received are potential ways in which the ideas generated in this chapter could expand on to consider the functionality of social support in expatriate adjustment. Also, it cannot be assumed that the mere presence of social support from these sources would be adaptive.

Finally, the field of expatriate management as whole should continue to push the envelope in understanding expatriate and HCN outcomes beyond expatriate adjustment, and the ways in which these employees may interact such that all parties involved, including the organizations, institutions, and societies implicated in the exercise. Anna Katharina Bader's chapter is an important step in this direction.

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6

The Influence of the Cultural Context on Expatriate Adjustment

Matthias Baum and Rodrigo Isidor

Introduction

The literature on expatriate management has repeatedly emphasized the importance of expatriate adjustment—the successful adjustment of an expatriate to the host country's work and socio-cultural context—in the expatriate management process (Caligiuri, 1997; Kraimer, Wayne, & Jaworski, 2001; Parker & McEvoy, 1993). The existing literature has produced considerable insights uncovering various antecedents of expatriate adjustment. Among those observed antecedents, the cultural context is one of the most important conditions for the adjustment of expatriate managers and consequently their overall performance (Chen, Kirkman, Kim, Farh, & Tangirala, 2010).

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Research on the role of culture for expatriate management, though, has mostly emphasized the question how cultural differences or cultural distance relate to expatriate installment (Wilkinson, Peng, Brouthers, & Beamish, 2008), adjustment, or satisfaction (Stahl & Caligiuri, 2005), or how preparation programs need to be designed (Waxin & Panaccio, 2005), while devoting less attention to other, yet important, cultural features such as cultural attractiveness (Shenkar, 2001a) and cultural tightness (Gelfand et al., 2011). Based on the concept of complementary fit, we specify cultural attractiveness as an evaluation which results from the level of complementarity between the cultural values of an expatriate manager and the people in a host country. Based on Gelfand, Nishii, and Raver (2006, p. 1226), we define cultural tightness–looseness as "the strength of social norms and the degree of sanctioning within societies." We argue that these two concepts inform expatriate management research and help to better understand the complex and apparently inconclusive relationship between cultural distance and expatriate adjustment. As such, we posit that cultural tightness and attractiveness explain, at least in part, why the existing literature on the link between cultural distance and expatriate adjustment shows such heterogeneous findings.

We try to contribute to the expatriate management literature in several ways. First, we clarify the relationship between cultural distance and expatriate adjustment. We use different strands of research to articulate a non-linear relationship between cultural distance and expatriate adjustment. Based on the inconclusive findings of previous studies, we develop a rationale that different mechanisms (underestimation effect, motivation and support effects, and complexity effect) are at work between cultural distance and expatriate adjustment—showing that not all of them have a negative impact. Moreover, we argue that these effects have a different magnitude depending on the level of cultural distance and thus account for a curvilinear relationship between cultural distance and expatriate adjustment. This way, we are able to explain why previous studies (e.g., Brewster, Lundmark, & Holden, 1993; Selmer, 2006; Stahl & Caligiuri, 2005) yield conflicting findings on the relationship between cultural distance and expatriate adjustment and show that the relationship between cultural distance and expatriate adjustment is more complex than previously established.

Second, this chapter introduces the role of cultural tightness (Gelfand et al., 2011) and cultural attractiveness into the domain of expatriate adjustment. Based on previous literature and critical reflections on the concept of cultural distance (e.g., Shenkar, 2001a), we posit that cultural tightness and attractiveness exert a moderating influence on the effect of cultural distance on expatriate adjustment. Accordingly, we show that integrating these constructs may be a fruitful avenue for future research on the link between cultural distance and expatriate adjustment and resolve previous inconclusive results.

The remainder of this work is structured as follows: First, we define and reflect about the main constructs cultural distance and expatriate adjustment before we deduce a proposition about their non-linear relationship. Afterwards, we explain the concepts of cultural tightness–looseness and cultural attractiveness and develop propositions how they influence the relationship between cultural distance and expatriate adjustment. We conclude with a discussion, implications, and limitations, guiding future research efforts in the realm of expatriate management.

Conceptual Framework and Propositions

Culture and Cultural Distance

Hofstede (2001) defines culture as the collective programming of the mind, which differentiates members of a group or category from members of other groups. Thus, it represents societal norms and the way things are done in a society (House, Hanges, Javidan, Dorfman, & Vipin, 2004). The concept of cultural distance encompasses cultural and ideological differences between the domestic and the foreign market (Baum, Schwens, & Kabst, 2015). These differences become manifest in divergent symbols and cultural artifacts such as etiquette or the way business is initiated.

Cultural distance has been measured in several ways (Berry, Guillén, & Zhou, 2010). Probably the most dominant specification of cultural distance was compiled by Kogut and Singh (1988) on the basis of Hofstede's cultural value dimensions. More recent studies usually rely on building cultural distance indices on the basis of the GLOBE study (House et al., 2004). The GLOBE study scores allow for instance to include more cultural facets into the equation and to use practices (as is) instead of values (as should be), which is meant to produce more valid distance scores. However, none of the measurements of cultural distance is without critique (Berry et al., 2010; Shenkar, 2001a). Particularly the illusion of symmetry (Shenkar, 2001a) is a major point of critique with most specifications of cultural distance. While our chapter does not attempt to resolve measurement issues of cultural distance, we seek to contribute to the problem of symmetry by including cultural attractiveness and tightness as moderators into our model.

Expatriate Adjustment

Expatriates' adjustment to the host country is a crucial factor influencing the success or failure of the international assignment (Aryee & Stone, 1996; Black & Gregersen, 1991). We define expatriate adjustment as the successful adjustment of an expatriate to the host country's work and socio-cultural context. Expatriate adjustment is often specified as a multidimensional construct consisting of *general adjustment, work adjustment*, and *interaction adjustment* (Black, 1988; Black & Stephens, 1989). General adjustment refers to the expatriates' adjustment degree of comfort with the new living conditions, such as climate, food, housing, healthcare provision, and transportation (Breiden, Mirza, & Mohr, 2006). An important determinant for general adjustment is the predeparture knowledge about the values and norms of the host culture (Takeuchi, Yun, & Russell, 2002). Work adjustment refers to specific job responsibilities, standards and expectations, and supervisor responsibilities (Black, 1988; Kraimer et al., 2001). However, an important factor for work adjustment is the expatriate's understanding of his/her role in the foreign assignment. Interaction adjustment refers to the interaction and socializing with the host country nationals, including both colleagues at work and natives in non-work environments (Breiden et al., 2006). Expatriates perceive interaction adjustment as the most difficult form of adjustment as cultural differences in terms of norms and values determine the understanding of the behavior (Stroh, Black, Mendenhall, & Gregersen, 2005). Social orientation, willingness to communicate, and cultural openness were found to be positively related to interaction adjustment (Waxin, 2004).

Expatriate adjustment plays a pivotal role for the performance of expatriates (Chen et al., 2010; Selmer, 2007). Extant research claims that the less adjusted expatriates are to interacting with host nationals and the less adjusted they are to work, the longer it takes for them to reach an acceptable performance level in their new assignment (Pinder & Schroeder, 1987; Selmer, 2007). Additionally, expatriates who are adjusted to their new work environment receive better performance ratings from their supervisors (Kraimer et al., 2001). Further, Chen et al. (2010) show that expatriates with higher work adjustment have more successfully adapted to the new work-related requirements and learned how to carry out their assignments more efficiently than expatriates with lower adjustment. Additionally, better adjusted expatriates are more likely to perform more effectively, because they experience less strain and can devote their available personal resources to accomplishing work tasks (Harrison & Shaffer, 2005; Shaffer, Harrison, Gilley, & Luk, 2001).

Furthermore, stress resulting from a failed cultural adjustment also hampers expatriates' performance. Feldman and Thomas (1992) show that expatriates who experience a lower level of stress due to a proper cultural adjustment perform better as they can use their cognitive abilities to focus on their work. In addition, family conflicts stemming from a failed cultural adjustment of the expatriates' families causes stress that, in turn, decreases the expatriates' job performance (Shaffer et al., 2001). An adequate cultural adjustment not only lowers the level of stress but it also has positive spillover effects on the expatriates' job satisfaction, eventually yielding in better job performance (Judge, Thoresen, Bono, & Patton, 2001; Takeuchi et al., 2002). These aspects show the importance of expatriate adjustment and underline the necessity to understand how adjustment is facilitated or hampered.

In the following passages we develop our propositions on the curvilinear effect between cultural distance and expatriate adjustment and how cultural tightness and cultural attractiveness moderate this relationship. Our conceptual model is depicted in Fig. 6.1.

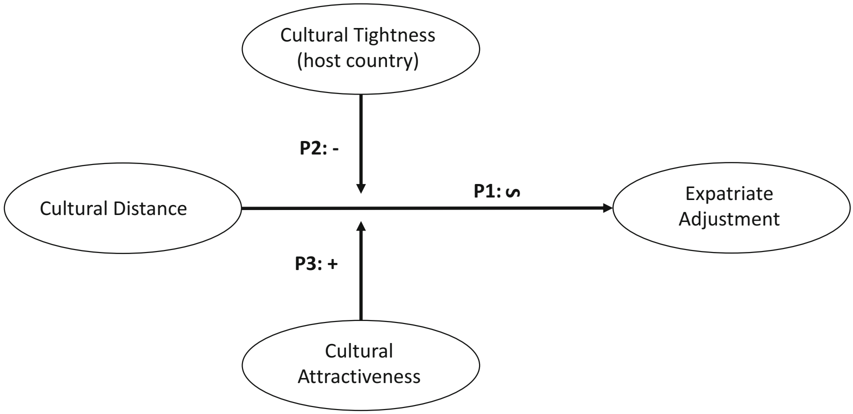

Fig. 6.1 Conceptual model

The Relationship Between Cultural Distance and Expatriate Adjustment

The extent to which the expatriates' home and host culture differ should influence the extent, speed, and effectiveness of the expatriates' adjustment to the host country's culture. In broad strokes, the literature assumes that cultural distance decreases expatriate adjustment. However, not all studies confirm this view and show that a more nuanced perspective might be fruitful. We argue that there are different mechanisms at play (underestimation effect, motivation and support effects, and complexity effect) linking cultural distance and expatriate adjustment, leading to a more complex curvilinear relationship. In the following, we first review the literature and reflect the different findings on the relationship between cultural distance and expatriate adjustment before we turn to the different mechanisms and the proposed curvilinear relationship.

A significant body of research assumes that the more the cultures differ, the more difficult it is to adapt to the host country's specific cultural behavior and communication styles (Lincoln, Hanada, & Olson, 1981). Cultural differences manifest themselves in divergent symbols and cultural artifacts such as etiquette or the way business is initiated. If expats have to work in a culturally distant environment their personal and business experience might not perfectly fit the new environment as generically similar situations may require totally different behaviors. Since the existing stock of knowledge and experience might not be perfectly suitable for efficiently entering and operating a foreign environment, the expat first needs to learn about the foreign culture and the embodied symbols and artifacts (Caligiuri, 2001).

Adapting to the new culture is a time and resource consuming process, given that such artifacts often have a tacit nature and are usually learnt by actually living in the respective culture, hampering the degree of adjustment. Extant research shows that the expatriates' strategies to adapt to the new cultural environment are more effective in culturally similar countries than in culturally distant countries (Hechanova, Beehr, & Christiansen, 2003). For example, Stahl and Caligiuri (2005) analyzed 116 German expatriates located in Japan and the USA and found cultural distance to negatively affect the expatriates' general and interaction adjustment. On the contrary, no significant negative effect could be found on work adjustment. It seems that it is hard for expatriates to adjust to the novel cultural environment and to connect with locals outside the work environment. In contrast, expatriates more easily adjust to the work conditions in the new country due to similarities of workflows in the home and the host country (Stroh et al., 2005). The difficulties in general and interaction adjustment in culturally different countries can also explain a higher premature return rate. While expatriates might possess the necessary skills for successful work adjustment, their family members have to adapt to a novel cultural environment and socialize with the host country nationals outside the work environment, which is more difficult than the work adjustment.

Besides the assumed negative effects of cultural distance on expatriate adjustment, other researchers challenge this assumption (Brewster, 1995; Brewster et al., 1993; O'Grady & Lane, 1996; Selmer, 2006). For example, Brewster et al. (1993) and Brewster (1995) argue that being exposed to an entirely different host culture can help the expatriate to better adjust to the novel cultural environment as the consciousness of dissimilarity is always there. In contrast, when expatriates are confronted with a host culture that is seemingly similar to their home culture, they often fail to identify the differences that actually exist. Thus, the assumptions of similarity can prevent them from learning about critical differences that do exist between the two cultures (O'Grady & Lane, 1996). In fact, studying 162 expatriates from MNEs, Janssens (1995) found that European managers on assignments in other European countries show less interaction adjustment than European managers in North America and Asia. The perceived similarity between two cultures does not necessarily reduce the level of uncertainty that expatriates face in an international assignment. In culturally similar countries, expatriates still have to learn about the countries' practices and traditions to avoid exhibiting inappropriate behavior (O'Grady & Lane, 1996). Due to unexpected and unforeseen barriers that do exist in countries with low cultural distance, expatriates in these countries can also perceive a cultural shock. However, they rather blame their subordinates, family members, or themselves for problems that actually result from the culture clash. Consequently, Selmer (2006) argues that it is not the actual cultural distance between the home and host country but the expatriates' expectations about the new culture and the attributions they make about what happens in the new cultural environment that significantly influence expatriates' adjustment.

Accordingly, multiple perspectives on the relationship between cultural distance and expatriate adjustment exist. We assume that those perspectives do not contradict each other but that they describe different mechanisms (underestimation effect, motivation and support effects, and complexity effect) connecting cultural distance and adjustment. These different mechanisms might also explain why previous research on the link between cultural distance and adjustment produced such inconclusive results. Based on the previously articulated thoughts, we argue that the relationship between cultural distance and expatriate adjustment is curvilinear, because the different mechanisms unfold differently at different stages of cultural distance (see Fig. 6.2). Consistent with previous research, we argue that expatriate adjustment will be more successful if cultural distance is very low and that it (first) declines from this point. This resembles the above-described effect of falsely assumed cultural fit (underestimation effect). Being assigned to a seemingly comparable environment builds up expectations of easy and quick adjustment. However, if a quick adjustment

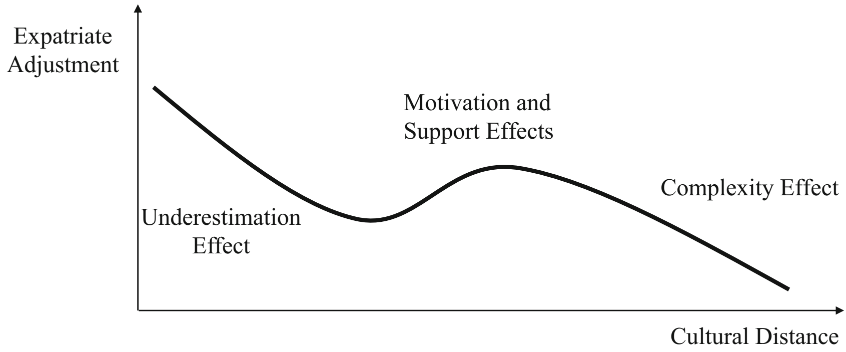

Fig. 6.2 Curvilinear effect of cultural distance on expatriate adjustment performance

is not accomplished, this underestimation of adjustment effort might result in frustration, resentment, and withdrawal (Selmer & Shiu, 1999). Expatriates entering seemingly similar cultures might be less alert about potential differences between the home and host country culture and thus be less motivated to change attitudes and behavior to local expectations. This false interpretation might not only occur on the individual level but also on the corporate level. If HR-Managers think that the two cultures are very similar, the company might provide less support and preparation programs before and during the assignment. Accordingly, adjustment performance should diminish up to a certain point.

If cultural distance accentuates further, another effect will come into play, which partially counteracts the first effect: a motivation and support enhancing effect. When cultural distance rises further, the difference between the two countries will become more visible for both the expatriate manager and the HRM department (or any other person involved with expatriate support). The differences between the home and host country culture might at first induce a cultural shock. However, Adler (1975) regards this cultural shock as a necessary prerequisite to effectively adjust to the host country's culture because comprehensive intercultural learning only occurs if the mental frame of reference that was originally constructed in the expatriates' home culture breaks down partially. Thus, up to a certain level the adjustment performance might even increase with the level of cultural distance, since the expatriate manager and HRM are more aware of potential conflict and will prepare and operate more diligently.

These improving effects, however, will again be superseded by the complexity effects and frustration by enhanced misfit between the expatriate and the host country culture if cultural distance rises even further. At high levels of cultural distance the cultural misfit will be so significant that a successful adjustment will take a very long time or might even not be achievable at all. The different cultures induce problems in communication and thus in terms of knowledge transfer, which will hamper the potential for successful adaption. Moreover, the great difference in culture might result in motivation challenges for expatriates since they will assume that a successful adjustment will not be possible. Accordingly, at higher stages of cultural distance the effect between increasing distance and adjustment performance will diminish again. Summing up, we come to the following proposition:

Proposition 1 *The relationship between cultural distance and expatriate adjustment is a non-linear one (S-shaped curve). From very low to low levels, cultural distance will have a negative effect on adjustment performance; from low to intermediate levels the effect will turn slightly positive and become negative again if cultural distance augments further.*

Advancing the Cultural Context: The Moderating Role of Cultural Tightness and Cultural Attractiveness

Previous studies have provided important contributions and forwarded our understanding of expatriate management by incorporating the concept of cultural distance. However, the application, measurement, and the concept of cultural distance have not been without critique (Shenkar, 2001a). Despite notable advances in the past, important shortcomings continue to plague distance research (Williams & Grégoire, 2015), such as asymmetry (Shenkar, 2001a) or important societal boundary conditions that reduce or increase the effects of cultural distance. These issues might be at least partially responsible for a plethora of inconsistent and divergent findings in the previous literature (Tihanyi, Griffith, & Russell, 2005), making the boundary conditions of cultural distance effects a worthwhile, yet largely understudied, field (Williams & Grégoire, 2015).

We argue that in the context of expatriate management, the effect of cultural distance might not only be non-monotonic but also influenced by additional cultural specifics like the degree of cultural tightness–looseness (Gelfand et al., 2006, 2011) or cultural attractiveness (Shenkar, 2001a).

Gelfand et al. (2006, p. 1226) defined cultural tightness-looseness as "the strength of social norms and the degree of sanctioning within societies." Tighter societies are aligned with societal institutions that foster a narrower socialization and with stronger social norms. In consequence, such societies put greater constraints towards individual behavior and show highly developed systems of monitoring and sanctioning behavior. Looser societies exert less pressure on the individual within the culture, promoting lower levels of constraint and weaker systems of monitoring and sanctioning behavior.

Although Gelfand et al. (2006) did not explicitly propose that cultural tightness–looseness might influence the impact of cultural distance, previous work suggests this view. In their meta-analysis, Taras, Kirkman, and Steel (2010) show that cultural values are more strongly related to organizationally relevant outcomes (such as job performance and satisfaction) in tight rather than loose cultures. This is also in line with Gelfand et al.'s (2006) notion that the variance in individual attributes (e.g., cultural values, attitudes, beliefs, behaviors) should be less pronounced in tighter than in looser societies. Individual behavior that does not fit the regime of cultural norms and values should be more strongly sanctioned in tighter than in looser societies. This results in a lower flexibility for individuals to express their attributes in tighter societies (Taras et al., 2010).

If an expatriate manager comes from a culturally different environment the adjustment to the novel culture might be more difficult if the host country culture is culturally tight. Tighter cultures should be less open to different cultural values and might constitute a less supportive environment to expatriate managers from cultures which differ from the host country. This reduced openness to cultural diversity can erect communication barriers and thus reduce the interaction between host country nationals and the expat. In loose cultures, a different cultural background should be less problematic and the expat should be integrated more easily which again enhances the chance of an efficient expatriate adjustment.

Based on the reasoning above, we argue that cultural tightness–looseness will moderate the relationship between cultural distance and expatriate adjustment. Tight cultures are less open to influences from outside and might thus exert more negative reactions than "loose" cultures towards expatriates if they have a very dissimilar culture. Moreover, the stronger sanctioning mechanism in tighter cultures will hamper a positive communication between host country nationals and the expatriate manager if cultural distance is high between the expatriate manager and the host country. This will consequently reduce the manager's ability to successfully adjust to the foreign environment. In contrast, looser cultures should have a greater ability to respect the different attitudes and the differing cultural background of expatriate managers, reducing the negative effect of cultural distance on adjustment. Cultural tightness might therefore be an important moderator for the relationship between cultural distance and expatriate adjustment, which leads us to the following proposition:

Proposition 2 *Cultural tightness negatively moderates the relationship between cultural distance and expatriate adjustment.*

In parallel, we assume cultural attractiveness to influence the effect of cultural distance on expatriate adjustment. Certain cultures might be considered attractive to other cultures, because they exhibit attributes which are highly valued in the other country (Shenkar, 2001a). The concept of cultural attractiveness and its potential to influence the effect of cultural distance can be described by the person-environment (P-E) fit paradigm.

The P-E fit literature has long shown that there are two kinds of fit, namely the supplementary fit and complementary fit (Muchinsky & Monahan, 1987). Supplementary fit describes the level of similarity or value congruence between an individual and its environment (e.g., if an expatriate and the host country people both consider power distance important) (Kristof, 1996). Complementary fit describes to which degree a person's or an organization's characteristics provide what the other wants (Cable & Edwards, 2004). Accordingly, complementary fit refers to situations when "the weaknesses or needs of the environment are offset by the strength of the individual, and vice-versa" (Muchinsky & Monahan, 1987, p. 271). "Complementary fit therefore can mean that an employee has a skill set that an organization requires, or it can mean that an organization offers the rewards that an individual wants" (Cable & Edwards, 2004, p. 822) (e.g., if an expatriate provides a level of power distance in his/her behavior that the people in the host country culture want). Hence, a culture is perceived as attractive if it shows features that are positively aligned with the desires of the evaluating subject and thus evoke positive perceptions.

Cultural distance resembles the supplementary fit between the culture of an expatriate manager and the people in a host country, whereas cultural attractiveness is determined by the complimentary fit of the cultural values between an expatriate manager and the people in a host country.

The assumption that the concept of cultural distance covers only one facet of P-E fit between expatriate manager and host country is also forwarded by the assumption of asymmetry. The assumption of asymmetry postulates that the distance from A to B is not necessarily the same as from B to A (Shenkar, 2001a). The common operationalization of cultural distance as Euclidean distance between two countries' cultural dimensions usually does not control for this. However, in a study of US expatriates in Germany and German expatriates in the USA, Selmer et al. (2007a) showed that American expatriates had lower levels of general, work, and interaction adjustment than their German counterparts, indicating that the impact of cultural distance may be contingent on the direction of the international assignment. Thus, it appears important to reconsider the operationalization of cultural distance and to include additional information about, for instance, cultural attractiveness when observing cultural distance. In a similar vein, Hemmasi and Downes (2013) compared the adjustment of expatriates from countries scoring high in individualism (according to Hofstede's culture dimensions) who are assigned in collective countries and vice versa. They found that expatriates from individualistic countries working in more collectivistic countries were better adjusted and more successful than the expatriates from collectivistic countries working in more individualistic countries.

These reported asymmetries might result from a different cultural attractiveness of the countries. Accordingly, the difference between two cultures is not always negative but might also engender complementarities. Specifically, we argue that the negative effect of cultural distance (i.e., low supplementary fit) on expatriate adjustment can be countervailed by the positive effect of cultural attractiveness (i.e., high complementary fit). Hence, although cultures between the expatriate's home country and host country might differ, the two cultures can complement each other by addressing each other's needs enabling the expatriate to adjust more easily. For example, a culture showing a strong power distance in practice might however engender a latent wish for a less power distant system. If an expatriate manager stems from a society with lower power distance and is able to exert consistent behavior, this could actually result in more positive reactions from the foreign coworkers and thus facilitate expatriate adjustment. In contrast, in cases of high cultural distance and low cultural attractiveness, the expatriate's home and the host country's culture are not only different but also not compatible, aggravating the expatriate's adjustment to the new environment. Hence, when the host country's culture is not very appealing to the senses of the expatriates (i.e., low complementary fit), the negative effect of high cultural distance (i.e., low supplementary fit) is reinforced. Accordingly, we argue that the effect of cultural distance on expatriate adjustment is contingent on cultural attractiveness, leading to the following proposition:

Proposition 3 *Cultural attractiveness positively moderates the relationship between cultural distance and expatriate adjustment.*

Discussion, Limitations, and Future Research

In this chapter, we extended the literature on the link between cultural distance and expatriate adjustment and aimed to deepen the understanding of this relationship by arguing that different mechanisms link those two constructs, namely the underestimation effect, motivation and support effects, and complexity effect. These mechanisms should be differently effective at distinct stages of cultural distance, resulting in a curvilinear relationship between cultural distance and expatriate adjustment. This helps to explain why some studies find negative effects between cultural distance and adjustment (Hechanova et al., 2003), while others propose an opposing effect (Brewster, 1995) or do not find a significant effect at all (Puck, Kittler, & Wright, 2008). Accordingly, we do not contend that some of these studies produced invalid results, but that they are pieces of a bigger, more complex picture.

Moreover, we advanced previous studies by integrating two recently debated constructs into our model for explaining the impact of cultural distance on expatiate performance: cultural tightness and cultural attractiveness. These two additional cultural specifications further clarify the context in which cultural distance unfolds its effects and helps to provide a more nuanced explanation why cultural distance might have a less negative effect on expatriate adjustment under some circumstances (e.g., when cultural attractiveness is high), while the negative effect might be accentuated if the host country culture is very tight.

Of course this study has limitations and offers a rich agenda for future studies. For instance, the measurement and the concept of expatriate adjustment are not without dispute. Particularly the lack of foundation for the multidimensionality and the lack of theoretical elaboration have been a source of critique (Takeuchi et al., 2002; Thomas & Lazarova, 2006). We do not attempt to resolve these issues with this chapter. Instead, we aim to provide a better explanation of the complex relationship between cultural context and expatriate adjustment. For our work, we defined adjustment not in terms of effort needed to adjust to a novel context, but the successful adjustment to such a setting. The assumed non-linear relationship between cultural distance and adjustment performance, however, implies that multiple and partially countervailing mechanisms are at play between cultural distance and expatriate adjustment. Future research might delve more deeply into separating these mechanisms, such as the perceived cultural misfit and the motivation to adjust, for enhancing our understanding of the underlying processes connecting cultural distance and adjustment performance.

In a parallel vein, future research might want to further elaborate and empirically test mechanisms between cultural distance and other outcomes than adjustment (e.g., expatriate task performance, knowledge spillover, etc.). Multiple studies have either theorized or empirically shown that expatriate assignments in culturally distant environments require more intense preparation training, a stronger adjustment of the expatriate towards the foreign culture, and longer and more costly repatriation processes (Stahl & Caligiuri, 2005; Waxin & Panaccio, 2005). Accordingly, culture and particularly the cultural distance between the home and the host country seem to be important for predicting other aspects of expatriate performance than expatriate adjustment.

For instance, cultural distance also goes hand in hand with the elevated coordination costs of expatriate management. Cultural distance is a predictor of the perceived psychic distance between two countries (Hutzschenreuter, Kleindienst, & Lange, 2014). An enhanced psychic distance, in turn, indicates that the existing stock of knowledge and experience might not be perfectly suitable for efficiently entering and operating in a foreign environment. Inefficient processes due to knowledge disadvantages increase the costs of doing business abroad and decrease the expatriates' performance. Expatriates perform worse in culturally different environments as the extent to which the host country differs from the home country increases the likelihood the expatriates exhibit inappropriate behaviors (Black & Mendenhall, 1991). Additionally, expatriates working in more culturally distant countries may have more difficulty fully utilizing their skills and abilities (Bolino & Feldman, 2000b). As expatriates in culturally distinct countries are often confronted with situations that require different behaviors from those in their home countries, the negative consequences and costs of exhibiting inappropriate behavior increase (Black & Mendenhall, 1991). These additional costs, also known as liabilities of foreignness (Hymer, 1976), are therefore positively correlated with cultural distance (Rugman & Verbeke, 2004; Sui & Baum, 2014).

Previous research also indicates that cultural distance does not only affect the expatriates' adjustment and, hence, their job performance but also the performance of whole subsidiaries. For example, extant studies find that subsidiaries in countries with low cultural distance outperform those in countries with a high cultural distance (Mulok & Omar Ainuddin, 2010; Richards, 2001). Building on this stream of research, Colakoglu and Caligiuri (2008) showed that cultural distance moderates the relationship between the ratio of expatriates and subsidiary performance. Specifically, they found that the performance of subsidiaries in countries with high cultural distance and a low proportion of expatriates is significantly better than that in similar countries with a high proportion of expatriates. The analysis of countries with a low cultural distance revealed similar results; the higher the proportion of expatriates, the lower the performance of the subsidiary (Colakoglu & Caligiuri, 2008).

The negative effects of subsidiaries in countries with high cultural distance can be explained by barriers between headquarters and the subsidiary. Knowledge transfer is a pivotal component not only for the relationship between the subsidiary and firm headquarters but also for the performance of an expatriate assignment (Chang, Gong, & Peng, 2012). Cultural distance might reduce the efficiency of communication between the expatriate managers and their foreign coworkers (Holopainen & Björkman, 2005). This mechanism is triggered not only by language differences but also by differences in non-verbal communication, which is largely imprinted by individuals' culture. While intercultural training can reduce some non-verbal communication deficiencies, it is unlikely that each expatriate manager is perfectly able to inherit every aspect of non-verbal communication in a country with very different cultural artifacts. Therefore, it will be harder to convey information from the expat to the foreign coworkers or the other way around, hindering the transfer and accumulation of intangible assets. In consequence, cultural distance should diminish the transfer and creation of firm-specific advantages as well as the leverage of country-specific advantages in the foreign market (Rugman & Verbeke, 2004). Thus, future research might want to corroborate the understanding of the mechanisms (such as increased coordination costs or hampered knowledge transfer) linking cultural distance and subsidiary performance.

Finally, cultural distance is undisputedly not the only influential factor for predicting expatriate adjustment. Organizational, and situational and individual factors matter as well. For instance, expatriates might be more motivated or capable of adjusting to a foreign culture if they are self-initiated expats (Shaffer, Kraimer, Chen, & Bolino, 2012). Observing such predictors, and in particular their interplay with one another, therefore seems to be a fruitful passage for future research.

In our chapter, we focused on expatriate adjustment during foreign assignments. Future research could expand our reasoning by emphasizing expatriate readjustment upon return to their home country. Trainings for instance can also be used to ease the way back into the home environment (Bolino, 2007) and not only for helping the expat to establish abroad. In this regard it might be very interesting to observe if comparable mechanisms influence readjustment or if expatriate adjustment is even negatively related to successful readjustment to the home conditions.

Just as expatriate adjustment (or in a broader sense expatriate performance) still requires conceptual reflection, cultural distance is a highly debated construct, which needs further elaboration in future studies. Studies might, for instance, inform our understanding by integrating other sorts of distance beyond cultural, institutional, or geographic distance into the equation. This is particularly important since also the meaning of constructs like performance or how specific goals are formulated are subject to cultural effects. Accordingly, not only the effects of cultural distance on expatriate performance might vary but also the concepts themselves might not be perfectly comparable across different cultures. Integrating feedback culture, leadership styles, and team effects for observing cultural variables in expatriate management might therefore help to further develop this field of research.

Finally, the asymmetry of cultural differences could also be addressed in regard to the cultural tightness–looseness dimension. We particularly argued that the problem of asymmetry can be captured at least in part by addressing cultural attractiveness. However, the asymmetry of cultural differences could also play a role for the tightness–looseness construct. For instance, it might well be possible that expatriate managers will find it easier to adjust to a tight culture when they come from a culturally loose environment because they engender a greater cultural openness. On the other hand, expats from tight cultures might find it generally easier to adjust to a loose culture than expats from loose cultures that are assigned towards tight cultures because there the environment is less responsive. Accordingly, the level of tightness–looseness of the expats' home country might also play an important role in the adjustment process and future research might be well informed to further elaborate this topic.

North American Perspective

The Influence of the Cultural Context on Expatriate Adjustment

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Cultural Distance And Adjustment: A More Nuanced Approach

Researchers have sometimes noted that international transfers, in many ways, are similar to domestic geographic transfers (e.g., Feldman & Tompson, 1993). The most notable difference, though, is that an expatriate assignment typically involves living and working in a host country culture that is quite different from one's home country culture. Although researchers have been studying the implications of international work assignments for more than four decades (Kraimer, Bolino, & Mead, 2015), only recently have they started to develop a more nuanced view of the nature of cultural distance itself (e.g., Shenkar, 2001b) and its implications for expatriate adjustment (e.g., Jenkins & Mockaitis, 2010; Selmer, Chiu, & Shenkar, 2007b). In their chapter, Baum and Isidor focus on the cultural context of the expatriate experience and contribute importantly to this more recent line of inquiry. Most notably, they explain how underestimation, motivation, and support, and complexity effects may result in a non-linear relationship between cultural distance and expatriate adjustment. In addition, they describe the ways in which cultural tightness and cultural attractiveness may influence how cultural distance affects the adjustment of expatriates.

From a US perspective, these ideas have great resonance. Indeed, US researchers have a tendency to rely on expatriate samples that are largely comprised of American workers sent on overseas assignments in Europe, Asia, and Latin America (e.g., Bolino & Feldman, 2000a). However, as shown by Selmer et al. (2007b), the implications of cultural distance are not always symmetric, and thus, the effects of cultural distance on workers sent from the USA to Europe are not necessarily equivalent to the effects of cultural distance on workers sent from Europe to the USA. Baum and Isidor's conceptual model and theorizing, then, offer some variables that should help organizational researchers worldwide to better understand the effects of cultural distance by accounting for cultural tightness and attractiveness. Indeed, considering these variables may not only help explain the inconsistent findings regarding the relationship between cultural distance and expatriate adjustment (as highlighted by the authors) but may also help explain the asymmetric effects of cultural distance observed in prior studies (e.g., Selmer et al., 2007b) and the finding that expatriates' perceptions of cultural distance are not always consistent with more objective measures (Jenkins & Mockaitis, 2010).

Baum and Isidor also describe some interesting and potentially important avenues for future research that provide a good foundation for additional investigations. As they point out, working in a more culturally distant environment is typically associated with increased costs. Although this is true in the short run, it would be interesting to consider the possible long-term benefits that accrue to workers who spend significant time in a culturally distant environment, which may offset these short run costs. Indeed, international assignees in culturally distant countries may develop knowledge, skills, and abilities that enable them to be more effective throughout their time overseas, and perhaps more importantly, when they repatriate to their home country. Further, while it may be more challenging for the expatriate, it is also possible that the greater the cultural distance they confront, the more rapidly expatriates are able to develop the cross-cultural skills that may facilitate career success going forward.

Likewise, while Baum and Isidor note that subsidiaries in countries with low cultural distance tend to outperform subsidiaries with higher cultural distance, it would be interesting to explore the possibility that transnational organizations may be able to learn more from their culturally distant subsidiaries than from those that are less distant. The authors' calls for thinking about cultural distance in new and different ways are on the mark. Cultural attractiveness is a key variable in their model that, to date, has received little research attention. Examining this construct in a thoughtful way and determining how cultural attractiveness can be integrated into existing models of expatriate (and repatriate) adjustment would also be worthwhile. Finally, it would also be useful to integrate the authors' conceptual model with existing models of expatriate adjustment, such as Takeuchi's (2010) multiple stakeholder model of expatriate adjustment. Doing so would provide a more complete understanding of how these variables may complement, contradict, or interact in affecting the adjustment of expatriates.

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7

What Do they Expect, and What Do We Need to Offer? A Classification of Repatriation Strategies from the MNC Perspective

Anika Breitenmoser and Nicola Berg

Introduction

Among the various forms of global mobility known today, traditional expatriation still ranks among those types most frequently encountered in practice (Brookfield Relocation Services, 2015). Multinational corporations (MNCs) assign employees to foreign subsidiaries to meet prescribed objectives (Baruch, Dickmann, Altman, & Bournois, 2013). As working and living away from home is undoubtedly challenging, the literature first focused on facilitating the staff's actual stay overseas (Mendenhall, Dunbar, & Ouddou, 1987). Seminal work, however, revealed that the return from a foreign assignment can be equally difficult (Black, Gregersen, & Mendenhall, 1992). Repatriation has thus become a topic of great practical interest (Brookfield Relocation Services, 2015). The respective research field has grown impressively, with many studies

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providing insights into the challenges related to the return of expatriates (e.g., Lazarova & Cerdin, 2007; Ren, Bolino, Shaffer, & Kraimer, 2013). Scholars thereby increasingly acknowledge that for an MNC, repatriates can constitute valuable human capital. They are likely to possess knowledge, skills, and abilities (KSA) related to global business (Fink, Meierewert, & Rohr, 2005; Lazarova & Tarique, 2005; Oddou et al., 2013), wherefore their successful integration can entail performance benefits (Daily, Certo, & Dalton, 2000).

Yet, despite extensive work on the topic, repatriation remains a source of frustration for MNCs. The problems encountered mostly revolve around the matter of repatriate careers (Bossard & Peterson, 2005; Jassawalla & Sashittal, 2009). Employees who accept an international assignment (IA) tend to perceive to have entered into an unwritten agreement with the firm. According to this psychological contract, they expect organizational rewards in exchange for the performance to be delivered abroad (Haslberger & Brewster, 2009). A promotion upon repatriation ranks among the benefits most commonly anticipated (Pinto, Cabral-Cardoso, & Werther, 2012). Many employees, however, return home to face career stagnation or even derailment (Shaffer, Kraimer, Chen, & Bolino, 2012). Their disappointment can reflect not only on their work attitudes (Chi & Chen, 2007; Ren et al., 2013) and performance (Vidal, Valle, & Aragón, 2010) but can also eventually even prompt repatriates to resign from the MNC (Kraimer, Shaffer, Harrison, & Ren, 2012a). For the firm, violating repatriate psychological contracts thus jeopardizes the human capital advantage to be gained from expatriation and moreover implies the risk of crucial knowledge being transferred to competitors (Pazzaglia, Flynn, & Sonpar, 2012).

Thus, researchers call for a more strategic management of the repatriation process (Bossard & Peterson, 2005; Collings, 2014; Jassawalla & Sashittal, 2009). As a recent survey reveals, less than 15 per cent of MNCs so far have formal repatriation programs in place (Brookfield Relocation Services, 2015). Studies "(…) that address how the firm intends to reintegrate and develop globally trained managers are [therefore] necessary" (Jassawalla & Sashittal, 2009, p. 782). So far, this need has not been fully addressed in the literature. Existing work has thoroughly analyzed the difficulties encountered during repatriation (Baruch, Steele, & Quantrill, 2002; Bossard & Peterson, 2005; Jassawalla & Sashittal, 2009) and investigated the influence of an MNC's global orientation on its repatriation practices (Baruch & Altman, 2002; Caligiuri & Colakoglu, 2007). These results lay a necessary foundation but do not yet offer concrete approaches for an MNC to better handle the end of IAs. Moreover, due to the centrality of the issue, authors tend to argue from a very career-oriented perspective, promoting a link between repatriation and advancement. This approach is too unidimensional as an overall solution, as systematically integrating expatriation into careers is resource-intensive. Not only must career-oriented firm support be provided (Kraimer & Wayne, 2004; Lazarova & Caligiuri, 2001) but a suitable advanced position needs to be available as well. Due to the extensive use of IAs, the capacities of an MNC are constrained in this regard.

To solve the repatriation struggle, MNCs hence require instruments helping them to decide for which staff the IA should serve as career steppingstone, and when a link between expatriation and advancement adds no corporate benefit. Further, management strategies with objectives other than career development must be available to efficiently handle the return of those not applying to the pattern. We argue that differences among IAs need to be taken into account to accomplish this goal. With few exceptions (e.g., Bonache & Noethen, 2014; Stahl, Chua, Caligiuri, Cerdin, & Taniguchi, 2009), distinct IA characteristics have been widely neglected in expatriation management research. They nevertheless serve as main indicators for repatriation efficiency. An MNC is just as confronted with the return of IT specialists assigned to solve technical incidents abroad as with the repatriation of senior employees who managed foreign subsidiaries (Caligiuri & Colakoglu, 2007). Yet, the human capital individuals bring home, as well as the reward they expect for the IA, is likely to vary decisively. Neither does expatriation always serve as personnel development tool (McNulty, De Cieri, & Hutchings, 2009) nor do all employees believe their IA results in a promotion (Stahl et al., 2009). A systematic classification of repatriation strategies that integrate organizational and individual interests, whereby providing diversified approaches to managing repatriation, is thus required. This study draws on the RBV (Barney, 1991) and psychological contract theory (Rousseau, 1989) to address the following questions: (1) what value does repatriate human capital have to an MNC, and what role do repatriate reward expectations play for its organizational integration? (2) Which IA characteristics affect the value of repatriate human capital and approaches for its organizational integration? (3) Which strategies are thus available to an MNC when managing the repatriation of expatriates?

The chapter is structured as follows: First, we introduce a theoretical framework for developing repatriation strategies, drawing on the RBV and psychological contract theory. Second, we argue that the configuration of this framework differs according to the IA type and performance delivered abroad. Third, we present the set of repatriation strategies available to the firm, to then outline necessary organizational prerequisites for their successful implementation. By explicitly delineating the corporate value of repatriate human capital, we stress the importance of a systematic returnee management. As we illuminate the role of repatriate expectations for integrating the KSA, we provide a theoretical link to the psychological contract frequently addressed in expatriation literature. Considering differences among IAs, we further meet the need for diversification in this respect. By eventually providing distinct repatriation strategies, we hope to contribute to efficiently resolving the difficulties prevalent upon the end of an IA. In fact, with this article, we deliver a theoretically profound yet practically viable guide for an MNC to sustainably enhance the benefits of its global mobility programs.

In Search of a Framework for Repatriation Strategies

The RBV suggests repatriate human capital can be of high strategic relevance to an MNC (Fink et al., 2005). Yet, its successful incorporation is still a challenge. The reward expectations implied by repatriate psychological contracts play a major role in this regard. Literature points out that upon return, employees are often simply disappointed of the returns they receive for their hard work overseas. Such betrayed feelings affect the repatriation process on several levels (Haslberger & Brewster, 2009) and thereby determine an MNC's ability to integrate the KSA repatriates gained abroad (McDermott, Conway, Rousseau, & Flood, 2013; Wright, 2001). For the firm, considering repatriate psychological contracts is thus inevitable to obtain the human capital advantages from expatriation. In fact, expectation fulfillment can serve as main motivation for returnees to contribute their KSA to corporate use. In the following, we explain this framework for repatriation strategies in greater detail. We then outline the need to still consider differences in human capital and psychological contracts among repatriates, depending on the type of IA completed and performance delivered abroad.

Repatriate Human Capital as Source of Sustained Competitive Advantage

The RBV identifies the strategic resource endowments of firms as crucial source of competitive advantage. As strategic resources can be of physical, organizational, and human nature (Barney, 1991; Wernerfelt, 1984), the theory is regularly applied in HR Management research (see Nyberg, Moliterno, Hale, & Lepak, 2014 for an overview). Within the context of expatriation, authors primarily consult it to explain global staffing decisions (e.g., Collings, McDonnell, Gunnigle, & Lavelle, 2010) and subsidiary performance outcomes (e.g., Dutta & Beamish, 2013). Repatriation has scarcely been examined from an RBV (Fink et al., 2005).

Nevertheless, repatriate human capital can be a source of sustained competitive advantage for an MNC. Characteristics of such a source are its value, rareness, inimitability, and non-substitutability (Barney, 1991). In a global business environment, repatriate human capital can add decisive corporate *value*. Due to their former exposure to foreign operations, repatriates can possess crucial KSA related to international business (Fink et al., 2005; Lazarova & Tarique, 2005; Oddou et al., 2013). Firm-specific human capital is thereby of primary relevance to an MNC (Becker, 1993), but rather general KSA can be beneficial as well (Campbell, Coff, & Kryscynski, 2012). International assignees not only receive chances to comprehend the global complexity of the particular MNC, or to develop firm-specific networks (Oddou et al., 2013; Reiche, 2012a); they can also gain broader skills concerning countries, cultures, languages (Fink et al., 2005; Oddou et al., 2013), and leadership (Gregersen, Morrison, & Black, 1998). Firms led by former expatriates thus outperform others (Daily et al., 2000), demonstrating the corporate value of repatriate human capital.

Repatriate human capital can also be a *rare* resource. Wright, McMahan, and McWilliams (1994) argue that specific skills required for a job are normally distributed in the population. IAs often have demanding profiles. Good track records therefore rank among the main selection criteria for assignees (Brookfield Relocation Services, 2015). Prior to expatriation, extensive trainings and preparation are moreover common (e.g., Caligiuri, Phillips, Lazarova, Tarique, & Bürgi, 2001). Overseas, assignees can eventually meet major challenges, ranging from adjusting to foreign cultures (e.g., Black, Mendenhall, & Oddou, 1991) to performing under unknown operating conditions (e.g., Bader & Berg, 2013), to resisting poaching attempts from global competitors (Brookfield Relocation Services, 2015). Repatriates who mastered these experiences stand out, with their rareness increasing accordingly.

Repatriate human capital can further be coined by *inimitability*, which is fostered by a unique history and social complexity (Barney, 1991). The challenge of living and working abroad takes a different historical course for every employee. The framework conditions repatriates were exposed to in a foreign subsidiary—such as market or personnel conditions—change over time. The experiences of future expatriates in the same location will therefore vary from those of present repatriates, making the specific human capital obtained inimitable. Moreover, the KSA of repatriates emerge from socially complex networks and relationships established abroad (Reiche, 2012a; Oddou et al., 2013). The nature and intensity of those ties depend on the individual, further enhancing the inimitability of the strategic resource.

Eventually, for an MNC, the human capital of repatriates can be *non-substitutable* by other employees or technologies, thus meeting the last prerequisite of a source of sustained competitive advantage. The success of a globally operating firm depends on internationally experienced managers. Although modern communication technology provides various opportunities to access global information, or establish international relationships without being on-site, the depth of the KSA acquired this way cannot substitute for the real experience overseas (Holtbrügge & Schillo, 2008).

It can thus be concluded that in the best case, repatriate human capital can be a source of sustained competitive advantage, making its integration vital for an MNC. Yet, as Wright (2001) puts it, "a basic premise of human capital […] is that firms do not own it; individuals do" (p. 705). Repatriation strategies must therefore aim to motivate returnees to contribute their KSA to corporate use.

Psychological Contracts as Leverage for Integrating Repatriate Human Capital

Psychological contracts in the workplace are unspoken and unwritten agreements that emerge "when an individual perceives that contributions he or she makes obligate the organization to reciprocity (or vice versa)" (Rousseau, 1989, p. 124). Psychological contracts thus consist of reciprocal expectations (Rousseau, 1989). If employees agree to complete a task for their employer and succeed in it, they expect a reward for their efforts. This expectation even serves as the motivator to deliver the performance in the first place (Rousseau, 2004).

Psychological contracts are common in expatriation. In exchange for achievements in a foreign country, employees not only expect overseas support but often also demand long-term rewards such as a promotion (Haslberger & Brewster, 2009). The firm's ability to meet these hopes affects work attitudes (Chi & Chen, 2007; Ren et al., 2013), performance (Vidal et al., 2010), and turnover intentions (Kraimer et al., 2012a), among others. Hence, if employees do not receive the acknowledgement they expect for their accomplishments, their trust in the relationship with the firm is violated and productive attitudes and behaviors are unlikely. On the contrary, if the anticipated reward is granted, individuals are motivated by reciprocal feelings and the belief in further rewards in the future. They therefore continue performing at their best, with a maximum contribution of KSA being likely (McDermott et al., 2013; Wright, 2001). One can thus conclude that while a psychological contract breach upon repatriation—that is an MNC's failure to meet repatriate reward expectations—can cause a withdrawal of returnee human capital, a fulfillment can facilitate its integration respectively. If incorporating the KSA is intended, repatriation strategies should therefore aim to fulfill employee expectations upon return. If repatriates expect a career boost, meeting these hopes by linking repatriation and advancement can provide leverage for a contribution of their human capital (Lazarova & Tarique, 2005). KSA of strategic relevance are best deployed in responsible positions anyway. They can then best affect corporate performance (Daily et al., 2000).

Current studies on repatriation management broadly reflect this notion. In their qualitative work, Baruch et al. (2002) and Bossard and Peterson (2005) first reveal the problems encountered upon return of the employees interviewed, to then recommend a link of repatriation to career management for their prevention. Jassawalla and Sashittal (2009), however, call for some differentiation in this regard. The authors point out that not all repatriates are equally valuable to an MNC, wherefore systematic approaches are necessary. Baruch and Altman (2002) and Caligiuri and Colakoglu (2007) do examine diverse repatriation approaches in the course of their research. Yet, these articles argue on a macro-level, analyzing an MNC's repatriation practices in relation to the overall corporate strategy. They therefore provide broader implications, such as that firms with a global strategy should rather link repatriation to career advancement than such with a local strategy (Caligiuri & Colakoglu, 2007), but do not yet enable MNCs to efficiently manage the case-specific return of repatriates.

A systematic integration of repatriation and advancement demands extensive firm resources. When designing repatriation strategies, diversification is thus inevitable. Not all repatriate human capital is equally valuable to an MNC and must be integrated at all costs. Further, reward expectations among individuals are likely to differ. Some returnees might settle for less than a promotion without withdrawing their KSA. In the following, we demonstrate that the relevance of the human capital of repatriates, as well as the benefits they expect to deserve, depend on the type of IA completed and performance delivered abroad. These aspects thus serve as indicators for efficient repatriation strategies.

Assignment Characteristics as Indicators for Repatriation Strategies

In their empirical study, Caligiuri and Colakoglu (2007) introduce three IA types: Technical/functional, strategic, and developmental assignments. The categories differ according to their developmental component, the intercultural competences required, the main responsibilities undertaken, and the typical positions affected. While the main purpose of technical/functional assignments is to complete a job and return, requiring little collaboration with foreign colleagues, developmental assignees perform various tasks in diverse markets that explicitly aim at the acquisition of global competences. Strategic assignees, eventually, hold critical foreign positions with a demanding, multinational management function (Caligiuri & Colakoglu, 2007). An MNC must acknowledge that the human capital employees can acquire in the course of an expatriate job is likely to vary with the complexity of the job (Hunter, Schmidt, & Judiesch, 1990; Lazarova & Tarique, 2005). Not only the exposure to foreign operations but also the task requirements vary decisively depending on whether employees have completed a strategic, developmental, or technical/functional IA (Caligiuri & Colakoglu, 2007). The IA type therefore gives long-term indications about the breadth and depth of KSA which repatriates *should have gained* upon the end of their assignment.

However, even if a job affords every opportunity for acquiring valuable KSA, the human capital eventually obtained depends on the individuals' performance as well (Ng, Eby, Sorensen, & Feldman, 2005). Despite the fact that employees chosen for expatriation mostly have good track records (Brookfield Relocation Services, 2015), evidence suggests that the number of overseas failures in terms of underperformance is high (Harzing & Christensen, 2004). The challenges faced abroad separate the extraordinary from the good ones. Kraimer and Wayne (2004) differentiate expatriate task and contextual performance. If assignees succeeded regarding their task performance, such as by meeting IA objectives despite unfamiliar working conditions overseas, they likely acquired more comprehensive KSA than those failing in this respect. If expatriates delivered good contextual performance, such as by establishing relationships with key business contacts on-site, they can be assumed to have built superior networks than those not able to do so. Although overseas failures can entail learnings of their own, obvious performance difficulties imply that an MNC's investment has not paid off as planned (Gonzalez & Chakraborty, 2014). In addition to the long-term indications of the IA type, the IA performance therefore provides mid- to short-term clarification on the human capital repatriates *actually gained* upon the end of their assignment.

Besides their implications for repatriate human capital, IA type and performance further reflect on the reward expectations implied by the psychological contract of returnees. The purpose of an assignment indicates the perceived challenge related to a job overseas. Employees who know that the task consists of the same technical routine they are used to from home—just transferred to a foreign setting—are likely to have lower expectations regarding rewards upon repatriation than those charged with the quest of establishing a factory in another country (Harvey, Buckley, Richey, Moeller, & Novicevic, 2012; Stahl et al., 2009). The IA type thus gives long-term indications about the reward expectations repatriates *should have* upon the end of their assignment.

Yet, any initial reward expectation can change over time depending on the IA performance demonstrated. Psychological contracts draw on reciprocity, implying that employees await benefits for succeeding in a task delegated to them (Rousseau, 1989). If expatriates fail to meet IA objectives, they have not held up their part of the bargain. The scope of rewards they in turn await from the firm upon repatriation is likely to alter accordingly (Harvey et al., 2012). The IA performance therefore provides mid- to short-term clarification on the reward expectations repatriates *actually have* upon the end of their assignment.

It must be noted at this point that to be able to consult IA type and performance as indicators for repatriate reward expectations, an MNC must proactively ensure repatriates have adequate expectations in line with the particular characteristics of their IA. We will address this aspect more in depth in the course of this study. Yet, drawing on the implications of IA type and performance for repatriate human capital and reward expectations, we first present the set of repatriation strategies available to an MNC.

Toward a Classification of Repatriation Strategies

To deduce the repatriation strategies available to an MNC depending on the IA characteristics outlined, we start with the long-term implications of the IA type as depicted in Table 7.1. It thereby must be considered that although Caligiuri and Colakoglu (2007) deliver a precise classification of IA types, in practice, there might rarely be a solely developmental assignee, or one who completes a technical job overseas without needing any intercultural competence while living there. Hence, when referring to the IA types delineated, we consider them as prevailingly technical/functional, developmental, or strategic, as this is likely to better comply with the situation in practice.

Drawing on the implications of the IA type, we then discuss the concrete strategies to be applied over the mid- to short term by an MNC after having assessed the repatriates' accomplishments overseas (Fig. 7.1). Although the IA performance serves as crucial indicator in this regard, we again are aware that consulting this indicator can be difficult in practice. In the current study, IA performance primarily relates to the meeting of IA objectives. Yet, those sometimes are hardly tangible, forcing the firm to consult a broader array of aspects to evaluate assignment success. Moreover, the level of performance expected by an MNC might differ with the particular challenges to be met abroad. Instead of drawing a strict line that describes a turning point between high and low IA per-

Table 7.1 Implications of IA type for repatriate human capital and reward expectations

IA type	Human capital	Corporate benefits	Reward expectations
Technical/ functional	General	Completion of objectives during IA	Moderate
Developmental	General Firm-specific	Exploitation of human capital upon end of IA	High
Strategic	Firm-specific	Completion of objectives during IA Exploitation of human capital upon end of IA	Very high

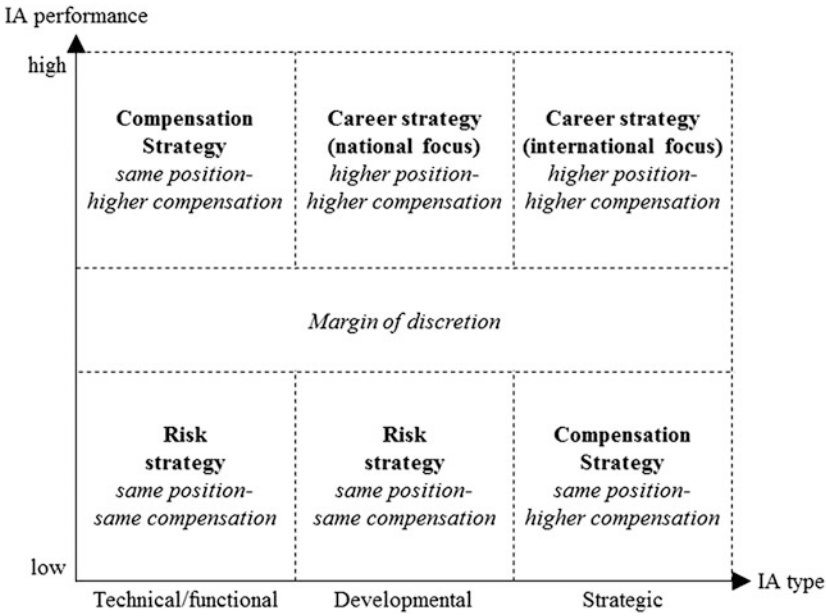

Fig. 7.1 Overview of repatriation strategies

formance, we thus suggest a margin of discretion for the firm to assess expatriate accomplishments abroad, as displayed in Fig. 7.1. This allows an MNC to apply a 'softer' approach when consulting IA performance as mid- to short-term indicator for repatriation strategies.

Eventually, we argue that firms can choose from a set of four different repatriation strategies: The *career strategy with an international focus*, the *career strategy with a national focus*, the *compensation strategy*, and the *risk strategy*. The career strategy with a national/international focus relates to the common discussion in literature. As the relevance of the repatriate human capital concerned as well as the reward expectations of the individuals owning it is high, repatriation should here be linked to advancement, within the home organization or the broader global boundaries of an MNC, respectively. The focus is thereby on a promotion, which is likely to go in line with a salary increase (Ng et al., 2005). The compensation strategy further draws on this breakdown of objective career success. It applies to cases in which the human capital relevance and returnee reward expectations are comparably lower. A promotion in consequence of the IA is then not recommended. To nevertheless prevent withdrawal, a salary increase should be afforded, which should be sufficient as a benefit to satisfy the reward expectations implied by the psychological contract. Eventually, the risk strategy intends neither a promotion nor a compensation increase as result of the IA, but a mere transition back to the home country. Repatriates concerned anticipate rather low rewards, wherefore their withdrawal in consequence of lacking position advancement is unlikely. The residual risk can be taken by an MNC due to the equally low level of strategically relevant human capital acquired during the IA. An overview of the repatriation strategies is provided in Fig. 7.1. In the following section, they are explained in greater detail.

Repatriation Strategies for Prevailingly Technical/Functional Assignees

Within the boundaries of an MNC, operations take place in various countries with different education levels and systems. Shortages with regard to specific skills can occur frequently. In this case, MNCs deploy technical/functional assignees that are capable of completing the task of interest in the foreign subsidiary. Positions typically affected are thus rather specialized functions, such as engineers or IT professionals (Caligiuri & Colakoglu, 2007). As their overseas objective is strictly related to the technical task, exposure to foreign operations and intercultural competence required are rather low. From an MNC's view, the primary interest is for the expatriates to complete the job nobody on-site can do and to return home once this is achieved. There is no long-term personnel development purpose attached (Caligiuri & Colakoglu, 2007; Edström & Galbraith, 1977). The firm support provided along the process primarily focuses on operational needs such as accommodation (Bonache & Noethen, 2014). The task offers little opportunities to develop critical firm-specific networks or gain intensive insights into an MNC's global value creation process (Stahl et al., 2009). General human capital can be somewhat increased, such as by enhancing language skills and intercultural competence as far as required while living abroad. Yet, interaction with foreign colleagues is necessary to a limited extent only (Caligiuri & Colakoglu, 2007), and the amount of strategic KSA to be obtained during a technical/functional IA is therefore moderate.

In the event of high IA performance, repatriation should nevertheless be well considered: Within the boundaries of a globally operating firm, there will always be great need for specialized staff that can serve as 'firefighter' abroad (Brookfield Relocation Services, 2015). An MNC should aim to retain successful repatriates from technical/functional assignments and make them feel appreciated for their efforts to preserve their willingness to agree to similar IAs in the future (Bonache & Noethen, 2014). Fulfilling their psychological contract provides an approach to achieving this goal. As the latter draws on reciprocity (Rousseau, 1989), the benefits expected by technical/functional repatriates for the accomplishments overseas are likely to be moderate. Employees should be aware that the objectives in the host country are similar to those they are familiar with back home. The firm support provided along the process is prevailingly operational, wherefore no doubts should remain regarding the heavily needs-driven—and thus non-strategic—purpose of the assignment. Those that succeed in fulfilling this purpose will still expect a return for their efforts, yet are unlikely to await a career boost in consequence of the IA (Stahl et al., 2009). A lacking promotion upon repatriation should therefore not be perceived as psychological contract violation. As the human capital obtained overseas is not highly relevant, the corporate need to deploy it in responsible positions is further mitigated (Daily et al., 2000). Also, technical/functional IAs are used very frequently (Brookfield Relocation Services, 2015). Promoting all returnees simply exceeds the capabilities of an MNC.

Consequently, we suggest deploying a compensation strategy. A return to a hierarchical level comparable to before the IA yet linked to a better compensation package can provide a benefit appropriate to meet the moderate reward expectations. It increases the likelihood of repatriate satisfaction, and thus decreases that of withdrawal, hence facilitating retention within organizational boundaries (Ren et al., 2013). Still, an MNC is spared the costs for career-oriented repatriation support as well as the difficulty of finding a higher position which might be better suited to someone with greater gains in KSA. Hence:

Proposition 1a *When repatriating a prevailingly technical/functional assignee who demonstrated high IA performance, an MNC should apply a compensation strategy.*

The situation is different if technical/functional repatriates demonstrated low IA performance. The human capital acquired hardly varies, as there is little chance to obtain strategically relevant KSA in the course of these assignments anyway. Yet, due to the notion of reciprocity, psychological contracts are likely to alter with a reevaluation of the individual achievements abroad (Rousseau, 1989). Objectives of technical/functional IAs are rather tangible. If repatriates feel to have failed in keeping their part of the bargain, they might adjust their expectations toward rewards from the firm respectively.

Moreover, when choosing repatriation strategies, an MNC should also consider ramifications which exceed the dyadic firm-employee relationship. If returnees from technical/functional assignments have underperformed but are nevertheless rewarded with a raise, the psychological contract formulation of potential expatriates-to-be might be affected. As Bolino (2007) suggests, staff that has not yet been expatriated is likely to observe the outcomes which colleagues obtain from an IA, to then draw conclusions for their own future. Psychological contracts play a major role in employee motivation (Rousseau, 1989). If future assignees learn that repatriates receive a salary increase independently of their performance, their incentives to exert great efforts overseas can mitigate while their beliefs in the firm's obligations remain stable.

Summarized, we recommend applying a risk strategy for technical/functional repatriates who delivered low IA performance. It simply implies a transition back to the home country. Neither a promotion nor a compensation increase relative to the situation before the IA is intended. Respective repatriates are unlikely to perceive a psychological contract violation, due to low expectations that derive from a combination of their performance difficulties abroad and the configuration of their IA (Stahl et al., 2009). This mitigates the risk of withdrawal. If returnees should decide to resign after all, the loss is manageable for the firm, as they have neither gained strategically relevant human capital through the IA experience nor proven to be appropriate candidates for future assignments. Their retention must not be enabled at all costs (McNulty & Inkson, 2013). Thus:

Proposition 1b *When repatriating a prevailingly technical/functional assignee who demonstrated low IA performance, an MNC should apply a risk strategy.*

Repatriation Strategies for Prevailingly Developmental Assignees

Developmental IAs constitute what is commonly considered a human capital investment (Shaw, Park, & Kim, 2013). KSA acquisition is not only a by-product of the foreign experience but rather its objective in the first place. An MNC assigns junior- or mid-level managers with promising potential to various overseas markets to perform diverse jobs. The main interest is thereby to generate future leaders capable of succeeding in a multinational business environment. Abroad, the exposure to foreign operations is respectively high (Caligiuri & Colakoglu, 2007). To best assimilate learning opportunities, not only functional departments but also HR and/or talent management can be involved in the IA organization (Collings, 2014). Extensive trainings, mentoring, or explicit firm networking opportunities abroad are thus likely (Stahl et al., 2009). If candidates fully exploit the chances provided, crucial firm-specific human capital as well as more general KSA can be obtained. Developmental assignees therefore receive ample opportunities to build a portfolio of human capital which can entail sustained competitive advantage for the firm.

Thus, if employees demonstrated high IA performance, an MNC should aim to integrate their KSA upon repatriation by fulfilling their psychological contract. Yet, reward expectations are likely to be higher than for repatriates from technical/functional jobs. Such assignments target individuals with noticeable potential (Brookfield Relocation Services, 2015). The selection process is likely to reflect this fact, fostering the candidates' belief in long-term rewards (Harvey et al., 2012). So do the challenging duties and the extensive support which expatriates are likely to encounter abroad. Developmental assignees are therefore found to expect a stronger link between the IA experience and future advancement than technical/functional expatriates (Stahl et al., 2009). To sustainably motivate them to contribute their human capital to corporate use, an MNC's repatriation management should therefore aim at professional advancement. Any other experience would be perceived as psychological contract breach and lead to human capital withdrawal (Stahl et al., 2009).

Hence, we recommend the application of a career strategy. A promotion to a higher hierarchical level than before the expatriation should be realized, with a salary increase likely to be entailed (Ng et al., 2005). This approach also provides the opportunity to deploy the strategic KSA at levels where they are more likely to affect corporate performance (Daily et al., 2000). The advancement should thereby have a primarily national focus over the mid-term. Career opportunities within MNCs are not restricted to the home country, wherefore subsequent IAs are of course a valid option. Yet, it must be considered that developmental repatriates worked in junior or mid-level jobs prior to expatriation (Caligiuri & Colakoglu, 2007). By their successful assignment, they have proven to be worthy of the trust placed in them and are likely to become key personnel in the future (Collings, 2014). Further investments are required to continue on this road. The progress compared to before the IA must thus be thoroughly assessed, which can best be realized back in the home organization, close to former or still active disciplinary supervisors and HR partners. Over the long term, a global career within MNC boundaries is likely. It does then, however, not stand in a direct relation to this IA anymore. We therefore propose:

Proposition 2a *When repatriating a prevailingly developmental assignee who demonstrated high IA performance, an MNC should apply a career strategy with a primarily national focus over the mid-term.*

Again, the effectiveness of the repatriation strategy varies for underperformance abroad. In the case of developmental assignees, not only the psychological contract but also the human capital acquired can be affected by this conjuncture. As the IA's configuration affords broad opportunities for developing KSA, weak overseas accomplishments can entail decisive differences in human capital obtained (Ng et al., 2005). The developmental component of the foreign experience is then not fully exploited. In fact, the firm might even have selected the wrong candidate in the first place (Stone, 1991). Professional advancement therefore does not serve as adequate repatriation objective. The repatriation support required constitutes an additional investment that is uncertain to pay off. For an MNC, it is further crucial not to set wrong incentives for developmental expatriates-to-be (Bolino, 2007). They need to remain motivated to perform at their best overseas, so future key personnel can be identified in the course of such IAs. Yet, the perceived entitlement of developmental assignees to career enhancement upon repatriation is strong (Stahl et al., 2009). Despite the fact that psychological contracts draw on reciprocity (Rousseau, 1989), chances are high that IA underperformance does not lead to the same lowering of benefit expectations as for technical/functional returnees. Also, the objectives of developmental IAs are less tangible, making it more difficult to notice personal failures. If developmental repatriates are not provided with explicit career chances upon repatriation, the possibility of a perceived psychological contract breach is therefore still given (Stahl et al., 2009).

Nevertheless, we propose applying a risk strategy, thus one that aims at the employees' transition back to the home country without a promotion and/or compensation increase. In the best case, employees are able to assess their own accomplishments abroad and thus are not disappointed by the lacking benefits upon return. In the worst case, they feel betrayed after all, resulting in human capital withdrawal. Yet, this risk is manageable for an MNC. The challenges met in the course of developmental

IAs are a chance to separate promising individuals from those indeed likely to become corporate key personnel in the future. As candidates still hold rather uncritical junior- to mid-level manager positions (Caligiuri & Colakoglu, 2007), their potential loss has moderate ramifications. We thus conclude:

Proposition 2b *When repatriating a prevailingly developmental assignee who demonstrated low IA performance, an MNC should apply a risk strategy.*

Repatriation Strategies for Prevailingly Strategic Assignees

Strategic assignees are very different from the other two types discussed so far. These are not professionals in a specified function filling a skill gap abroad or youngsters still having to learn and prove themselves to the firm. Instead, such employees have already demonstrated their corporate value and are thus assigned to hold critical positions such as that of a foreign subsidiary manager (Caligiuri & Colakoglu, 2007; Edström & Galbraith, 1977). Similar to technical/functional assignees, the support provided to strategic expatriates is rather needs-driven, as they do not explicitly require further education. The firm nevertheless grants them special attention while overseas, as they mostly receive far higher compensation packages than those on IAs with less critical objectives (Bonache & Noethen, 2014).

Further, although the assignment focus is not on personal development, "gaining new skills can [still] be a secondary goal" (Caligiuri & Colakoglu, 2007, p. 395). In this regard, the human capital to be acquired does not so much consist of general learnings about international business, since having this knowledge is a prerequisite for succeeding in the job (Caligiuri & Colakoglu, 2007). Strategic assignees rather receive the chance to obtain critical firm-specific human capital. For example, due to their responsible position on-site, these employees are likely involved with stakeholders of high ranks, allowing them to build exceptional networks if their contextual performance is good (Kraimer & Wayne, 2004). Moreover, the tasks overseas not only provide the chance to intensively comprehend an MNC's global value chain but also to actively shape it. Only few firm members are in positions that allow acquiring such KSA, wherefore their value and rareness as a managerial resource are significant. Hence, the human capital of strategic repatriates can serve as source of sustained competitive advantage to the firm.

In case of high IA performance, a successful integration of the KSA is therefore vital. The leveraging effect of psychological contracts needs to be carefully considered during repatriation. However, the reward expectations of successful strategic repatriates can be assumed to be the highest. Not only the complexity of the task fosters the belief in future returns (Harvey et al., 2012); additionally, these are employees in senior positions, which might have been working for the firm for quite some time. This reflects on their psychological contract, as "(…) the longer the period of membership in one organization, the more likely it is that individuals perceive obligations of reciprocity" (Rousseau, 1989, p. 134). To prevent withdrawal, a link between repatriation and advancement is therefore inevitable.

Consequently, we suggest a career strategy, enhancing the hierarchical position as well as the compensation package compared to before the IA. Yet, other than for developmental ones, careers of strategic repatriates should have a primarily international focus over the mid-term. Respective employees fill very senior positions. Advancing their status within firm boundaries of course implies the offer of an even higher position with more responsibility. Due to limited capabilities, such jobs might not always be available in the home organization. An MNC should nevertheless be eager to deploy the valuable human capital in upper managerial levels, as it can then best affect firm performance (Daily et al., 2000). As the KSA obtained concerns managing country markets, subsequent strategic IAs in markets that are of relatively higher corporate relevance provide an efficient opportunity to do so. Hence, an MNC's repatriation strategy should not have the conventional national focus but rather consider further IAs over the mid-term. For reasons of conformity, we still denote this approach as repatriation strategy as it nevertheless focuses on managing the end of an IA. It must again be acknowledged at this point that national postings in the headquarters are of course a valid option for strategic repatriates that performed well. Over the long term, career steps back to the home organization are even likely, as these employees might at some point attain positions in the top management team. However, positions that make efficient use of the valuable KSA gained abroad must first be available, which is not always the case. Thus:

Proposition 3a *When repatriating a prevailingly strategic assignee who demonstrated high IA performance, an MNC should apply a career strategy with a primarily international focus over the mid-term.*

Similar to developmental ones, strategic assignees who do not live up to the firm's expectations are likely to acquire a lesser extent of relevant human capital abroad. The potential effects on their psychological contract are comparable as well. Their expatriation objectives might be more transparent but they are still prone to a psychological contract breach in case of not feeling acknowledged by the firm. Despite the individual performance delivered, the perceived entitlement to organizational gratification might be strong (Harvey et al., 2012). Yet, other than in the case of youngsters sent abroad to learn, the risk of a human capital withdrawal of former strategic expatriates is not as easy to bear for an MNC. It might be that the responsibility the firm has given to the individuals was not justified (Stone, 1991), but as they hold senior positions within organizational boundaries, their relevance as managerial resource is likely to be high anyway. Most importantly, they might possess noticeable firm-specific human capital independently of what they acquired during their last IA. The risk of losing such knowledge to competitors weighs heavy (Pazzaglia et al., 2012). Still, following the same argumentation as before, professional advancement as a direct consequence of the IA is not appropriate. Especially the impact on future expatriates-to-be must be taken into account (Bolino, 2007). The actions of staff in respective positions can be expected to be prone to public observation.

Consequently, the repatriation objective must be the employees' retention in spite of their lacking promotion to a higher position. We recommend applying a compensation strategy with a salary but no position increase. In this particular case, a raise can entail significant corporate costs, as the compensation of senior managers is on a considerable level. Yet, as it can facilitate the reintegration and retention of respective repatriates (Ren et al., 2013), it should nevertheless be realized to prevent further losses. We conclude:

Proposition 3b *When repatriating a prevailingly strategic assignee who demonstrated low IA performance, an MNC should apply a compensation strategy.*

The argumentation put forth so far suggests that an MNC can choose from a set of four repatriation strategies to efficiently manage the return of expatriates. In the following, we describe organizational prerequisites necessary to facilitate their implementation.

Organizational Prerequisites for Strategy Implementation

The feasibility of the repatriation strategies deduced in this article depends on some organizational prerequisites. Addressing all practices required to enabling the transition of expatriates back to the home country, or the move to an advanced position upon return, exceeds the scope of this work. We refer here to thorough research dedicated to the topic of firm support (e.g., Kraimer & Wayne, 2004; Lazarova & Caligiuri, 2001). Yet, to allow for the basic mechanisms of the strategies to work, an MNC must consider distinct organizational aspects along the expatriation process.

The first imperative is the *definition of the IA type* during the pre-expatriation phase. A reason for the scarce consideration of IA differences in research might be the MNCs' lack of clearly defining distinct types in the first place. Yet, the objectives driving expatriation must be taken into account as they strongly affect the efficiency of management approaches along the experience (Bonache & Noethen, 2014). Over time, IA targets might change to some extent due to external influencing factors. Yet, the predominant purpose is likely to remain stable and must be determined in advance. In fact, defining the IA type during the pre-expatriation phase serves as organizational prerequisite for consulting this IA characteristic as long-term indicator for the repatriation strategies introduced.

The definition of the IA type is moreover crucial as it reflects on the second prerequisite for the repatriation strategies presented, namely the *management of the IA performance* during the expatriation phase. For the home organization, expatriate accomplishments tend to be a black box. Performance reviews and feedback sessions are mostly conducted by superiors on-site, with results seldom being communicated to those responsible back home. Often, a respective IT infrastructure is not even in place (Singh & Agarwala, 2011). An integrated IA performance evaluation, however, is essential for implementing the repatriation strategies introduced, as this IA characteristic serves as a mid- to short-term indicator for applying a distinct strategy. It was addressed before that IA objectives are sometimes hard to formulate, wherefore their fulfillment is equally difficult to evaluate. Yet, an MNC can resort to more differentiated approaches to performance management which serve the purpose as well (Kraimer & Wayne, 2004).

Eventually, defining the IA type and managing the IA performance provide the ground for the most central prerequisite for the repatriation strategies presented, that is the *management of expectations* along the entire expatriation process (Bonache & Noethen, 2014). This work calls for the integration of organizational and individual interests to efficiently manage repatriation. Like other studies before (e.g., Haslberger & Brewster, 2009), it thus emphasizes the role of individual expectations for the success of an IA. Still, the targeted management of those expectations is often neglected in practice (Caligiuri et al., 2001; Harvey et al., 2012). However, the repatriation strategies introduced rely on the fact that employees cherish hopes in line with their particular assignment. On the one hand, strategic expectations management must include the up-front communication of the IA type

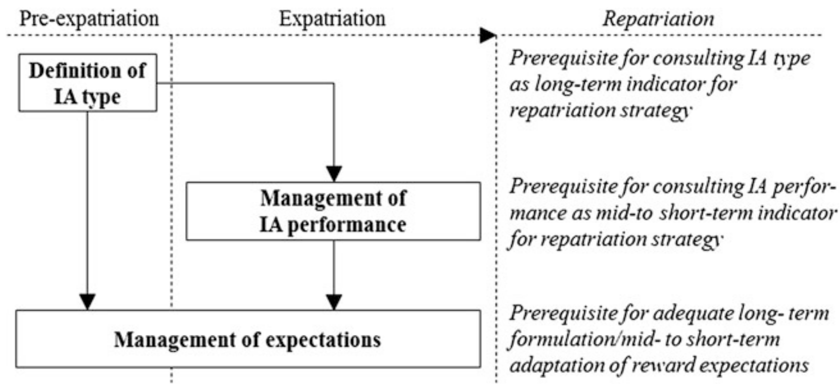

Fig. 7.2 Prerequisites for repatriation strategy implementation

to the employees to ensure for their long-term reward expectations to be adequate. Of course, expectation management should thereby not create impressions such that no benefits are entailed for employees assigned for technical/functional purposes. This would neither reflect the corporate importance of these IAs (Brookfield Relocation Services, 2015) nor increase the individual willingness to accept them in the first place. Instead, benefits other than a promotion upon repatriation must be emphasized, such as the prospect of a raise, and the experience of working and living abroad in itself. On the other hand, expectation management must imply regular performance feedbacks to allow for mid- to short-term adaptations of individual reward expectations if necessary. Among others, the work of Harvey et al. (2012) offers first insights into the topic of expatriate expectation management. Figure 7.2 provides an overview of the organizational prerequisites for the repatriation strategies introduced in this study.

Conclusion and Future Research

This study integrates the RBV and psychological contract theory, that is organizational and individual interests, to deduce repatriation strategies for MNCs. We thereby contributed to existing expatriation research in several ways. First, we clearly outlined the value of repatriates as managerial resource, which has scarcely been done in literature (Fink et al., 2005). Second, we established a theoretical link between this resource perspective on repatriates and the psychological contract frequently addressed in repatriation literature (e.g., Haslberger & Brewster, 2009), as we explained its importance for successfully integrating the human capital upon return. We thereby extended existing theory on the role of psychological contracts for exploiting human capital to the context of expatriation (McDermott et al., 2013; Wright, 2001). Third, we responded to the call for distinction among IAs (Bonache & Noethen, 2014; Stahl et al., 2009) by illuminating differences in repatriate KSA and reward expectations, depending on the IA type and performance. We then drew on those insights to develop a set of four repatriation strategies applicable to varying kinds of assignment experiences—namely the career strategy with an international focus, the career strategy with a national focus, the compensation strategy, and the risk strategy—which can facilitate repatriation and thereby contribute to solving the MNCs' current struggle upon the end of IAs. Finally, we highlighted organizational prerequisites for implementing the strategies introduced, such as expectation and performance management. Despite being crucial to successful expatriation, these have yet received little scholarly and practical attention (Harvey et al., 2012; Singh & Agarwala, 2011).

While this work provides practitioners with a viable approach for challenging the career-related difficulties frequently encountered upon repatriation, it also highlights crucial research needs that should be addressed by scholars in the future. First and foremost, expatriation literature needs to pay more attention to the alignment of organizational and individual interests to efficiently manage IAs. The framework introduced emphasizes the interrelation of the goals of an MNC and its (returning) expatriates. Managing expatriation implies managing individuals, whose actions need to be directed in a way that benefits the firm. The consideration of psychological contracts is thus inevitable. So far, researchers primarily concentrate on the risks entailed (e.g., Chi & Chen, 2007; Haslberger & Brewster, 2009). The potential for a targeted alignment of employee interests with those of the firm is largely neglected. Yet, by strategically incorporating reward expectations into IA management, an MNC might be able to enhance the quality of its pool of expatriates-to-be (Mendenhall et al., 1987) or the ability to meet IA objectives abroad (Bonache & Noethen, 2014). Future research should thus further elaborate on the interplay of MNC and individual goals during an IA.

Yet, to be able to efficiently manage this interplay, an MNC must be provided with instruments that help to create psychological contracts that are beneficial for both parties (McDermott et al., 2013). Few studies so far are dedicated to the topic of expectation management during an IA (e.g., Harvey et al., 2012). However, being aware of individual expectations, and furthermore knowing how to direct them strategically, is vital for successfully integrating organizational and individual interests. Despite the fact that the systematic assessment of employee achievements abroad directly relates to managing expectations, IA performance management has received equally little research attention (e.g., Singh & Agarwala, 2011). Scholarly work in the future thus needs to address expectation management in the context of expatriation in greater detail.

Eventually, this study points out that when attempting to align organizational and individual interests, an MNC must also take into account that these interests vary decisively with distinct IA characteristics. Management approaches must thus be adapted depending on whether somebody is assigned for strategic or technical/functional purposes, or performs beyond or below expectations in this respect. Still, few studies consider the role of IA differences for expatriation management (e.g., Bonache & Noethen, 2014; Stahl et al., 2009). Yet, ex- or repatriates cannot be considered as a homogenous group. Instead, the line of thought applied in this study should be extended by future research to derive diversified implications for managing the pre-expatriation and expatriation phases as well. If MNCs succeed in adapting management attempts according to the particular characteristics of an IA—and hence, to the distinct organizational and individual interests entailed—the success of their global mobility programs can be improved sustainably. With this work, we hope to encourage many more studies to applying a differentiated perspective on expatriation management.

North American Perspective

What Do they Expect, and What Do We Need to Offer? A Classification of Repatriation Strategies from the MNC Perspective

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"Successful repatriation" has long been a "hot" topic for both MNCs and global assignees, not least because it appears that the majority of MNCs, regardless of their country of origin, are not all that "successful" when repatriating their employees. First gaining traction in the 1980s, the topic has been a staple in expatriate research, with notable rise in scholarly interest in the early 2000s, given the ever-intensifying process of globalization and corresponding knowledge sharing demands associated with global operations. Early work on repatriation centered primarily on individual experiences and often listed numerous frustrations that repatriates experienced upon return, while more recent work has expanded its focus to include organizational concerns. Over the years, retention has been the outcome that has been studied most intensely (mostly in terms of individual decisions to stay or go) and although its top position in the list of repatriation issues is still unchallenged, scholars today have turned their attention to a much wider gamut of issues of strategic interest to organizations and individuals.

MNCs managing repatriation strategically is precisely the point of departure of this chapter. The study does an excellent job of applying the RBV to repatriation and of building an argument that repatriate human capital can be a source of sustained competitive advantage for organizations. Breitenmoser and Berg rightly state that repatriation strategies can (and must) be used to motivate repatriates to contribute their experience and expertise to corporate use. The chapter then discusses several differentiated repatriation strategies to be used by MNCs as a function of the type of international assignment and the performance of the assignee.

While the chapter is written from a European perspective, it is just as relevant for organizations outside Europe.

The authors make two key points, which both organizations and scholars are well advised to heed. First is differentiating between types of assignments. While typologies of expatriates have existed for quite some time, they have not been integrated well in the study of managing global mobility. This chapter is a step in the right direction. The second point is that there are multiple dimensions of recognizing the value of international experience. The authors talk about the most common ones here, promotions and compensation, noting that they might not always go hand in hand. To me, the core contribution of the chapter is the idea that organizations should consider a much more tailored approach to repatriation and the chapter provides a number of specific suggestions on how they can approach this complex issue.

A reflection on this chapter suggests possible extensions on its key points. Notably, in addition to considering assignment type and performance on assignment, MNCs also consider the personal and career goals of individual assignees. For example, there could be repatriates that long for more of the excitement of an international assignment job and thus be motivated by neither a salary increase nor a promotion, but rather by purposeful career planning that allows for opportunities for international work. Related to this, there are likely different ways to motivate people to contribute to the organization that go above and beyond compensation and/or promotion. For example, repatriates who have developed international employee identities over the course of their assignments (Kraimer, Shaffer, Harrison, & Ren, 2012b) can be given domestic jobs with international responsibilities, asked to act as mentors to future expatriates and liaisons for current ones, asked to contribute to cross-border knowledge sharing and so forth. In other words, there are many ways to show recognition and appreciation of foreign experience.

A related venue for future research is the need to clarify what organizations consider as desired outcomes of repatriation (for the organization), both in the immediate weeks after repatriation and in the much longer term. Clarity on this issue is the first step towards assessing systematically whether the way an MNC handles repatriation contributes to its sustained competitive advantage. A similar issue is relevant at the individual level. Despite several recent exceptions (Kraimer et al., 2012b; Reiche, 2012b; Reiche, Kraimer, & Harzing, 2011) repatriation studies tend to be cross-sectional thus not allowing us to confirm the long-term professional and personal benefits of global assignment experience. More applied work is also needed on why organizations tend not to utilize the wealth of knowledge that has been provided by existing repatriation research. It is disheartening to read study after study that collectively suggest that the repatriate experience has not changed much over the years and is still associated with frustration and lack of fulfillment, while at the same time be presented with reports that state that MNCs struggle to keep repatriates. Finally, going beyond the European and the North American context, we need work on how MNCs from developing countries are handling repatriation, especially that of expatriates that return from assignments in more economically developed countries. If knowledge and competency acquisition are higher up on the agenda in MNCs from developing countries than in their Western counterparts, are they managing repatriation differently (and are such efforts paying off)?

For better or worse, repatriation is a topic that still offers a number of opportunities for research. The present chapter charts a number of interesting questions to explore. The exciting ideas presented here represent some of the core themes that will continue to keep us busy (and excited) for the foreseeable future.

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8

Repatriate Knowledge Transfer: A Systematic Review of the Literature

Anne Burmeister

Introduction

Based on the resource-based view of the firm, the value of knowledge for gaining and sustaining competitive advantages has long been established (Barney, 1991; Drucker, 1969, 1992). Knowledge can be defined as a "mental state of ideas, facts, concepts, data and techniques, recorded in an individual's memory" (Bender & Fish, 2000, p. 126). Put differently, knowledge is information enriched by personal experience, values, beliefs, and contextual information. More recently, the relevance of intraorganizational knowledge transfers across national borders and the development of a globally savvy workforce has increased due to the international character of many organizations nowadays (Quigley, Tesluk, Locke, & Bartol, 2007; Stahl, Chua, Caligiuri, Cerdin, & Taniguchi, 2009). One mechanism that is applied by multinational companies to enable intra-organizational knowledge flows and to develop global leaders is sending

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employees abroad on international assignments (Bonache & Zárraga-Oberty, 2008; Kraimer, Shaffer, & Bolino, 2009). Employees who are sent abroad on international assignments by their organization are called expatriates (McEvoy & Buller, 2013), and expatriates who return to their domestic organizations are called repatriates (Berthoin Antal, 2001).

Research has shown that both expatriates and repatriates can act as boundary spanners across national borders and units of the organization, as they have lived and worked in different countries in which the company operates (Harzing, Pudelko, & Reiche, 2015; Reiche, 2011). Furthermore, they can enable intraorganizational knowledge flows and organizational learning, due to their ability to adapt and restructure knowledge and to apply it to new contexts (Argote, 2013; Argote & Ingram, 2000). Consequently, expatriates and repatriates can play a very important role in enlarging and internationalizing the knowledge base of organizations (Hocking, Brown, & Harzing, 2004; Inkson, Arthur, Pringle, & Barry, 1997). Studies on expatriate knowledge transfer have reported that the influence of expatriates as knowledge transferors has a positive impact on the performance of the subsidiaries (Chang, Gong, & Peng, 2012; Fang, Jiang, Makino, & Beamish, 2010). Nonetheless, scholars have acknowledged that this focus on expatriate knowledge transfers might be too narrow and ethnocentric (Kamoche, 1997). Therefore, the competency-based view of international assignments (Harvey & Novicevic, 2006) has been expanded to include the process of knowledge transfer upon repatriation (Berthoin Antal, 2001). Knowledge transfer describes an interactive and socially embedded process between knowledge senders and recipients. Knowledge is disseminated by knowledge senders, acquired by knowledge recipients, and then applied to new contexts (Szulanski, 1996; Wang & Noe, 2010). Therefore, knowledge transfer differs from other related knowledge exchange processes, such as knowledge sharing, due to its emphasis on the application of the newly acquired knowledge by knowledge recipients (Davenport & Prusak, 1998).

The body of the literature on repatriate knowledge transfer (RKT) has grown considerably since the first empirical study by Berthoin Antal in 2000. To date, scholars have provided typologies of repatriate knowledge (Berthoin Antal, 2000; Fink & Meierewert, 2005), developed conceptual models (Bonache & Zárraga-Oberty, 2008; Lazarova & Tarique, 2005; Oddou, Osland, & Blakeney, 2009), and started to examine the variables that influence RKT success (Burmeister, Deller et al., 2015; Huang, Chiu, & Lu, 2013; Oddou et al., 2013). While these studies have contributed to a more nuanced understanding of RKT, much empirical research remains to be done. For example, quantitative research is scarce, some relationships that have been proposed conceptually have yet to be tested empirically, and the complex interrelationships between variables on different levels need to be investigated. As a result, the complex processes and relationships associated with RKT are not fully understood.

As a first step to address these limitations, I reviewed the literature on RKT that has been published between 2000 and 2015, to describe the status quo of the current scholarly conversation. I draw upon the categorization of antecedents of knowledge transfers into knowledge, individual, relationship, and contextual characteristics, which are provided by the literature on general knowledge transfers (Argote, McEvily, & Reagans, 2003; Szulanski, 1996). As a result of this synthesis, I present an integrated multilevel framework of the antecedents of RKT. Furthermore, the theoretical foundation of the literature on RKT is examined. Based on the analysis of the literature on RKT, I propose avenues for future research as well as implications for practitioners.

Method

Data Collection

In order to increase the objectivity of results and to provide a comprehensive overview and a conceptual consolidation of the field of RKT, I conducted a systematic review of the literature on RKT (Crossan & Apaydin, 2010). The identification of relevant publications was guided by the following selection criteria. First, only publications that focused on RKT and related knowledge transfer processes (i.e., inpatriate knowledge transfers; Reiche, 2011, 2012) within an intraorganizational context were included. For example, studies that focused on related but different topics, such as repatriate retention, adjustment, career development, and talent management, were excluded. Second, only peer-reviewed journal articles and articles from edited volumes were included to ensure high quality of the publications (Crossan & Apaydin, 2010). Third, only publications in English were included. Fourth, the literature review was limited to publications between 2000 and June 2015. I choose 2000 as the starting year because other researchers have shown that no earlier work on RKT has been published. For example, Oddou et al. (2009) argued that, at that time, only three published pieces on RKT existed (Berthoin Antal, 2000, 2001; Lazarova & Tarique, 2005). In addition, the literature review by Nery-Kjerfve and McLean (2012) on repatriation identified 39 articles in total (1999–2009). However, only eight of these publications focused on organizational knowledge, knowledge transfer, knowledge sharing, and learning transfer. Again, the first publication that was referenced here was the work by Berthoin Antal (2000). I choose to extend the period of the literature review to June 2015, to provide the most recent summary possible.

The search for relevant publications on RKT was conducted as follows; First, relevant publications were identified through a keyword search in the databases Business Source Premier (via EBSCOhost), PsycInfo, and Web of Science. These databases were chosen because they provide a comprehensive overview of high-quality publications in the social sciences (Crossan & Apaydin, 2010). The initial search of the databases was undertaken using two keywords—knowledge transfer and repatriation—and their derivatives (for example, knowledge sharing, knowledge exchange; repatriat*). The *topic area* (that is, title, abstract, keywords) of publications was searched (Crossan & Apaydin, 2010). This search returned 7 articles for Business Source Premier, 10 articles for PsycInfo, and 16 articles for Web of Science. However, 11 of these publications had to be excluded because they did not meet the selection criteria outlined above. Finally, after removing duplicates, 12 publications that focused on RKT remained. This initial search result was expanded by the use of the snowballing sample technique, which meant searching the reference lists of already identified publications for additional relevant publications (Greenhalgh, Potts, Wong, Bark, & Swinglehurst, 2009). The reference lists of the 12 articles were searched, and 14 other relevant publications were identified. In sum, 26 articles on RKT and closely related knowledge transfer processes (that is, inpatriate knowledge transfers; Reiche, 2011, 2012) were included in this systematic literature review.

Data Analysis

The initial analysis of the identified publications on RKT revealed that several conceptual (for example, Bonache & Zárraga-Oberty, 2008; Oddou et al., 2009) and empirical (for example, Huang et al., 2013; Oddou et al., 2013) publications focused on the identification of variables or antecedents that influence the RKT process. Therefore, this literature review focused on this aspect. The summary of the research results with regard to the variables that influence RKT was structured according to three levels: individual, dyadic, and organizational. This multilevel logic is based on the guidance of the literature on general knowledge transfer, which has identified four groups of antecedents of knowledge transfers: knowledge, individual, relationship, and contextual characteristics (Argote et al., 2003; Kostova, 1999; Szulanski, 1996). Szulanski (1996) had argued that the internal stickiness of knowledge transfers can be explained based on these characteristics, and this categorization is widely accepted and used by knowledge transfer researchers (for example, Riusala & Suutari, 2004).

Researchers have demonstrated that knowledge is embodied by individuals (Nonaka & Takeuchi, 1995). Therefore, I subsumed knowledge characteristics under the individual level. In addition, relationship characteristics reflect the dyadic level in the proposed RKT framework, and contextual characteristics are summarized on the organizational level. I aimed to summarize the research findings with a sufficient but limited number of categories on the three levels in order to provide a comprehensive overview of the most relevant antecedents of RKT. The categories followed the guidance provided by the literature on general knowledge transfers (for example, Argote, Ingram, Levine, & Moreland, 2000) and the conceptual frameworks by Bonache and Zárraga-Oberty (2008) and Oddou et al. (2009). On the individual level the categories were *knowledge* characteristics (that is, type, tacitness, criticality), ability of repatriates and recipients, and motivation of repatriates and recipients. On the dyadic level, two categories were used: interaction and mutual trust. The interaction category subsumed more quantitative aspects of the relationship between repatriates and recipients, such as frequency and intensity of interaction. In contrast, the mutual trust category consisted of more qualitative aspects of their relationship. Finally, three categories were used on the organizational level: organizational culture, organizational support, and managerial support. These categories represent contextual characteristics that have been shown to influence knowledge transfer behavior (Santosh & Muthiah, 2012).

Results

Table 8.1 provides a chronological overview of the 26 publications on RKT. The table includes information about the year of the publication, authors, outlet, theoretical foundation, research design, and variables under investigation. In addition, the main findings of each study are briefly summarized. Before the antecedents of RKT are presented, the theoretical foundations of the identified publications on RKT will be reviewed. This analysis should enable the reader to develop a more nuanced understanding of the theoretical embeddedness of the literature on RKT.

Theoretical Foundation of the Literature

As can be seen in Table 8.2, the literature on RKT builds on diverse theoretical foundations.

Two different theoretical approaches have primarily been used: theories on knowledge creation and organizational learning as well as the resource-based view of the firm. First, studies on RKT that built on knowledge creation and organizational learning theories have discussed the process of knowledge creation (Nonaka, 1994; Nonaka & Takeuchi, 1995), the process of knowledge transfers (Davenport & Prusak, 1998; Szulanski, 1996), and the development of learning organizations (Argyris & Schön, 1978; Garvin, 1993). This perspective has emphasized the dynamic and interactive aspect of knowledge creation and transfer, and it has clarified that organizational learning is dependent on the creation, acquisition, and dissemination of individual knowledge within the organizational network (Garvin, 1993). Second, the resource-based view of the firm (Barney, 1991; Wernerfelt,

Table 8.1. Overview of the literature

No.	Authors	Outlet	Theoretical foundation	Method	Sample	Variables*	Main findings
1	Bender and Fish (2000)	Journal of Knowledge Mgmt	• Knowledge creation and organizational learning	Conceptual	n/a	• Type of knowledge • Organizational culture • Organizational support	First, the authors define the terms knowledge and expertise. Second, they argue that high-quality repatriation processes are needed in order to retain internationally experienced and knowledgeable employees that can facilitate organizational learning.
2	Berthoin Antal (2001)	Journal of General Mgmt	• Knowledge creation and organizational learning	Case study, semi-structured interviews	$N = 21$, German sample	• Knowledge criticality • Type of knowledge • Knowledge tacitness	Five types of repatriate knowledge identified: declarative (know-what), procedural (know-how), conditional (know-when), axiomatic (know-why), relational (new, know-who).
3			• Knowledge creation and organizational learning	Case study, semi-structured interviews	$N = 21$, German sample	• Organizational culture • Organizational support • Managerial support	The author argued that barriers to knowledge sharing are based on the absence of active interest and processes rather than actual impediments. In contrast, knowledge sharing is facilitated through smaller units, number of managers with international experience, and (position) power of returnees.

(*continued*)

Table 8.1. (continued)

No.	Authors	Outlet	Theoretical foundation	Method	Sample	Variables*	Main findings
4	Fink and Meierewert (2005)	Human Resource Planning	• Resource-based view of the firm	Qualitative, narrative interviews	$N = 36$, Austrian sample	• Knowledge criticality • Type of knowledge • Knowledge tacitness	Five types of repatriate knowledge are identified: market-specific knowledge (e.g., local systems, language, customs), personal skills (e.g., flexibility, tolerance), job-related management skills (e.g., communication, project management), network skills, general management skills (e.g., business overview, nature of business).
5	Lazarova and Tarique (2005)	Journal of World Business	• Career theory • Fit theories (e.g., person-job fit, structural contingency theory)	Conceptual	n/a	• Type of knowledge • Knowledge criticality • Motivation to transfer • Interaction • Organizational support	The authors argue that effective knowledge transfer is dependent on the fit between individual readiness (i.e., valuable knowledge, motivation) to transfer knowledge and organizational receptivity (i.e., tools, incentives) to knowledge.

6	Blakeney, Oddou, and Osland (2006)	Palgrave Macmillan: International HRM and international assignments	• Resource-based view of the firm • Communication theory	Conceptual	n/a	• Type of knowledge • Ability to transfer • Motivation to transfer • Ability to receive • Motivation to receive • Interaction • Mutual trust	The authors identify the components of the repatriate knowledge transfer process. These components are: the sender (the repatriate), the message (the repatriate's acquired assets), the recipient (domestic work-unit members), and their shared field of experience.
7	Furuya, Stevens, Oddou, Bird, and Mendenhall (2007)	Asia Pacific Journal of Human Resources	• Communication theory	Quantitative	*N* = 305, Japanese sample	• Organizational support	The authors show that companies' human resource practices and repatriates' self-adjustment efforts are positively related to successful competency transfer upon repatriation.
8	Mäkelä (2007)	Intl. Studies of Mgmt. & Organization	• Social capital theory	Case study, semi-structured interviews and observation	*N* = 20, Nordic sample	• Interaction • Mutual trust	Taking a social capital perspective, this article argues that expatriate relationships provide strong ties that function as channels of knowledge sharing across national borders. Expatriate relationships are on average richer than arm's length cross-border relationships and characterized by higher level of trust, multiplexity, and shared cognitive ground. Thus, expatriation can have a sustained effect on knowledge sharing within MNCs.

(*continued*)

Table 8.1. (continued)

No.	Authors	Outlet	Theoretical foundation	Method	Sample	Variables*	Main findings
9	Newton, Hutchings, and Kabanoff (2007)	Asia Pacific Journal of Human Resources	• [not explicitly stated by authors]	Quantitative	$N = 52$, Australian sample	• Knowledge criticality • Organizational support	The authors found that the function of the international transfer and an organization's belief about the value of the international experience of assignees affect the scope of the repatriation program offered. In order to harvest the value of the repatriates' newly gained knowledge, the functions of their international assignments and the organizational support offered need to be aligned.
10	Bonache and Zárraga-Oberty (2008)	The Intl. Journal of Human Resource Mgmt	• Resource-based view of the firm	Conceptual	n/a	• Knowledge tacitness • Ability to transfer • Motivation to transfer • Ability to receive • Motivation to receive • Relationship • Organizational support	The authors introduce a conceptual framework that analyzes the cause and effects of international assignments as knowledge transfer mechanisms. Accordingly, transfer success of international assignees will be affected by: the abilities and motivation of international staff; the abilities and motivation of local employees; and the relationship between local and international staff.

11	Crowne (2009)	Journal of Knowledge Management	• Resource-based view of the firm	Conceptual	n/a	• Interaction • Managerial support • Organizational support	Knowledge transfer during and after international assignments is facilitated by feedback-seeking behaviors of top management (i.e., monitoring, inquiry, and indirect inquiry) as well as building and strengthening social networks of managers and international assignees. Thus, expatriates and repatriates can be effective knowledge transferors; however, they need to be supported by management.
12	Furuya, Stevens, Bird, Oddou, and Mendenhall (2009)	Journal of Intl. Business Studies	• Knowledge creation and organizational learning	Quantitative	$N = 305$, Japanese sample	• Organizational support	Intercultural personality characteristics, self-adjustment, organizational support, and repatriation policies influence the success of global competency learning while abroad, as well as global competency transfer to domestic work unit members upon return. In addition, global competency learning and transfer were positively related to repatriates' job motivation and performance.

(*continued*)

Table 8.1. (continued)

No.	Authors	Outlet	Theoretical foundation	Method	Sample	Variables*	Main findings
13	Jassawalla and Sashittal (2009)	Human Resource Management	• [not explicitly stated by authors]	Qualitative, semi-structured interviews	N = 50, US American sample	• Organizational support	MNCs currently fail to take advantage of the knowledge that expatriates have acquired. Companies need comprehensive processes, systems, and structures to develop the next generation of globally trained managers that do not leave the firm after repatriation.
14	Mäkelä and Brewster (2009)	Human Resource Management	• Social capital theory	Quantitative, structured interviews	N = 57 (N = 413 relation-ships), Finnish sample	• Interaction • Mutual trust	The authors examine four interunit interaction contexts: interunit meetings, project groups, cross-border teams, and expatriate/repatriate interactions. They find that expatriate/repatriate contexts are associated with more interpersonal trust and shared cognitive ground than most other contexts. In addition, a significant relationship between expatriate/repatriate contexts and knowledge sharing, mediated by affective and cognitive social capital, was found.

15	Oddou et al. (2009)	Journal of Intl. Business Studies	• Social categorization theory • Social identity theory • Communication theory	Conceptual	n/a	• Ability to transfer • Motivation to transfer • Ability to receive • Motivation to receive • Interaction • Mutual trust	Oddou et al. (2009) developed a conceptual model of repatriate knowledge transfer. The model includes work unit characteristics (ability, motivation), repatriate characteristics (ability, motivation), and their interaction (shared field).
16	Berthoin Antal and Walker (2011)	Emerald: The role of expatriates in MNCs knowledge mobilization	• Knowledge creation and organizational learning	Qualitative, structured interviews	$N = 24$, Chinese sample	• Knowledge criticality • Type of knowledge • Motivation to transfer • Motivation to receive • Organizational support	The authors argue that the success of knowledge transfers after international assignments is dependent on the following factors: organizational and individual readiness to learn, the value of the knowledge that returners have to offer, and the organized and informal processes of knowledge sharing that are in place.

(*continued*)

Table 8.1. (continued)

No.	Authors	Outlet	Theoretical foundation	Method	Sample	Variables*	Main findings
17	Reiche (2011)	Human Resource Management	• Social resources theory	Quantitative	N = 269, German sample	• Motivation to transfer • Ability to receive • Organizational support	Reiche (2011) examined the role of inpatriates as boundary spanners and knowledge transmitters. He found that inpatriates' boundary spanning was positively related to their knowledge transfer efforts and their perceptions of HQ staff efforts to acquire knowledge. This relationship was moderated by perceived HQ absorptive capacity and mentoring by HQ staff.
18	Nery-Kjerfve and McLean (2012)	European Journal of Training and Development	• Career transition theory • Knowledge creation and organizational learning	Literature review	N = 39	• Organizational support	The authors conducted a literature review of articles published on repatriation, knowledge transfer, and organizational learning between 1999 and 2009. They identified four main themes with regard to repatriation: repatriation adjustment, organizational commitment, turnover attention, and career transitions.

19	Reiche (2012)	Journal of Mgmt. Studies	• Social resources theory • Social exchange theory	Quantitative, longitudinal	$N = 85$, from 10 German MNCs	• Type of knowledge • Ability to transfer • Motivation to transfer • Organizational support	Reiche (2012) examined the knowledge benefits of inpatriates' structural and relational host-unit social capital. He found that structural host-unit social capital enables continued access to host-unit knowledge, whereas repatriates' relational host-unit social capital facilitates both access to and transfer of knowledge upon return. In addition, perceptions of career and repatriation support moderated the relationship.
20	Santosh and Muthiah (2012)	The IUP Journal of Knowledge Mgmt	• Knowledge-based view of the firm	Quantitative	$N = 155$, Indian sample	• Knowledge criticality • Managerial support • Organizational culture	The authors show that workplace professionalism, source credibility based on reputation and work experiences, high knowledge quality, source awareness of who has international knowledge, and a facilitating organizational climate had a positive impact on the knowledge-seeking environment. In turn, this kind of environment facilitated RKT.

(*continued*)

Table 8.1. (continued)

No.	Authors	Outlet	Theoretical foundation	Method	Sample	Variables*	Main findings
21	Huang et al. (2013)	Journal of Knowledge Mgmt.	• Agent theory • Social exchange theory • Social network theory	Quantitative	$N = 140$, Chinese sample	• Motivation to transfer • Interaction (opportunity) • Organizational support	Huang et al. (2013) examined the role of formal and informal knowledge governance mechanisms (KGMs) on RKT success. The results indicate that both formal and informal KGMs have significant positive influence on the knowledge-sharing motivation of repatriates as well as their knowledge-sharing opportunities. As a result, knowledge sharing was facilitated.
22	Oddou et al. (2013)	Organizational Dynamics	• [not explicitly stated by authors]	Qualitative, semi-structured interviews	$N = 45$, German, Japanese, U.S. American sample	• Knowledge criticality • Ability to transfer • Motivation to transfer • Mutual trust • Managerial support	The authors analyzed hindering and facilitating factors for RKT. Hindering factors include being viewed as an outsider, unrelated job reentry job, working for uninterested managers, parochial work structures. Facilitating factors include repatriate ability, repatriate motivation, work unit acceptance and mutual trust, and the role of the manager.

23	Welch and Steen (2013)	Human Resource Management	• Knowledge creation and organizational learning	Conceptual	n/a	• Managerial support • Organizational support	The authors used three scenarios—learning from failure, failure to learn, and lost opportunities—to demonstrate how learning awareness can facilitate the efficacy of international staffing.
24	Gonzalez and Chakraborty (2014)	Human Resource Mgmt. Review	• Resource-based view of the firm	Conceptual	n/a	• Ability to transfer • Motivation to transfer • Ability to receive	The authors present a multilevel conceptual framework of expatriate knowledge utilization, including expatriate and subsidiary characteristics. They also discuss the relevance of outward knowledge flows that could follow the pattern of inward knowledge flows, even though outward knowledge transfer might be more complex.
25	Harzing et al. (2015)	Human Resource Management	• Knowledge-based view of the firm	Quantitative	$N = 813$, heads of human resources, 13 countries	• [Examination of influence of different (a) types of assignees, (b) functional areas, and (c) countries]	Different categories of international assignees contribute differently to knowledge transfer success. The influence of former inpatriate managers (i.e., repatriates to subsidiaries) is more important than the influence of expatriates in facilitating cross-unit knowledge transfers.

(*continued*)

Table 8.1. (continued)

No.	Authors	Outlet	Theoretical foundation	Method	Sample	Variables*	Main findings
26	Burmeister, Deller et al. (2015)	Journal of Knowledge Management	• Knowledge creation and organizational learning	Qualitative, semi-structured interviews	$N = 29$, German/US American sample	• Knowledge criticality • Ability to transfer • Motivation to receive • Mutual trust • Managerial support	The purpose of this article is to understand how the knowledge transfer process unfolds in the repatriation context. The findings are summarized in a proposed RKT process model, which describes the roles and knowledge transfer-related activities of repatriates, recipients, and supervisors as well as their interaction during four transfer phases: assessment, initiation, execution, and evaluation.

Note: *Variables as defined in Fig. 8.1. Multilevel framework of repatriate knowledge transfer

Table 8.2. Theoretical foundation of the literature

Rank*	Theory	Authors
1	Knowledge creation and organizational learning	1. Bender and Fish (2000) 2. Berthoin Antal (2000) 3. Berthoin Antal (2001) 4. Furuya et al. (2009) 5. Berthoin Antal and Walker (2011) 6. Nery-Kjerfve and McLean (2012) 7. Welch and Steen (2013) 8. Burmeister, Deller et al. (2015)
2	Resource-(or knowledge-)based view of the firm	1. Fink and Meierewert (2005) 2. Blakeney et al. (2006) 3. Bonache and Zárraga-Oberty (2008) 4. Crowne (2009) 5. Santosh and Muthiah (2012) 6. Gonzalez and Chakraborty (2014) 7. Harzing et al. (2015)
3	Social capital theory/Social resources theory	1. Mäkelä (2007) 2. Mäkelä and Brewster (2009) 3. Reiche (2011) 4. Reiche (2012)
4	Communication theory	1. Blakeney et al. (2006) 2. Furuya et al. (2007) 3. Oddou et al. (2009)
5	Social exchange theory	1. Reiche (2012) 2. Huang et al. (2013)
6	Others (only utilized once)	1. Lazarova and Tarique (2005) 2. Oddou et al. (2009) 3. Huang et al. (2013)

Note: *Rank based on frequency of utilization in research on repatriate knowledge transfer. Some studies utilized more than one theory

1984) argues that resources that are valuable, rare, non-imitable, and non-substitutable can represent a sustained competitive advantage of firms. Emerging from the resource-based view of the firm, social capital theory (Adler & Kwon, 2002) and social resource theory (Lin, 1999; Lin, Ensel, & Vaughn, 1981) have also been used to describe the value of resources that are associated with social relationships. These social resources can help individuals to achieve certain objectives by providing information and support (Mäkelä, 2007; Mäkelä & Brewster, 2009; Reiche, 2011, 2012).

In addition to these theoretical foundations, scholars who have examined RKT have also used communication theory (Shannon & Weaver, 1949; Wood, 1997) and social exchange theory (Blau, 1964; Emerson, 1962; Homans, 1961). The basic source-recipient model in communication theory posits that communication is dependent on a sender, a message, and a recipient. The transactional model of communication by Wood (1997) highlights the relevance of the relationship between senders and recipients, a relationship that she refers to as shared field. Social exchange theory posits that social behavior is a result of a self-interested cost-benefit analysis of the interactions with and relationships to others (Blau, 1964; Emerson, 1962; Homans, 1961). Thus, relationships are maintained as long as reciprocation of one's investments in that relationship can be expected. After this brief review of the theoretical foundations of extant research on RKT, I will now analyze the literature on RKT with regard to its antecedents.

Multilevel Analysis of the Literature

The conceptual RKT framework presented in Fig. 8.1 synthesizes the research results of previous studies with regard to the antecedents of RKT on three levels: individual, dyadic, and organizational. The presentation of the results is structured according to this framework.

Individual Level: Knowledge

Type of Knowledge

Two of the publications on RKT focused on the analysis of the type of knowledge that repatriates acquired while working abroad and then brought back to the parent company (Berthoin Antal, 2000; Fink & Meierewert, 2005). The typology by Berthoin Antal (2000) distinguished between the following five types of knowledge: know-what (declarative), know-how (procedural), know-when (conditional), know-why (axiomatic), and know-who (relational). The first four types of knowledge were

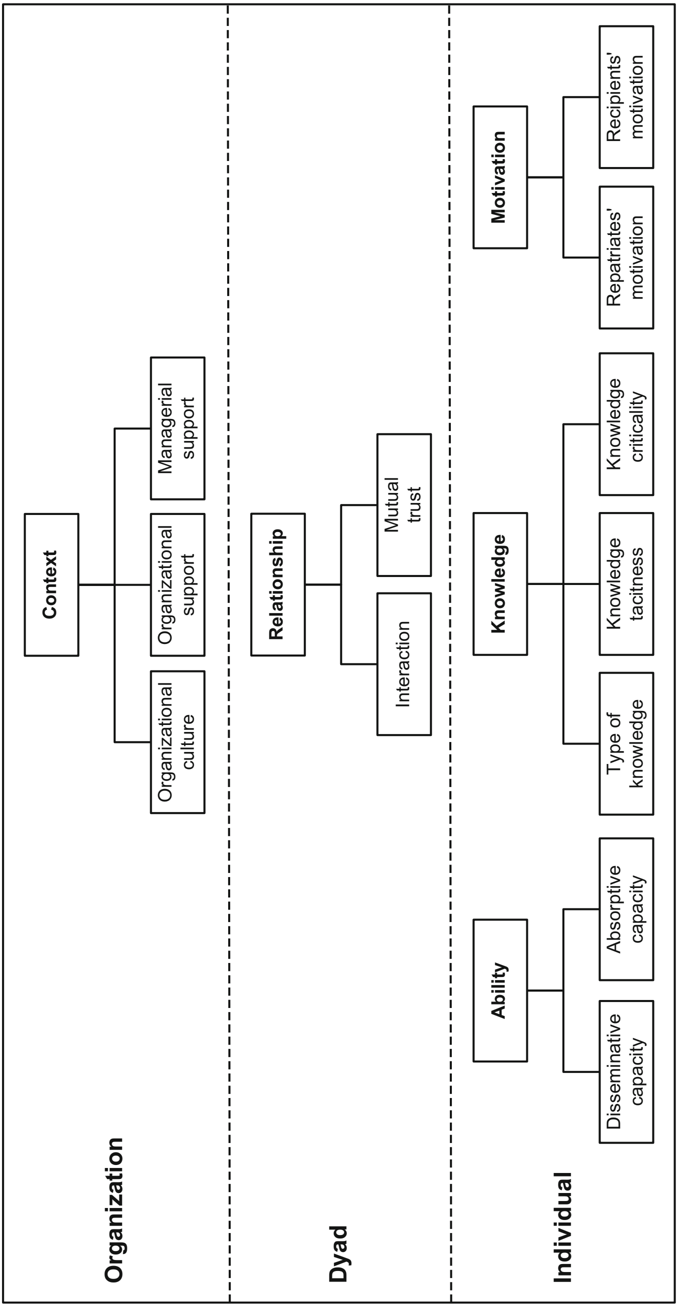

Fig. 8.1 Prerequisites for repatriation strategy implementation

derived from a review of the organizational learning literature, and only the last type of knowledge, relational knowledge, emerged as novel in the context of repatriation. Fink and Meierewert's (2005) typology of repatriate knowledge also has five categories, namely market-specific knowledge, personal skills, job-related management skills, network skills, and general management capacity.

Knowledge Tacitness

In contrast to explicit knowledge, tacit knowledge has been defined as knowledge that is person-specific and context-specific, complex, difficult to codify, and difficult to teach (Polanyi, 1967; Zander & Kogut, 1995). In the context of RKT, many researchers have emphasized that repatriate knowledge is often tacit (Lazarova & Tarique, 2005; Oddou et al., 2009). For example, Fink and Meierewert (2005) argued that market-specific knowledge is relatively easy to codify and transfer, whereas personal skills, job-related management skills, and network knowledge are more tacit and, therefore, more difficult to transfer. To Fink and Meierewert (2005), general management capacity cannot be transferred at all because it is highly tacit. Consequently, repatriate knowledge can consist of tacit knowledge, and this tacitness of repatriate knowledge is likely to influence the mode of transfer between repatriates and domestic work unit members.

Knowledge Criticality

Knowledge that is non-duplicative, relevant to the new context, and high in commercial and scientific value is more likely to facilitate the achievement of organizational aims. As a result, knowledge recipients tend to be more interested in acquiring this kind of knowledge (Gupta & Govindarajan, 2000; Ipe, 2003; Szulanski, 1996). In the context of RKT, Oddou et al. (2013) found that repatriates were conscious about having the right knowledge before initiating RKT. Thus, they assessed their repatriate knowledge with regard to its capacity to contribute to solving current issues of the work unit. Burmeister et al. (2015) supported this finding and showed that repatriates critically assessed the value of their knowledge prior to the initiation of RKT.

Individual Level: Ability

Disseminative Capacity

Extant research on general knowledge transfer has used the term disseminative capacity to refer to the ability of knowledge senders to transfer their knowledge (Minbaeva & Michailova, 2004; Mu, Tang, & MacLachlan, 2010; Reagans & McEvily, 2003). This term is the counterpart to the widely accepted term absorptive capacity on the recipient side (Cohen & Levinthal, 1990; Minbaeva, Pedersen, Bjoerkman, Fey, & Jeong, 2003), and it has been defined as the ability of knowledge senders to contextualize, translate, and communicate knowledge to other individuals (Parent, Roy, & St-Jacques, 2007). In the context of RKT, a very limited number of empirical studies have examined the ability of repatriates to transfer their knowledge (Oddou et al., 2013; Reiche, 2012). For example, the study by Reiche (2012) suggested the importance of the social capital of inpatriates (that is, an employee who is transferred from a foreign subsidiary to headquarters) for the facilitation of knowledge transfer. Inpatriates' structural and relational host-unit social capital increased access to as well as the transfer of knowledge, to subsidiaries. Oddou et al. (2013) argued that repatriates must be able to detect teachable moments, in which members of the domestic work unit face challenges that can be tackled by using repatriate knowledge. In addition, repatriates, who were able to adjust their transfer approaches to the needs of different audiences, were more successful than other repatriates.

Absorptive Capacity

Absorptive capacity is a widely accepted term in the literature on general knowledge transfer (Chang et al., 2012; Cohen & Levinthal, 1990; Gupta & Govindarajan, 2000; Minbaeva et al., 2003; Szulanski, 1996), and it is defined as the ability to "recognize the value of new, external information, assimilate it, and apply it to commercial ends" (Cohen & Levinthal, 1990, p. 128). Several publications on RKT have conceptually acknowledged the importance of the ability of domestic work unit members to receive knowledge for RKT success (Blakeney et al., 2006; Bonache & Zárraga-Oberty, 2008; Gonzalez & Chakraborty, 2014; Oddou et al., 2009). However, empirical research is largely non-existent. One exception is the study by Reiche (2011), in which he showed that low perceived absorptive capacity of the headquarters inhibited the positive effect of inpatriates' boundary spanning on knowledge acquisition by headquarter staff.

Individual Level: Motivation

Repatriates' Motivation to Transfer Knowledge

The motivation to transfer knowledge refers to the willingness to disseminate knowledge to others (Siemsen, Roth, & Balasubramanian, 2008). Research on RKT has emphasized extrinsic and intrinsic motivational factors that facilitate knowledge transfer behavior of repatriates. With regard to external factors, researchers have argued that repatriates' willingness to share knowledge can be influenced by the level of organizational support received (Furuya et al., 2009; Huang et al., 2013; Reiche, 2012). For example, effective career and repatriation support can increase repatriates' motivation to share knowledge (Reiche, 2012). With regard to the internal factors, the findings by Oddou et al. (2013) indicated that repatriates are also motivated to share knowledge because they want to be good organizational citizens. Accordingly, repatriates were committed to contributing to organizational success by sharing their knowledge without expecting to be rewarded in return.

Recipients' Motivation to Receive Knowledge

While many RKT researchers have conceptually highlighted the importance of the motivation of knowledge recipients for RKT success (Blakeney et al., 2006; Bonache & Zárraga-Oberty, 2008; Gonzalez & Chakraborty, 2014; Oddou et al., 2009), empirical research is scarce. Preliminary insights are solely based on qualitative studies. For example, the findings by Berthoin Antal and Walker (2011) indicated that the members of the domestic organization needed to be ready to learn in order to enable RKT. In addition, Burmeister, Deller et al. (2015) examined the process of RKT and found that knowledge transfer attempts that were completed successfully increased the willingness of domestic work unit members to receive repatriate knowledge in the future.

Dyadic Level

Interaction: Frequency, Intensity, Opportunity

Similar to general knowledge transfer processes, RKT requires interaction between repatriates as knowledge senders and domestic work unit members as knowledge recipients (Szulanski, 1996). Therefore, RKT has been defined as a dyadic process (Oddou et al., 2009). The interaction between repatriates and knowledge recipients during the RKT process and the resulting quality of their relationship have been regarded as important for RKT success in current conceptual models (Blakeney et al., 2006; Crowne, 2009; Lazarova & Tarique, 2005; Oddou et al., 2009). The work by Mäkelä (2007) and Mäkelä and Brewster (2009) demonstrated that expatriate and repatriate interactions tend to result in closer relationships compared to other interaction contexts, such as interunit meetings. In addition, Huang et al. (2013) demonstrated that knowledge sharing opportunities have a positive and significant effect on knowledge sharing behavior.

Mutual Trust

Knowledge transfer researchers have shown that mutual trust is necessary for knowledge transfer behavior to occur, or put differently, in the absence of trust knowledge transfer is unlikely (Cabrera & Cabrera, 2005; Ipe, 2003). Trust can be defined as the willingness to be vulnerable to the actions of a trustee based on the expectation that the trustee will perform a particular action (Mayer, Davis, & Schoorman, 1995). Empirical research on RKT that focuses on this variable is still limited, but Oddou et al. (2013) emphasized that a certain level of trust between repatriates and the domestic work unit members is necessary for the initiation of RKT. In the absence of trust, domestic work unit members are less likely to accept the knowledge of repatriates.

Organizational Level

Organizational Culture

Organizational culture has been defined as "basic assumptions about the world and the values that guide life in organizations" (Schneider, Ehrhart, & Macey, 2013, p. 361), and it can unite organizational members and shape their assumptions about what is acceptable and expected within an organization. In turn, organizational members will adapt their behavior according to the organizational culture of the organization (Martin, 2002; Moon, Quigley, & Marr, 2012). In the context of RKT, research on the influence of organizational culture is scarce. However, Berthoin Antal (2001) and Santosh and Muthiah (2012) have emphasized the relevance of an organizational culture that is compatible with knowledge transfer behavior. In particular, they highlighted that an organizational culture needs to support learning and innovation, and diminish potential fears of lost power and stolen ideas when sharing knowledge openly with others.

Organizational Support

Several empirical studies have examined the link between organizational support practices and improved RKT success. For example, Furuya et al. (2009) showed that organizational support and repatriation policies were positively related to competency transfer to the new job after repatriation. In addition, Reiche (2012) demonstrated that the perceived level of career and repatriation policies moderated the relationship between repatriates' social capital and transfer of host-unit knowledge upon return. Thus, medium and high levels of career and repatriation reduce the need for repatriates' structural social capital. In general, these and other studies on organizational support argue that companies need an integrated system of practices in order to take advantage of the knowledge that repatriates have acquired (Jassawalla & Sashittal, 2009).

Managerial Support

RKT research has also shown that managers can play an important role when it comes to the outcomes of knowledge transfer processes because they are responsible for articulating the organizational objectives that provide guidelines for individual behavior (Berthoin Antal, 2001; Crowne, 2009; Oddou et al., 2013). For example, Crowne (2009) argued that top managers can be important facilitators of RKT when they create opportunities for interaction between repatriates and knowledge recipients. They can create these opportunities through feedback-seeking behaviors and the establishment of social networks. In addition, studies by Berthoin Antal (2001) and Oddou et al. (2013) showed that narrow-minded managers, who do not have a global mindset and lack international experience themselves, can be inhibitors of RKT success. Conversely, if managers acknowledge repatriate knowledge as a strategic asset and promote the value of that knowledge within their work unit, RKT success can be facilitated.

Overview of the Current State of the Field

I provide an overview of the current scholarship that examines the antecedents of RKT in Table 8.3.

Except for organizational culture, the majority of the variables that were identified in the systematic literature review have, as this table shows, been included in conceptual models. A considerable number of these variables have been examined qualitatively, but quantitative research on most variables (except for organizational support) is scarce or nonexistent. There is, for instance, a lack of quantitative research on knowledge tacitness or the motivation to receive knowledge.

Table 8.3. Status quo of existing research

		Type of available research results			
Level	Antecedent	Conceptual	Qualitative	Quantitative	Total
Individual	Type of knowledge	3	3	1	7
	Knowledge tacitness	1	2	x	3
	Knowledge criticality	1	5	2	8
	Disseminative capacity	4	2	1	7
	Absorptive capacity	4	x	1	5
	Motivation to transfer	5	2	3	10
	Motivation to receive	3	3	x	6
Dyadic	Interaction	5	1	2	8
	Mutual trust	2	3	1	6
Organizational	Organizational culture	x	1	1	2
	Organizational support	6	3	6	15
	Managerial support	2	3	1	6
Total		36	28	19	

Note: Total = number of times respective variable has been examined by extant research on repatriate knowledge transfer; x = No research results available yet

Discussion

In times of globally distributed organizational setups, repatriate knowledge can help to enlarge and globalize the knowledge base of organizations (Oddou et al., 2009; Reiche, 2012). This systematic literature review of the literature on RKT published between 2000 and 2015 contributed an integrated framework of the variables that affect RKT success. The extant research results were synthesized into a multilevel framework including variables on three levels: individual, dyadic, and organizational. This review showed that RKT is a complex and multilevel construct with a great variety of interrelated variables that influence the transfer process. To date, particularly quantitative research on RKT is still insufficient (Huang et al., 2013).

Limitations

The findings of this systematic literature review on RKT should be interpreted in light of the study's limitations. Even though a systematic approach was followed in order to increase the objectivity and reproducibility of the results, a certain level of subjectivity with regard to the synthesis of the identified publications cannot be eliminated. In addition, researchers have shown that a time lag of about two years exists between the submission and the final acceptance of publications in top tier journals (Phelan, Ferreira, & Salvador, 2002). Thus, additional publications on RKT might be under review currently, but not published yet (for example, Burmeister, Lazarova, & Deller, 2015). Nonetheless, I am hopeful that the multilevel framework of RKT provides guidance for both researchers and practitioners.

Directions for Future Research

First, and as shown in Table 8.1, studies on RKT have used a variety of different theoretical foundations. Instead of treating these theories as distinct, future research can combine these different approaches to arrive at a more comprehensive understanding of RKT. For example, linear communication models (Shannon & Weaver, 1949) identify the relevance of senders, recipients, and the message they intend to share, for communication processes. In addition, social exchange theory (Blau, 1964; Emerson, 1962; Homans, 1961) explains why individuals engage in social behavior. Future research can combine these two theories in many productive ways. For example, researchers can examine whether and how the characteristics of the knowledge influence the motivation of repatriates and knowledge recipients to share and receive knowledge. Thus, knowledge characteristics can be used as a moderator to understand under which conditions motivational factors influence RKT success. This approach would lead to a more nuanced understanding of the variables that affect RKT.

Second, social exchange theory can also be used to investigate to which extent repatriates and recipients influence their perspective on knowledge transfer behaviors. RKT researchers can collect data from repatriates and knowledge recipients, in order to perform dyadic data analyses and model the interdependencies of their perceptions. For example, RKT researchers can use the Actor-Partner-Interdependence-Model (APIM) proposed by Kenny (1996), which considers actor as well as partner effects when modeling relationships between independent and dependent variables. Several guidelines on how to conduct these analyses have been provided (Kashy & Kenny, 2000; Kenny, Kashy, & Cook, 2006; Kenny, Mannetti, Pierro, Livi, & Kashy, 2002; Ledermann & Kenny, 2015). Empirical research that models the interdependency between repatriates and knowledge recipients would acknowledge the interactive and dyadic nature of RKT processes. This approach would be more balanced and offer a more nuanced perspective on the variables that influence RKT.

Third, RKT researchers that wish to conduct quantitative research need to address the challenge that, at this point, there is no single measurement instrument that is based on a solid theoretical foundation and that captures RKT behavior in a reliable and valid way. This is also a shortcoming of the general knowledge transfer literature, and Wang and Noe (2010, p. 126) have pointed out that "because measures of knowledge sharing are not readily available in the literature researchers need to devote time to develop valid and reliable measures." These kinds of measures need to consider current definitions of knowledge transfer and its different dimensions: dissemination, acquisition, and application of knowledge in new contexts (Minbaeva et al., 2003; Szulanski, 1996). The work by Wang (2015) represents an important step forward, as the author divided the process of knowledge transfer into two stages: knowledge sharing and knowledge adoption. Future studies can build on this approach and develop a scale that is reliable and valid (DeVellis, 2012; Hinkin, 1995). Another topic, related to the discussion of methodological shortcomings, is the lack of longitudinal research on RKT. To date, the study by Reiche (2012) on inpatriate knowledge transfer provides the only exception. However, insights with regard to the longitudinal development of RKT will advance the field. For example, studies could examine the difference between expected knowledge transfer upon return and actual knowledge transfer after return to the domestic organization.

Fourth, the global mobility literature has moved away from a focus on traditional forms of international assignees, such as company-initiated expatriates, and now also focuses on alternative forms of international assignments, for example short-term, frequent flyer, and commuter assignments (Meyskens, Von Glinow, Werther Jr, & Clarke, 2009; Shaffer, Kraimer, Chen, & Bolino, 2012). RKT research has yet to acknowledge the influence of these different types of assignments on the RKT process and its outcomes. Therefore, future studies can investigate RKT in the context of alternative forms of international assignments.

Fifth, while research on RKT has started to examine the antecedents of RKT (for example, Huang et al., 2013; Oddou et al., 2013), there are no studies on the consequences of RKT. The resource-based view of the firm (Barney, 1991) could be used to identify outcomes of knowledge transfer behavior in the context of repatriation. This kind of perspective is likely to complement extant research on the antecedents of RKT and to provide additional arguments for the usefulness of harvesting repatriate knowledge. This kind of research can draw on the multilevel framework that I presented. For example, on the individual level, outcomes such as job satisfaction, job performance, or turnover intention could be examined. On the dyadic level, researchers could investigate team performance indicators. Finally, the impact of RKT on the organizational level could be examined by looking at a variety of indicators, for example innovativeness, project completion times, cross-unit cooperation, and organizational performance.

Implications for Practitioners

The multilevel RKT framework proposed here can be a starting point for organizations to evaluate and, if necessary, to improve their current practices related to the management of RKT. First, organizations can evaluate whether their organizational culture is compatible with the attitudes and behaviors needed for successful RKT. Effective organizational cultures need to improve transparency, teamwork, open information and knowledge sharing, and innovation (Oddou et al., 2013; Santosh & Muthiah, 2012). Second, organizations can assess whether their organizational support practices are suitable to increase the knowledge transfer ability and motivation of repatriates and knowledge recipients. For example, specific training programs could be introduced to improve knowledge transfer skills (Argote et al., 2003). Repatriates, in particular, can be motivated by involving them in international projects where they can leverage the knowledge they gained abroad in a way that contributes to organizational performance (Kraimer, Shaffer, Harrison, & Ren, 2012). In addition, financial and non-financial benefits can be given to repatriates and recipients to reward their engagement in knowledge transfer and to increase their motivation to continue to do so in the future. Third, line managers and senior managers have to reflect on their role in RKT. Being curious about the knowledge and experiences of repatriates and involving other domestic work unit members in the discussion can increase mutual understanding, and, in turn, facilitate RKT.

North American Perspective

Repatriate Knowledge Transfer: A Systematic Review of the Literature

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This is an excellent review of the repatriate knowledge transfer (RKT) literature published from 2000 to 2015. As Burmeister notes, this is an important topic in that RKT is a potentially critical competitive advantage for multinational firms. Nevertheless, research in this area is scant. Of the 26 articles reviewed here, only 17 are empirical (9 quantitative and 8 qualitative); the remaining 9 are conceptual in nature. The nascent state of this body of literature certainly leaves the door open for a great deal of research in this area.

For me, one of the key questions is: "What differentiates repatriate knowledge transfer from expatriate knowledge transfer—or even from knowledge transfer in general?" Based on the antecedents that were identified in this review, it seems that the process is similar across types of global employees and perhaps even across employees in general. Is there something special or unique about repatriates that would differentiate them from others? For example, perhaps the knowledge repatriates are transferring is more strategic in nature. While expatriates are in more of a two-way boundary spanning role (for example, communicating headquarter values/goals/practices to host country nationals and sharing with headquarters knowledge of the host country), repatriates are more responsible for transferring knowledge that is relevant to the international scene to inform strategic planning. In other words, for expatriates, knowledge transfer is a two-way process, but for repatriates, it is more of a one-way process. So I agree with the author that it is important to consider differences in knowledge transfer across different types of global employees, and I encourage researchers to examine differences in both the process and the content of the knowledge transferred.

Another key question that I have is: "If repatriate knowledge transfer is so important, why don't multinational companies try harder to retain repatriates?" It seems that scholars are in accord that this is an important issue, but multinational companies (MNCs) seem to 'think' differently—at least the high attrition rates of repatriates indicate that MNCs are not successful in retaining repatriates. Perhaps, however, the high turnover of repatriates is mainly a problem for North American MNCs. It is interesting that only three of the empirical studies in this review involved North American respondents (maybe due to lack of access to them), while the others targeted either Asian or European repatriates. If there are differences in retention rates of repatriates, then it would be worthwhile looking at why this is the case. I think another critical area for investigation has to do with the extent to which the knowledge transferred by repatriates contributes to the firm's strategic planning, international expansion and operation decisions, and so on. Such pursuits would be consistent with the author's suggestion for multilevel research on RKT, and they could offer MNCs some insight into the important role of repatriates as knowledge transfer agents.

A couple of other questions that arose as I read this review have to do with the complexity of the knowledge transfer process and the medium of communication. With respect to the complexities of the KT process, I think it is important to recognize that this is not necessarily a dyadic sender to receiver process. It could involve a sender transferring knowledge to a group or to an organization. This perspective again supports the author's suggestion for multilevel research on this topic. While the medium of communication was not addressed in the review, this may also prove to be a fruitful area of investigation. Certainly expatriates are more likely to rely on computer-mediated forms of communication; repatriates, however, may engage more in face-to-face communication. To what extent does this influence the knowledge transfer process?

As highlighted in this review, there is still much that we need to learn about RKT. I hope that this chapter and these comments will stimulate scholars around the world to take up the challenge of doing research on this important and timely topic.

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9

Expatriate Managers from Emerging Economy Firms

Nita Abrashi-Smajli and Matthias Baum

Introduction

For decades, multinational corporations (MNCs) from emerging economies have used expatriate managers in order to develop and control their foreign activities (Chang, Mellahi, & Wilkinson, 2009). While expatriate assignments of emerging economy MNCs (EE MNCs)[1] are quite common, comparatively little research has been conducted to understand how EE MNCs can establish a successful expatriate management (Cheng & Lin, 2009; Chang, Gong, & Peng, 2012). An improved understanding of expatriate management in EE MNCs is not only practical but also theoretically relevant. Since most

[1] Emerging economy MNCs (EE MNCs) are defined as international companies originated in emerging economies which have outward FDI in one or more foreign countries (Luo & Tung, 2007).

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of our concurrent knowledge on expatriate management is based on observations from developed economies (DE) or transient economies, it remains largely unclear how EE firms can successfully establish expatriate management given the tremendous differences between DE and EE.

The study of expatriate managers from EE MNCs is of particular importance given their rapid evolution recently. Expatriates are a pivotal resource for MNCs, since they can enhance subsidiary performance through knowledge transfer (Wang, Tong, Chen, & Hyondong, 2009) as well as headquarters performance through reverse knowledge transfer (Ambos, Ambos, & Schlegelmilch, 2006). Accordingly, knowledge and expertise absorption is fundamental in order to enhance existing capabilities and to build and accumulate new knowledge (Sim & Pandian, 2003). The drastic economic development of some EEs has also a major impact on the human resources of the country, where skilled labor is more attracted to foreign headquartered firms, as well as to more international domestic firms (Newburry, Gardberg, & Sanchez, 2014). Another aspect of labor in EE is brain drain, a phenomenon where skilled people leave their home country and immigrate into foreign countries, most commonly from less developed into more developed countries (Baruch, Budhwar, & Khatri, 2007).

With this study, we corroborate the expatriate management literature by theorizing about the mechanisms that foster or threaten expatriates task performance of EE MNCs. Specifically, we elaborate the asymmetries between EE and DE expatriate managers and investigate the resulting advantages and challenges for expatriate managers from EE when they perform foreign assignments.

This article aims to provide three major contributions to the literature on expatriate management and EE MNC literature. First, we use previous studies from the realm of expatriate management and international business in order to identify the asymmetries between EE and DE expatriate management. These asymmetries are a result of resource differences between DE MNCs and EE MNCs. Second—and based on that—we elaborate specific testable propositions about resource disadvantages and advantages of EE MNCs in regard to expatriate management. We argue that based on the resource conditions in EEs, expatriate management from EE MNCs will face specific disadvantages but also some advantages compared to expatriate management from DE firms. Accordingly, we contribute to the understanding of EE MNC expatriate management and which mechanisms are at play in such countries. Third, we fill a research gap on the current EE expatriate literature by investigating organizational and societal-level predictors on expatriate task performance, since most of the current research focused on individual-level predictors.

In this study, we will first give a brief literature review highlighting the existing literature stock on expatriate managers from EE MNCs. Given that the literature on expatriate management of EE MNCs is still quite limited, we additionally draw on the broader expatriate performance literature and on international business literature focusing on EEs. We will continue with a conceptual framework where our deductions are primarily informed by a resource-based logic by presenting resource disadvantages and advantages of expatriates from EE MNCs compared to those from DE MNCs. We will conclude with a discussion section where we present the limitations of this study as well as further research gaps identified as future research avenues.

Literature Review

Most of the research on expatriate management has focused on expatriates from DE moving to other DEs or EEs while research of expatriates from EE remains scarce (Cheng & Lin, 2009; Chang et al., 2009, 2012; Wang, Freeman, & Zhu, 2013). Scholars have noted that most of the existing research on expatriate management implies that expatriates move to less developed markets than their home market, since the expatriate literature is dominated by Western culture expatriates (Claus, Lungu, & Bhattacharjee, 2011). Even the EE expatriate literature has mostly researched more advanced EE from Asia such as Taiwan, Singapore, and China (Jaw & Liu, 2004; Lin, Lu, & Lin, 2012; Shih, Chiang, & Hsu, 2010; Wang et al., 2013). For instance, Hoskisson, Wright, Filatotchev, and Peng (2013) exemplify that most of the EE MNCs are actually from mid-range economies, which translates to an economic position between EE and newly DE, and that host economies should be classified as either less developed or more developed than the firms' home country. In a similar vein, Cheng and Lin (2009) note that other region-specific emerging market research on expatriate management should be conducted.

Prior research on expatriate management from EE has shown that most of the enterprises from EE compared to their DE counterparts have more difficulties in developing organizational structures in order to support the career management of their expatriates (Selmer, Ebrahimi, & Mingtao, 2002). It is further noted that EE enterprises should be more aware of the career goals of their expatriates, since otherwise they will leave their current employment for better opportunities elsewhere. In the expatriate literature it is emphasized that expatriate turnover is mitigated by the career support that expatriates perceive to attain from their company (van der Heijden, van Engen, & Paauwe, 2009). Additionally, the perceived career support from the company is positively related to the intentions of expatriates to complete the international assignment and with the commitment of expatriates to the home country company (Kraimer & Wayne, 2004). Since EE MNCs face problems in establishing adequate human resource management (HRM) practices for their expatriates' career support, they might experience a higher rate of expatriate turnover.

Further EE expatriate research showed that expatriates sent by EE firms into less developed countries were satisfied with their international assignment if it "was presented as a career development opportunity, job enrichment experience associated with their position level and the presence of a supportive family" (Kim & Tung, 2013, p. 1044). Kim and Tung (2013) showed that the international assignments of expatriates from EE MNCs into other EEs do not encompass an actual job promotion and their compensation besides cost of living differential remained the same as their job position at home. The comparison of the career management of Chinese expatriates with Western expatriates showed that expatriates from China perceive international assignments as not relevant to their career goals. Accordingly, career instrumentality of expatriate assignments is lower in EE MNCs expatriates than in DE MNCs expatriates, given the organizations' presentation of the foreign assignment as an experience which will not be rewarded. Regarding the HR processes of EE MNCs, some scholars argue that EE firms tend to rely upon their expatriates in their subsidiaries in DE, due to the higher costs of the host county labor market (Chang et al., 2009; Jaw & Liu, 2004). Other studies show a different picture and posit that companies from EE are more likely to hire local executives in more developed countries, whereas this is less prevalent in developing countries (Chang et al., 2012; Hu, Chen, & Chen, 2010).

Previous research on EE expatriates has also highlighted the role of social networks abroad for the expatriate success of EE MNCs. Expatriate social networks with locals have a positive impact on work related and non-work related adaptation (Chiu, Wu, Zhuang, & Hsu, 2009). Further, they showed that when expatriates are sent to countries with a similar economic development, the failure rate is lower than when sent to countries with a lower economic development rate than their home country. In the expatriate literature, Froese and Peltokorpi (2011) showed that expatriate job satisfaction is affected by the national cultural distance between the home- and host country, as well as by the supervisor's nationality and expatriate type (self-initiated expatriates or sent by the organization).

Another stream of research in the EE domain focused on the capabilities (for example inter-cultural skills and language skills) of the expatriate manager. Empirical research on EE MNCs expatriate managers has shown that communication skills are essential for cross-culture competence in the host country (Wang, Feng, Freeman, Fan, & Zhu, 2014). Furthermore, it was noted that the association of local language skills with communication skills is insignificant, which implied "the fact that competence goes beyond understanding local culture and lies in the ability to effectively interact and communicate within the host context" (p. 537).

Beyond individual capabilities, research on EE MNCs expatriates has shown that specific personality traits such as self-consciousness and extraversion enable instrumental ties with host country nationals and thus also have a positive impact on expatriate job performance and adjustment (Chiu et al., 2009). The expatriate literature identified that some personality traits help build social relations such as open-mindedness, emotional stability, and cultural empathy. These personality traits reduce problems with cross-cultural adjustment which supports expatriates in their foreign assignments (Peltokorpi & Froese, 2012). In addition to this, individual motivational variables such as self-efficacy and learning orientation were identified as being influential on the cross-cultural adjustment of expatriates and their ability to establish relations with employees in the host country (Palthe, 2004). In the EE domain, consciousness and openness were acknowledged as major personality traits that influence cross-cultural competence of EE MNCs expatriates, constrained by home- and host country institutional differences (Wang et al., 2013).

As noted earlier, the EE expatriate literature is scarce and the existing research on EE expatriates focuses on more advanced EEs. The expatriate literature identifies three distinct research streams regarding expatriate performance management: (1) individual level, which focuses on the expatriate's personality and personal characteristics, (2) organizational level, which centers on organizational characteristics and HRM processes, and (3) societal level, which revolves around the cultural and institutional characteristics (Claus et al., 2011).

As we elaborated above, it becomes clear that the previous EE expatriate literature has mostly focused on the individual-level research stream. Our literature review on EE expatriates which is presented in Table 9.1 shows the articles which focused on expatriate performance from EE MNCs. The table shows more explicitly that most of the limited research on EE expatriates focused on the individual-level research streams, whereas the organizational and societal-level streams are scarce. The organizational-level research stream did not focus on variables which are distinct to EEs and the societal research stream focused only on cultural differences.

In the next section, we will fill this research gap with our conceptual framework which focuses on the organizational and societal levels of expatriate performance of EE MNCs. The definition of expatriate performance is identified as meeting specific job objectives of the international assignment (Kraimer & Wayne, 2004) and therefore is determined as the task performance of expatriates.

Table 9.1 Literature review of EE expatriate management

Authors	Title	Study type	Sample size	Theoretical framework	Independent variable	Dependent variable	Home country	Host country
Chang et al. (2012)	Expatriate knowledge transfer, subsidiary, absorptive capacity, and subsidiary performance	Quantitative	162 subsidiaries of Taiwan MNCs	Ability-motivation-opportunity framework, absorptive capacity perspective	Individual level: Expatriate competencies: ability to transfer, motivation to transfer, opportunity seeking	Organizational level: Subsidiary performance	Taiwan	United Kingdom
Cheng and Lin (2009)	Do as the large enterprises do? Expatriate selection and overseas performance in emerging markets: The case of Taiwan SMEs	Quantitative	133 Taiwan SMEs	None—The study drew upon findings from extant literature, and observations in qualitative interviews	Individual level: Expatriate selection criteria: open mind, social networking skills, control, independent decision-making ability	Organizational level: Overseas performance-subsidiaries: expatriate performance on the global assignment	Taiwan	Malaysia, Vietnam
Chiu et al. (2009)	Influences on expatriate social networks in China	Quantitative	171 Taiwanese expatriates	Social network theory	Individual level: Core self-evaluations, extraversion, instrumental ties with HCNs	Individual level: Overseas adaptation, expatriate job performance	Taiwan	China

(*continued*)

Table 9.1 (continued)

Authors	Title	Study type	Sample size	Theoretical framework	Independent variable	Dependent variable	Home country	Host country
Hu et al. (2010)	A Study of Taiwanese Executives Selected for Expatriate Assignments	Quantitative	224 Taiwan expatriates	None	Individual level: Integrity, loyalty, tenacity, crisis management, decision-making ability, execution, independence, professional skills and knowledge required for the foreign assignment, working performance, willingness, self-confidence, resilience, ambition, and prior work experience	Individual level: Selection criteria for overseas assignment	Taiwan	China, Southeast Asia, North America, Europe, Northeast Asia, Central/ South America
Kim and Tung (2013)	Opportunities and challenges for expatriates in emerging markets: an exploratory study of Korean expatriates in India	Quantitative	67 Korean expatriates	Psychosociological aspects	Individual level: Position level, expectations toward the international relocation, work-life balance	Individual level: Job satisfaction of expatriates in their international assignment	Korea	India

Selmer (2002)	The Chinese connection? Adjustment of Western vs. overseas Chinese expatriate managers in China	Quantitative	154 Western expatriates, 59 Chinese expatriates	Selective-perception theory	Societal level: Cultural distance	Individual level: Culture novelty, adjustment, and subjective well-being	Western countries and China	China
Selmer et al. (2002)	Career management of business expatriates from China	Quantitative	343 Western expatriates, 121 Chinese expatriates	Behavioral internationalization process model	Societal level: Western or Chinese expats in China	Individual level: expatriate career preference, meeting career goals, career development fit, and right career move; Corporate-level policy variables: corporate expatriate pool and separate expatriate careers	Western countries and China	Hong Kong

(*continued*)

Table 9.1 (continued)

Authors	Title	Study type	Sample size	Theoretical framework	Independent variable	Dependent variable	Home country	Host country
Shih et al. (2010)	High involvement work system, work–family conflict, and expatriate performance—examining Taiwanese expatriates in China	Quantitative	174 Taiwanese expatriates	'Macro'-level factors of the organization	Organizational level: High impact work system	Individual level: Expatriate work-family conflict, expatriate satisfaction and performance	Taiwan	China
Tanure, Barcellos, and Fleury (2009)	Psychic distance and the challenges of expatriation from Brazil	Quantitative	8 HR managers, 143 Brazilian Expats	Psychic distance perspective	Societal level: Psychic distance	Organizational level: Expatriate processes: selection and training	Brazil	North America, South/ Central America, Africa, Europe, China, Japan
Wang et al. (2014)	Unpacking the "skill—cross-cultural competence" mechanisms: Empirical evidence from Chinese expatriate managers	Quantitative	127 Chinese expatriates	Theoretical perspectives of learning, social dynamics and the IM stream	Individual level: Self-maintenance skills, interpersonal skills, language perceptual skills, communication skills.	Individual level: Cross-cultural competence	China	Japan, countries in: Europe, USA, Australia, Africa etc.

Wang et al. (2013)	Personality traits and cross-cultural competence of Chinese expatriate managers: a socio-analytic and institutional perspective	Qualitative	Interviews with 25 Chinese expatriates, 15 foreign colleagues, 10 cross-cultural experts or expatriate supervisors	Socio-analytic theory, institutional theory	Individual level: Personality traits	Individual level: cross-cultural competence	China	22 host countries: (based in European countries, Middle East, Asia, Africa, Australia and Latin America)
Zhang and Fan (2014)	Personality traits and cross-cultural competence of Chinese expatriate managers: a socio-analytic and institutional perspective	Qualitative	Semi-structured interviews with executives and managers of 7 Chinese MNEs	Social learning theory	Organizational level: Expatriate skills training strategies, such as internationalization as learning, the use of subsidiaries as a training tool, and learning as belonging	Organizational level, individual level: Expatriate skills training	China	Australia

Conceptual Framework

Based on previous studies and on a resource-based logic, we argue that MNCs from EE systematically show features that provide several advantages and disadvantages compared to DE MNCs when establishing expatriate management.

Previous research has argued that EE firms exploit their advantages in developing countries, whereas in developed countries they have to overcome their disadvantages (Wright, Filatotchev, Hoskisson, & Peng, 2005). Liang, Lu, and Wang (2012) identified that a source for advantage and disadvantage for EE firms is resource endowment and organizing capabilities. EE MNCs relative to DE MNCs have resource asymmetries given their different institutional contexts, which, if managed strategically, can be an advantage (Madhok & Keyhani, 2012). For instance, EE firms are used to resource constraints in their home country, which

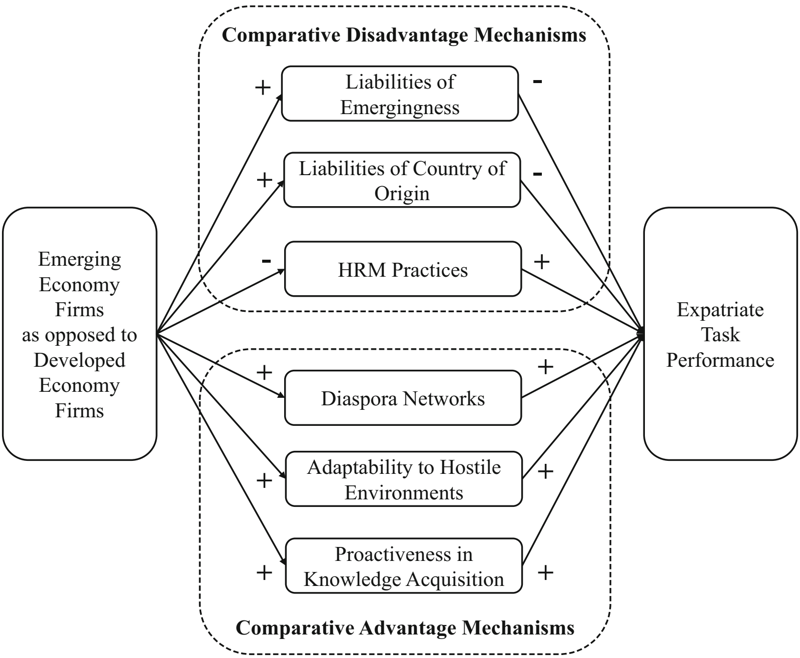

Fig. 9.1 Conceptual framework of EE expatriate management

allows them to acquire the ability of competing effectively in those countries which have similar conditions (Cuervo-Cazurra & Genc, 2008). However, other mechanisms, like enhanced liabilities of country of origin (LOCO) result in comparative disadvantages of expatriate managers from EE. In the following section we disentangle the different mechanisms which either hamper or enhance EE expatriate managers' task performance and develop propositions for each mechanism (see Fig. 9.1).

Comparative Disadvantages of EE MNCs in Expatriate Management

Enhanced Liabilities of Emergingness and Liabilities of Country of Origin

Firms envisage potential deficiencies while transferring resources abroad (Cuervo-Cazurra, Maloney, & Manrakhan, 2007). The Liabilities of Foreignness (LOF) concept was introduced by Hymer (1976) and he elaborated that those firms entering international foreign markets are disadvantaged compared to local firms given the risk of foreign exchange and the unfamiliarity with the business environment of the host country. LOF are firm-specific difficulties encountered exclusive to internationalization since the firm lacks complementary resources (understanding, relationships, and social capital) which are required to operate in the host country's institutional environment which is different to the home country institutional environment (Cuervo-Cazurra et al., 2007). While LOF are experienced by DE and EE firms, they are more distinct for EE MNCs since they experience also 'Liabilities of Emergingness' (LOE) and LOCO.

LOE is the additional disadvantage that EE MNCs have compared to DE MNCs since they originated from EE (Madhok & Keyhani, 2012). This concept encompasses that all characteristics attributed towards EE will have a direct effect on the firms and employees originating from EE. MNCs from EE compared to their DE counterparts are relatively internationally inexperienced, which decreases the ability to "develop organizational structures, processes and routines to facilitate career management of their expatriates" (Selmar et al., 2002, p. 21). Moreover, EE firms often lack brand names, scale, financial resources, reputation, and legitimacy compared to DE firms (Bangara, Freeman, & Schroder, 2012). EE MNCs struggle also with "organizational competencies, home country conditions and lack of natural resources" (Nair, Demirbag, & Mellahi, 2015, p. 280), which further affects the career management of their expatriates. These LOE will not only have a negative impact on the organizational structure and reputation of EE MNCs but they will also be linked to the individual expatriate employed by those firms. The perceived lack of legitimacy of EE MNCs will be attributed towards the EE expatriates, and the missing organizational structures to maneuver this image will automatically affect the task performance of EE expatriates. These additional weaknesses are predominately encountered by EE firms, which is why we propose:

Proposition 1 *Compared to DE MNCs, EE MNCs face 'Liabilities of Emergingness' which in turn have a negative impact on expatriate task performance.*

Besides the LOE, EE MNCs suffer also from LOCO. Country of origin effects can be classified as national differences in MNCs (Ferner, 1997). Madhok and Keyhani (2012) identified that EE MNCs suffer from LOCO which is more pronounced in EE firms than DE firms. EE MNCs will experience a less sophisticated country of origin image than their counterparts from DE (Thite, Wilkinson, & Shah, 2012). Moreover, management practices of EE MNCs might be judged as suspicious by managers and employees from DE given institutional and psychic distance (Chang et al., 2009). DE MNCs have a more positive brand image which is linked with their leadership style and their legitimacy in their operations (Reade & Lee, 2012). Local employees in both DE and EE host countries perceive expatriates from DE MNCs more positively compared to EE MNCs expatriates (Leung, Bhagat, Buchan, Erez, & Gibson, 2005; Leung, Smith, Wang, & Sun, 1996; Leung, Wang, & Smith, 2011). Accordingly, when EE MNCs internationalize into DE they will face LOCO (Thite et al., 2012). These liabilities can thus be a stigma "to the organization, its image, products, and brands as well as to the employees" (Moeller, Harvey, Griffith, & Richey, 2013, p. 97). Therefore, MNCs from EE are more likely to suffer from a less positive home country image, which creates hurdles in attracting local talent and which is also (falsely) attributed towards the expatriate manager stemming from EE, which negatively affects their task performance while on international assignments. These shortcomings will hamper EE expatriates in accomplishing specific job objectives while on their expatriate task compared to their counterparts from DE.

Given that EE MNCs have a less reputable country of origin image which can be considered as an additional weakness for their international assignment, we suggest:

Proposition 2 *Compared to DE MNCs, EE MNCs face greater 'Liabilities of Country of Origin' which in turn have a negative impact on expatriate task performance.*

Comparative Disadvantages in Human Resource Management (HRM) Practices

The key to successful expatriate assignments is the transition from the strategic planning level into the operational stage, achieved by the implementation of HR policies and practices (Collings, Scullion, & Morley, 2007). Compared to their DE counterparts, EE firms will face more challenges in their HRM practices which could be a resource disadvantage in their expatriate assignment.

One of the challenges in the HRM practices of EE MNC is the lack of investments in their expatriate practices. It is true that EE firms that internationalize in more developed countries will invest more in their HRM practices, compared to firms that internationalize in less developed countries. However, sending expatriates abroad will not have any effect on the investment in HRM practices (Khavul, Benson, & Datta, 2010), due to limited company resources which decrease investments in expatriate HRM practices (Zhang, 2012). When the institutional distance between home- and host country is high, MNCs use more expatriates for their international assignments which increases the firms' cost structure

(Chao & Kumar, 2010). However, previous expatriate literature has also shown that recruiting local managers can result in higher costs than the total cost of expatriation recruiting such as selection, training, and performance evaluation costs (Perez & Pla-Barber, 2005).

Scholars have pointed out that another challenge of EE HR functions is their lack of global standardized approaches (Budhwar & Varma, 2010). EE firms are more willing to invest in HRM practices, if they need to meet global standards of conducting business (Khavul et al., 2010; Wei & Lau, 2008). However, EE MNCs should use different HR practices when internationalizing in DE than in their parent company, whereas internationalizing DE MNCs can transplant HR approaches from their own parent company (Chang et al., 2009). Therefore, some EE MNCs face challenges in their subsidiaries in DE when implementing the HR practices of their parent company (Chang, Smale, & Tsang, 2013). The executed HR approaches were met with resistance from local managers and employees, given the parent companies' and expatriates' unawareness that they were not acting according to the local norms of the host country. EE MNCs' lack of HRM global standardized approaches will ultimately have a negative effect on the EE expatriates' task performance while on their international assignment.

Another factor that contributes to the more distinct challenges of the HRM approaches of EE firms in their international assignment is the missing organizational structures to support the careers of their expatriates in meeting specific job objectives (Selmer et al., 2002), which might increase the failure rate of the expatriate task performance. Organizational support has a positive effect on expatriate adjustment which consequently impacts expatriate task performance (Kraimer, Wayne, & Jaworski, 2001). In this vein, DE MNCs also face problems in their expatriate management, but EE MNCs—due to their lower international experience—will have more challenges in developing corporate-level organizational processes for ensuring the successful completion of the expatriate tasks.

Although HRM during internationalization can encompass hurdles to all firms, EE firms have more obstacles than their DE counterparts which affect the task performance of their expatriates. Thus, we propose:

Proposition 3 *Compared to DE MNCs, EE MNCs have less sophisticated Human Resource Management practices which in turn increases the negative effect on expatriate task performance.*

Comparative Advantages of EE MNCs in Expatriate Management

Advantageous Diaspora Networks

Network resources are influential in the internationalization process of firms(Coviello, 2006). It was shown that ethnic networks have a positive effect on international trade (Duanmu & Guney, 2013). Furthermore, expatriate social networks with locals have a positive impact on work related and non-work related adaptation of expatriates (Chiu et al., 2009). Social support in a host country will reduce challenges in the international adjustment of expatriates (Lin et al., 2012). Regarding social networks and support, EE MNCs have an advantage over DE MNCs in their expatriate performance given their stronger and predominant diaspora ties in the host country.

A dominant contextual variable in EE is the diaspora which is identified as a social field between their country of origin and country of settlement (Riddle & Brinkerhoff, 2011). Diaspora ties can function as social networks for EE MNCs expatriates. Diaspora relations can also be identified as relational asset, which depends on firm-specific networking skills (Buckley et al., 2007). Diaspora connections in the host country will strengthen EE MNC expatriates' adjustment and performance given the sense of belonging to a local community. Expatriate adjustment in turn has a positive effect on expatriate task performance (Kraimer et al., 2001). Diaspora ethnic communities are more prevalent from developing countries than from developed countries (The World Bank, 2014), resulting in a resource advantage for EE MNCs expatriates.

The main reason of the predominance of ethnic networks from EE could be linked to the phenomenon of brain drain, which is more distinct in EE since skilled people leave their home country and immigrate into foreign countries where they perceive more opportunities for their abilities (Baruch et al., 2007). Given that ethnic networks are more distinct to EE MNCs we propose:

Proposition 4 *Compared to expatriate managers from DE MNCs, expatriates from EE MNCs can more strongly rely on Diaspora networks which in turn have a positive impact on expatriate task performance.*

Adaptability to Hostile Environments

Compared to DE MNCs, EE MNCs are less competitive given the disadvantage of operating in underdeveloped institutions of their home country (Cuervo-Cazurra & Genc, 2008). EEs are characterized with "low market openness, low labor market flexibility, low effectiveness of state governance, confrontational labor relations" (Reade & McKenna, 2009, p. 137). However, it is further shown that EE MNCs can transform this disadvantage into an advantage when operating in countries with similar institutional environments given their experience in adapting to hostile and unstable environments (Cuervo-Cazurra & Genc, 2008). This adaptability is expressed through leveraging EE country-specific advantages and using their experience with institutional voids as an asset.

EE MNCs obtain their resource advantages from country-specific advantages such as economies of scale and low cost of basic inputs (Bhaumik, Driffield, & Zhou, 2015; Peng, 2001; Yamakawa, Peng, & Deeds, 2008). Further, it is noted that EE MNCs have an advantage in leveraging these country-specific advantages compared to their DE MNCs counterparts, which operate in the same institutional environments (Bhaumik et al., 2015). These resource asymmetries between EE and DE firms exist given their different institutional contexts from which they have originated, though if managed strategically they can be a competitive advantage for EE firms (Madhok & Keyhani, 2012). EE MNC expatriates will have an advantage over their DE counterparts in their task performance while operating in similar institutional environments.

EE companies suffer institutional voids in their home country (Peng, Wang, & Jiang, 2008), which could be a downside risk for their expatriate management since legal protection and judicial systems are rather weak. The lack of legal protection might have impact on the mutual loyalty which both parties, the organization and the expatriate manager, agreed upon (Yan, Zhu, & Hall, 2002). However, research on Taiwanese firms has shown that due to resource constraints they invest in other EE with a focus on the political and legal environment of the host country, since they consider their experience in hostile environments as an asset over DE firms (Lin et al., 2012). In this vein, EE MNCs consider that their expatriates have an advantage in managing legal restrictions in uncertain environments compared to DE MNCs' expatriates.

Given the rapid transitions in EE, EE firms are more prone to managing and adapting to environmental uncertainties and changes, compared to their counterparts from DE. In addition, given their experience with the rapidly changing institutions of their home market, EE MNC expatriates' adjustment with the host country's institutions and customs will be easier than for DE MNCs' expatriates. This in turn will give EE MNCs an advantage in expatriate task performance. Thus, we suggest:

Proposition 5 *Compared to DE MNCs, EE MNCs have a greater adaptability to hostile environments which in turn has a positive impact on expatriate task performance.*

Proactiveness in Knowledge Acquisition

Resource availability in foreign markets is essential for EE firms due to resource constraints in their home market (Deng & Yang, 2015). International markets are a source of knowledge exploitation for EE firms (Chen, Li, & Shapiro, 2012; Wang, Hong, Kafouros, & Boateng, 2012; Wei, Zheng, Liu, & Lu, 2014). The internationalization of EE enterprises is characterized by EE aggressiveness consisting of the firms' proactiveness, resilience, and persistence in order to grasp international opportunities (Bangara et al., 2012). This characteristic will give EE MNCs an advantage compared to DE MNCs, which will have the same effect on their expatriate task performance.

EE MNCs do not possess strong dynamic capabilities compared to their DE counterparts, though they have a stronger strategic emphasis on capability building and a higher learning drive (Fan, Cui, Li, & Zhu, 2015). This aggressive proactiveness is also referred to EE MNCs' expatriates since they are characterized as learners and not as trainers (Zhang & Fan, 2014). This characteristic for knowledge exploitation is more distinct to firms from EE and their expatriates in comparison with their counterparts from DE.

Another perspective in the knowledge spillover is the reverse knowledge transfer during international assignments, where headquarters receive knowledge and learn from foreign subsidiaries (Ambos et al., 2006). The reverse knowledge transfer between headquarters and foreign subsidiaries is positively influenced by personal- and electronic-based coordination mechanisms (Rabbiosi, 2011). This reverse transfer between subsidiaries and parent companies has also been analyzed regarding innovation, where subsidiaries develop innovations which are then used by headquarters of EE MNCs (Borini, Oliveira, Silveira, & Concer, 2012). Research on EE MNCs showed that their subsidiaries are more entrepreneurial and more active, and that their reverse knowledge transfer had a major input in the creation of firm-level advantages (Giuliani, Gorgoni, Günther, & Rabellotti, 2014). These subsidiaries can be used as a training tool for expatriates, which can enhance knowledge transfer from subsidiaries to headquarters, resulting in an advancement of the performance and management of EE MNCs (Zhang & Fan, 2014). This will also contribute to meeting the job objectives while on their international assignment. The EE aggressiveness (Bangara et al., 2012), the higher learning drive (Fan et al., 2015), and the reverse knowledge transfer (Ambos et al., 2006) will have a direct effect on expatriates and the successful completion of their international task performance. The knowledge and expertise absorption (Sim & Pandian, 2003), with which expatriates from EE MNCs are distinguished, can thus have a positive effect on the task performance of expatriates.

Given that EE MNCs want to proactively overcome their latecomer status in the global arena (Bonaglia, Goldstein, & Mathews, 2007), EE MNCs compared to their counterparts from DE are more aggressive in their proactiveness and knowledge spillover, which ultimately impacts expatriates' task performance. As a consequence, we propose:

Proposition 6 *Compared to DE MNCs, EE MNCs have a greater proactiveness in knowledge acquisition which in turn positively influences expatriate task performance.*

Discussion, Limitations, and Future Research Avenues

With this study we tried to contribute to the expatriate management literature by theorizing about the mechanisms that advance or threaten expatriate task performance by EE MNCs. We identified the asymmetries between EE and DE expatriate management and suggested propositions of the resulting chances and challenges for expatriate managers from EE MNCs during their foreign assignments. We thus aimed to reduce a research gap on the current EE expatriate management literature by exploring organizational- and societal-level predictors on expatriate performance.

The proposed asymmetries yield multiple comparative disadvantages of EE MNCs including distinctive LOE, a less reputable country of origin image, and less profound HRM practices. On the other hand, we could identify the comparative advantages as well, including a more profound diaspora or ethnic network ties, better adaptability to hostile environments, and increased proactiveness in knowledge acquisition.

The EE expatriate literature—in which our article is situated—has mostly researched more advanced EEs such as Taiwan and China (Jaw & Liu, 2004; Lin et al., 2012; Shih et al., 2010) which are more adequately characterized as mid-range economies (Hoskisson et al., 2013). However, in the expatriate literature they are still considered as EEs as well as according to the MSCI emerging market indexes (MSCI, 2015). Therefore, we need additional perspectives in the EE expatriate literature. Accordingly, other region-specific EE research on expatriate management should be investigated (Cheng & Lin, 2009). In addition, the culture shock of Taiwanese firms in Asian nations is reduced given the small home- and host country distance (Shih et al., 2010). For this reason, further studies in different countries and cultures should be conducted.

The large compensation gap that exists in EE between expatriates from DE and host country nationals has been investigated in the expatriate management literature (Hon & Lu, 2015). Nevertheless, no attention was given to the compensation gap between expatriates from EE and local employees in DE. Additional research should be conducted which addresses the wage inequality between expatriates from EE and host country nationals in DE.

Our analysis also suggests market entry advantages of EE MNCs in other EEs. The identified asymmetries showed that EE MNCs have a comparative advantage when operating in similar institutional environments, given their home-country experience in managing and adapting to hostile environments. In this vein, expatriates from EE MNCs might adjust better in other EEs than DE, given the similarities of legal local norms, HRM approaches, and a lower country of origin reputation difference. Future research might further uncover these effects.

The specific disadvantages of expatriates from EE MNCs, which were explored in our study, could be mitigated when operating under multinational teams with high diversity and no real fault line. However, it may seem as if the multiple distinguishable individual characteristics, which comprise multinational teams, might influence the job performance and outcome of the international assignment. For that reason, team-based research on expatriate management from EE should be integrated.

Even though this study showed asymmetries of EE MNCs compared to DE MNCs, future research should investigate conditional factors that moderate the proposed advantages and disadvantages of EE expatriate performance as well as the interaction among the different mechanisms. Since not all EEs are the same, the prevalence of the identified mechanism might differ across EEs. Observing how different components of the institutional and cultural environment shape the existence of the different mechanisms might consequently be a fruitful research avenue. Moreover, the different mechanisms might enhance or buffer their mutual effect. For instance, it might be possible that diaspora ties help to compensate for less developed HRM practices. Accordingly, future research should further explore the interaction among the identified mechanisms in order to advance our still limited understanding of EE MNCs expatriate management.

North American Perspective

Expatriate Managers from Emerging Economy Firms

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New in Town? Assessing the Role of Diasporas for EE Expatriates

The study by Abrashi-Smajli and Baum gets at the heart of what expatriate managers from emerging economy (EE) firms are likely to experience when operating outside their country of origin. Much of the extant expatriate literature focuses on the experience of managers from firms based in developed Western economies, even though EE firms and their expatriate managers are a growing phenomenon. Taking a resource-based view, the authors propose relative disadvantages and advantages for expatriate managers from EE firms compared to their developed economy (DE) counterparts.

The disadvantages revolve around a 'liability of emergingness.' This is characterized by resource constraints, a general lack of international experience, and relatively less developed and/or more particularistic HRM practices (read: non-Western) that, among other factors, translate to a less positive brand image for the country, firm, and its expatriates. Certainly, these factors make it challenging for EE expatriates to recruit and retain local talent and to otherwise successfully manage their subsidiary toward optimal performance. We must bear in mind, however, that some of these challenges are not exclusive to expatriates from EE countries. Consider Japan, a developed economy with particularistic, non-Western HRM practices that are well-known for creating recruitment and retention challenges for Japanese expatriates in both developed and emerging economy countries. This continues despite Japanese firms having decades of international experience. Perhaps the significant divide is between Western and non-Western management practices while the global management norm remains Western.

On the other side of the ledger are resources thought to provide a comparative advantage for EE expatriates, notably the ability to adapt to uncertain and hostile environments and the capacity to draw on diasporic networks for support. Emerging economies are characterized by institutional voids, low market openness, low labor flexibility, and in some cases ongoing political conflict. In fact, most protracted conflicts in the world occur in emerging and developing countries. It has been proposed that EE expatriates may be better equipped than DE expatriates to manage in difficult environments because such environments are closer to what they experience in their home countries. While sources, types, and levels of uncertainty or even political conflict may be comparable between two EE countries, the resources for managing them will be to some extent culturally and socially bound. Navigating institutional voids, for instance, generally requires a reliance on local relationships for getting things done (some may rely on bribery.) An EE expatriate may be very familiar with institutional voids but may not have a network of relationships in the host country, beyond subsidiary office staff, to overcome the associated challenges. Unless, of course, he or she has access to a diaspora in the host country that can provide the necessary relationships.

One area for future research could be the differential roles a diaspora might play for EE expatriates in EE versus DE markets. Diasporas provide information and other support to newcomers from the home country as they attempt to navigate unfamiliar cultural and institutional realities in the host country. In EE markets, as alluded to above, diasporas can help to 'fill' institutional voids by utilizing the right diasporic relationships to get things done. In DE markets, a diaspora might serve to help the newcomer to understand how an institution functions, rather than on how to circumvent a non-functioning one or how to substitute for its function.

To further this line of inquiry, it is necessary to consider the relationship between diasporas and investment patterns. Do diasporas exist in all areas of the world where an EE firm wishes to invest? Does the composition of the diaspora matter? Is the role of diasporas evolving? These questions must be addressed in order to ascertain the generalizability of the diasporic advantage for EE firms and expatriates.

Much of the EE expatriate research has focused on China and other large EEs. These countries also have large diasporas. India now has the world's largest diaspora at 16 million people, followed by Mexico (12 million), and China (10 million) (United Nations, 2016). Diasporas from some countries of origin tend to concentrate in certain countries of destination, like Mexican immigrants in the USA and Algerian immigrants in France. Other diasporas, including Indian and Russian diasporas, are more evenly distributed across several destination countries. The Chinese diaspora is prevalent in Asian countries as well as in the West. Further, there are different kinds of diaspora in terms of composition such as long-established and historical diaspora, brain drain diaspora, low-skilled migrant diaspora, and refugee diaspora. In other words, there is lack of comparability between migrant populations, or diaspora, due not only to size and composition but because of national variation in who is considered an immigrant. This has implications for EE expatriates in terms of the role diaspora might play. A well-established diaspora is likely to be more useful for navigating institutional voids than a diaspora comprised of low-skilled workers or refugees. As noted by Brubaker (2005), we need to get behind the total number of diaspora members to understand the composition of diaspora and how they are actually functioning and changing.

Diasporas have evolved over time with regard to their role. People tend to migrate to countries with higher economic development for the educational and work opportunity offered. In Silicon Valley, for instance, the large and highly educated Chinese and Indian diasporas have generated much of the entrepreneurial activity in the Valley and their members have founded large, successful firms. A recent trend is for members of these diasporas to return to their home countries to start or extend their businesses, given the relatively high economic growth rates and opportunity there. This trend, combined with increased global mobility, underscores the complexity of migration patterns and calls into question the notion of permanency that has been a hallmark of migrants that form diasporas. The ease of obtaining information from the internet and other sources, particularly in developed countries, has contributed to a lessening of the traditional role for diasporas as a hub for information and broker of opportunity. While diasporas remain important, an educated EE newcomer, particularly in a developed country, can leverage a variety of information sources and relational networks beyond the diaspora.

In sum, the differential roles diasporas might play for EE expatriates in EE and DE countries appear to matter, taking into consideration global mobility trends and the composition and evolving nature of diasporas.

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10

Expatriate Adjustment: A Review of Concepts, Drivers, and Consequences

Jonas Puck, Dirk Holtbrügge, and Julia Raupp

Introduction

In order to effectively manage international activities and foreign staff, expatriates are expected to adjust to local work environments and novel role responsibilities, whilst simultaneously adapting to foreign cultural cognitions and values (Firth, Chen, Kirkman, & Kim, 2014; Mendenhall & Oddou, 1985). Accordingly, the significance of expatriates' ability to cross-culturally adjust has considerably increased (Dowling & Welch,

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2004; Evans, Pucik, & Barsoux, 2002; Harzing & Van Ruysseveldt, 2004). In line with this, expatriate assignments are viewed as elemental for the development of global leaders' competencies and the implementation of standardized corporate conducts and cultures (Tharenou & Harvey, 2006). However, whilst international assignments are expedient mechanisms to manage and control multinational corporations (Harzing, 2001), operating expatriates' relocation incurs substantial financial, professional, and personal costs (Bonache Pèrez & Pla-Barber, 2005; Takeuchi, 2010). It has been estimated that the first year of assigning expatriates abroad amounts to approximately three times the base salary of their domestic counterparts (Shaffer, Harrison, & Gilley, 1999).

Consistent with the practical relevance, multiple studies have analyzed various aspects of international delegations, in different regions: Although the lion's share of this stream of research has been examining expatriates from the USA, some scholars have also contributed to this stream of research by investigating assignees stemming from Europe—albeit fewer in number (Bonache, Brewster, & Suutari, 2001; Scullion & Brewster, 2001). More recent shifts in geographic attention include an emphasis on Asia, as well as less country-specific, yet more globally focused studies, which is likely to be due to the phenomena of gentrification and the ongoing cosmopolitanism (Bruning, Sonpar, & Wang, 2012; Kim & Slocum, 2008). In addition, current research often includes self-initiated expatriates (SIEs), as the types of employees who self-decidedly move abroad have become increasingly common (Froese & Peltokorpi, 2012; Peltokorpi & Froese, 2009). The majority of studies focuses on the process of adjustment, regarding it as an essential factor for success (Bhaskar-Shrinivas, Shaffer, & Luk, 2005; Hechanova, Beehr, & Christiansen, 2003).

However, methods and measurements vary distinctly between studies, fragmenting as well as corrupting consistent results. Therefore, we aim to generate a comprehensive overview of empirical literature and to contribute to the stream of research by conceptualizing a framework which integrates the major findings with respect to expatriate adjustment's antecedents and consequences. Thus, to achieve a holistic review, we first define the term expatriate adjustment and elucidate its multidimensionality. Subsequently, the determinants are examined and categorized. Consecutively, we discuss the outcomes of adjustment, as presented by the reviewed studies. Finally, we present implications for practice and theory alike, and indicate future research directions.

Adjustment: Definition of a Multidimensional Concept

To holistically review expatriate adjustment, we first synthesize its most common definitions. Existing studies can be distinguished according to two different notions: The first defines expatriate adjustment as the degree of psychological adjustment in terms of sociocultural comfort and familiarity experienced by the individual within a new society or environment (see, for example, Black, 1988, 1990b, Black & Mendenhall, 1991; Feldman & Tompson, 1993; Sappinen, 1993; Schneider & Asakawa, 1995, or Selmer, 2002). The second concentrates on more objective terms, such as performance criteria or turnover rates of expatriates (see, for example, Early, 1987 or Edmond, 2002). This chapter focuses on the first, that is cross-cultural concept, defining adjustment as a subjective perception, rather than an objective measure for success (Birdseye & Hill, 1995; Kraimer, Wayne, & Jaworski, 2001; Mendenhall & Oddou, 1985).

It has been an ongoing debate, whether adjustment is a unitary or multifaceted phenomenon. Lysgaard (1955)—probably the first researcher examining adjustment—and later also Oberg (1960), Ruben and Kealey (1979), Torbiorn (1982), and Tung (1987) perceived adjustment to be a unitary phenomenon and focused mainly on an individual's adjustment to the general environment. More recent studies consider adjustment to be multifaceted, consisting of three major dimensions (Black, 1988; Black & Gregersen, 1991a; Black, Mendenhall, & Oddou, 1991; McEvoy & Parker, 1995):

- *Adjustment to the general environment* (Black, 1988; Black et al., 1991; Feldmann, 1976)
- *Adjustment to the work situation* (Black & Porter, 1991; Feldman & Tompson, 1993; Feldmann, 1976)
- *Adjustment to interacting with host nationals* (Black, 1992; Mendenhall & Oddou, 1985)

Following this multifaceted approach, it appears that some expatriates, despite being well adjusted with regard to one of these dimensions, might simultaneously be maladjusted with respect to another. For example, one may adapt to the new work situation, yet at the same time feel uncomfortable to socially interact with host country nationals. In consequence, a more detailed clarification of the determinants, forms, and consequences of expatriate adjustment is necessary and hence elucidated in the following paragraphs.

Methodology

To identify a representative sample of studies, we selected articles by consulting EBSCO host, JSTOR, ProQuest, and Google Scholar, utilizing the keywords "expatriate adjustment, international assignment adjustment, expatriate adaptation, adjustment to the work situation, and adjustment to interacting with host nationals" (both, in combination and as single terms), which either could be part of the title or mentioned within the abstract. To narrow the scope, we set the publishing range between 1988 and 2014, as the multidimensional concept of adjustment was first introduced by Black (1988). Hence, we solely reviewed empirical articles which are based upon Black's multidimensional measurement. Additionally, we utilized snowballing to trace subsequent studies. In case we found two related studies, for example one published as a working paper, and the other published in a journal, we always referred to the journal publication. Overall, this approach resulted in a final sample of 55 articles.

Determinants of Expatriate Adjustment

The literature differentiates between three facets of adjustment: The adjustment to the general foreign context, the situational work-related adjustment, and the interaction with host nationals. To achieve a comprehensive overview, the remainder of this article is structured as follows: For each of these dimensions, individual, work-related, and non-work-related factors are differentiated and explained. Individual factors are further subdivided into personality-related and experience-based aspects. In addition, two work-related temporal aspects are distinguished. Whilst the first describes the relationship between factors prior to relocation, the second indicates influences that play an important role in assessing expatriates' adjustment after the arrival in the host country. Last, we focus on non-work-related environmental factors. In case reviewed studies examine and return significant results for more than one dimension, findings will be subsumed in the first dimension researched. To ensure comparable results, we focus on empirical studies utilizing the adjustment measurement introduced by Black (1988), albeit we allow for minor modifications. For a list of articles reviewed, please refer to Table 10.1.

Table 10.1 Studies included in the review

Author(s) and year	Home countries	Host countries	*N*	Methods
Benson and Pattie (2009)	USA	38	206	RA
Bhatti, Battour, and Ismail (2013)*	Worldwide	Malaysia	201	SEM
Bhatti, Battour, Ismail, and Sundram (2014)*	12	Malaysia	201	SEM
Black (1988)	USA	Japan	67	RAs
Black (1990a)*	Japan	USA	67	CA
Black (1990b)*	Japan	USA	67	CA
Black and Gregersen (1991b)*	USA	Asia and Europe	321	CA
Bonsiep, Eckert, Rässler, and Mayer (2003)	Germany	Asia	61	RA
Bruning et al. (2012)	Canada, Europe, USA	China	70	RA
Chen, Kirkman, Kim, Farh, and Tangirala (2010)	USA (home base, nationality can be different)	31	556	RA
Feldman and Tompson (1993)	All continents	26 host countries	459	RA
Firth et al. (2014)	25	USA, Canada, UK, Australia	70	RA

(*continued*)

Table 10.1 (continued)

Author(s) and year	Home countries	Host countries	*N*	Methods
Freeman and Olson-Buchanan (2013)	Not specified	30	61	RA
Froese and Peltokorpi (2012)	25	Japan	181	RA
Gregersen and Black (1990)*	USA	Asian countries and Europe	321	RA
Gregersen and Black (1992)*	USA	Asian countries and Europe	321	RA
Huang, Chi, and Lawler (2005)	USA	Taiwan	83	RA
Isakovic and Forseth Whitman (2013)	26	United Arab Emirates	297	CA, RA, AV
Kawai and Strange (2014)	Japan	Germany	118	MRA, CA
Kim and Slocum (2008)	Korea	USA	88	RA
Kittler, Holtbrügge, and Ungar (2006)	Germany	51 host countries	169	AV; CA
Koveshnikov, Wechtler, and Dejoux (2014)	France	133	269	RA
Kraimer et al. (2001)	USA	30 host countries	213	SEM
Kreppel, Puck, and Holtbrügge (2008)	Germany	Latin America	140	RA
Lee and van Vorst (2010)	Western countries (native English)	Taiwan	74	RA
Lee, Veasna, and Wu (2013)	Taiwan	China	156	SEM, RA
Mahajan and Toh (2014)	India	USA	350	SEM
Malek and Budhwar (2013)	UK, USA, India	Malaysia	134	RA
Min, Magnini, and Singal (2013)	27	38	71	RA
Nolan and Morley (2013)	Worldwide	Ireland	369	CA
Okpara and Kabongo (2011)	USA, UK, France, Germany	Nigeria	181	CA
Osman-Gani and Rockstuhl (2009)	USA, Japan, Germany	Singapore (+ other way round)	169	CA, RA

Author(s) and year	Home countries	Host countries	*N*	Methods
Parker and McEvoy (1993)	21 home countries	12 host countries	169	CA
Peltokorpi and Froese (2009)	24	Japan	179	AV
Puck, Kittler, and Wright (2008)	Germany	All continents	339	RA
Ramalu, Rose, Kumar, and Uli (2010)*	45	Malaysia	332	RA
Ramalu, Rose, Uli, and Kumar (2010)*	45	Malaysia	332	RA
Ramalu, Rose, Uli, and Kumar (2012)*	45	Malaysia	332	RA
Selmer (2000)*	Westerners	Hong Kong	343	CA
Selmer (2002)*	Westerners	Hong Kong	343	RA
Selmer (2005a)*	Westerners	China	165	RA
Selmer (2005b)*	Westerners	China	165	RA
Selmer and Fenner (2009)	USA	Worldwide	174	RA
Selmer and Lauring (2011)	Worldwide	Finland, Norway	137	RA, AV
Shaffer and Harrison (1998)*	29 home countries	45 host countries	452	RA
Shaffer et al. (1999)*	29 home countries	45 host countries	452	SEM
Siers (2007)	USA	18 host countries	99	CA
Takeuchi, Yun, and Russel (2002)	Japan	USA	243	SEM
Takeuchi et al. (2005)	Westerners	China	165	RA
Takeuchi, Shay, and Li (2008)	32/7	82	187/24	RA
van Bakel, Gerritsen, and van Oudenhoven (2011)	Western countries	Netherlands	61	AV
Van Vianen, De Pater, Kristof-Brown, and Johnson (2004)	26 home countries	52 host countries	208	RA

(*continued*)

Table 10.1 (continued)

Author(s) and year	Home countries	Host countries	*N*	Methods
Waxin and Panaccio (2005)	France, Germany, Korea, Scandinavia	India	224	AV
Wu and Ang (2011)	Worldwide	Singapore	169	RA
Zhuang, Wu, and Wen (2013)	Taiwan	China	281	RA

Studies marked with an asterisk* analyze the same sample
Method abbreviations: *CA* Correlation Analysis, *RA* Regression Analysis, *SEM* Structural Equation Modelling, *AV* Analysis of variance

Adjustment to the General Environment

According to Black (1988), the adjustment to the general environment delineates the psychological comfort with regard to the host culture environment, including weather, food, and living conditions. This is measured by eight items, using seven-point Likert-scales, ranging from "1 = not adjusted at all" to "7 = very well adjusted". More specifically, questions assessing the adjustment towards the general environment encompass the living conditions in general, as well as housing conditions, food and shopping, cost of living, entertainment or recreation facilities and opportunities, and health care options.

Individual Factors: Personality-related

Personality-related factors are for instance cultural flexibility (and associated concepts), social orientation, communication and the willingness to communicate, or the motivation to relocate abroad. According to Black's literature research (1990b) most studies analyzing expatriate adjustment emphasize personal characteristics, with the majority of these studies not differentiating between the three dimensions. In the attempt to fill this gap, Black (1990b) tests the relationship between the three facets of adjustment and five personal aspects (cultural flexibility, social orientation, willingness to communicate, ethnocentricity, and conflict resolution orientation), which apart from ethnocentricity test significantly positive for all dimensions. In keeping with Mendenhall and Oddou (1985), Black discusses cultural flexibility as reinforcement substitution, that is the "ability to replace activities enjoyed in one's home country with available and usually different, activities in the host country" (1990b, p. 124). Thus, Black hypothesizes that cultural flexibility enhances the general adjustment. In connection with this, Froese and Peltokorpi (2012) find proof for the positive impact of cultural empathy and Malek and Budhwar (2013) stress the importance of awareness in connection with cultural intelligence. Consistent with cultural flexibility facilitating general adjustment, Bhatti et al. (2013) investigate the mediation of all three dimensions of adjustment on the link between individual or organizational factors and performance. They find proof for the direct favorable impact of cultural sensitivity, which depicts a positive attitude towards understanding cultural differences and their emotional appreciation (Chen & Starosta, 2000). Besides the influence on general adjustment, cultural sensitivity is also seen to catalyze work and interaction adjustment, however to a lesser degree (Bhatti et al., 2013). Moreover, emotional intelligence is found to positively affect all three dimensions, with the expression of emotions impacting male expatriates' adjustment more than female expatriates' (Koveshnikov et al., 2014).

As a further individual aspect, Bhatti et al. (2013) establish self-efficacy to be positively linked to general adjustment. In parts identical to the Big five personality traits, the characteristics of open mindedness, extraversion, emotional stability and intelligence, agreeableness, and conscientiousness are acknowledged to support expatriates in adjusting to the general environment (Bhatti et al., 2014; Bruning et al., 2012; Freeman & Olson-Buchanan, 2013; Froese & Peltokorpi, 2012; Koveshnikov et al., 2014; Ramalu, Rose, Kumar, & Uli, 2010). Also focusing on expatriates` personality traits, Huang et al.'s (2005) results indicate that both extraversion and openness to experience positively interrelate with general living adjustment. However, neither neuroticism nor conscientiousness is found to be significantly related to adjustment to the general environment. Furthermore, social orientation and the willingness to communicate constitute personality-related aspects. Respectively, they depict the individual's ability to establish relationships with host country nationals, which in turn increases the general adjustment abroad (Black, 1990b ; Froese & Peltokorpi, 2012 ; Takeuchi et al., 2002). Takeuchi et al. (2002) empirically test the willingness to communicate as an influencing factor on general adjustment, which is found to positively relate to interactional adjustment, yet, the link to general adjustment could not be confirmed.

Black's findings (1990a) further signify that adjustment to the general environment is positively correlated with the motivation to go overseas (measured via self-evaluation). His line of argumentation depicts that "the more motivated the individual is toward the assignment, the more effort the individual will put forth in trying to learn the appropriate and inappropriate relative to the new culture, and therefore, the more adjusted the individual will become" (1990a, p. 113). The study of Kreppel et al. (2008) examines the impact of personal preferences of 140 expatriates in Latin America on their adjustment and verifies the positive correlation between the motivation to go overseas and general adjustment. Finally, Kreppel et al. (2008) establish the preference for adventure travels to positively affect general expatriate adjustment. They explain this by expatriates who prefer adventure travels to be likely to show interest in the host country and the life of host nationals.

Individual Factors: Experience-related

In particular, language proficiency, prior international experience and knowledge of the host country, as well as time spent with locals count towards experience-related sub-factors that influence the individual's adjustment to the general environment. Referring to Takeuchi et al. (2002), previous knowledge (or pre-departure knowledge) of the host culture assists in forming accurate expectations. Additionally, it allows the individual to adjust better to the host country. Their findings imply a significant positive relationship between previous knowledge and general adjustment. Gregersen and Black (1990) confirm this in their analyses, whilst Black (1990a) additionally finds a positive correlation between previous knowledge of the specific host country and the general adjustment. Freeman and Olson-Buchanan (2013), as well as Selmer and Lauring (2011), find proof for the facilitating impact of fluency in the host country language on general adjustment.

Another individual factor affecting general adjustment is prior international experience, which is explored by Parker and McEvoy (1993). They confirm that previous international experience is positively related to general adjustment, which is also confirmed by multiple other scholars (Bhatti et al., 2013; Huang et al., 2005; Lee & Sukoco, 2010; Okpara & Kabongo, 2011). Focusing on SIEs, Isakovic and Forseth Whitman (2013) find that the satisfaction associated with previous experiences also assists in generally adjusting abroad.

Contesting these results, the outcomes of the Bonsiep et al.'s (2003) study show prior international experience to be negatively associated with general adjustment. Furthermore, the "U-curve" hypothesis of expatriate adjustment is verified, which differentiates several stages of adjustment over time (honeymoon, culture shock, recovery, adjustment). In addition, the study includes further variables, which potentially affect the cultural adjustment, that is company-related, personality-related, and environment-related variables. The analysis demonstrates a negative relation between previous international assignments and general adjustment. Bonsiep et al. explain this by experienced expatriates tending to be more critical in evaluating cultural divergence than less experienced expatriates. A further reasoning for the negative link between prior experience and adjustment is put forward by Parker and McEvoy (1993), who suggest that time spent with other expatriates is negatively related to general adjustment. However, they also consider that time spent with host country nationals is positively related to general adjustment, yet without explicitly testing this. The affirmative link between social interaction, or networks with host country nationals and general adjustment is, however, established by a number of scholars (Bhatti et al., 2013; Black & Gregersen, 1991b; Gregersen, 1992; Lee & Sukoco, 2010).

According to Parker and McEvoy (1993), a higher degree of cultural novelty is associated with greater general living adjustment, a finding which is also supported by Isakovic and Forseth Whitman (2013). Parker & McEvoy regard clear expectations about living in another culture, prior to moving abroad, as determinants for this phenomenon. This positive relationship between cultural novelty and general living adjustment can be explained by the additional efforts that expatriates undertake to inform themselves if the overseas location considerably differs from their home country environment. Consequently, expatriates are likely to spend more time and are increasingly determined to create knowledge with respect to the more distant foreign context, preparing themselves for their stay abroad. The availability of information, for example supplied by returned expatriates and host country nationals, may also assist in reducing adjustment complications. Contrary to this result, Shaffer et al. (1999) find a significantly negative correlation with regard to cultural novelty and general adjustment.

Work-related Factors: Prior to Departure

The study of Selmer (2000) examines the link between expatriate managers' participation in corporate career development activities and the extent of their adjustment. Contrary to expectation, the career development activities—although targeted towards the specific job and its context—could not be (positively) associated with adjustment. This is refuted by Okpara and Kabongo (2011), who substantiate the positive effects of general-conventional, general-experimental, as well as specifically targeted cross-cultural training (CCT) methods. Additionally, Selmer could not confirm that corporate career development activities are positively related to general adjustment. However, he found proof for a significant correlation with psychological adjustment, which in turn is positively correlated with general adjustment. An explanation for this finding is the increased subjective well-being, resulting from career advancement, which facilitates general adjustment.

Moreover, Osman-Gani and Rockstuhl (2009) examine the effectiveness of pre-departure training, which is considered to positively impact upon the adjustment. In comparison, Gregersen and Black (1992) find a negative relationship between duration of pre-departure training and adjustment to the general environment. They explain this unforeseen result by quantity not equaling quality, that is the length of training is unrelated to rigor of training. Contrasting this assertion, Waxin and Panaccio (2005) show that expatriates who participate in CCT demonstrate a higher average in general adjustment. These inconsistent results might be due to the term CCT lacking a clear definition. Therefore, Puck et al. (2008) contribute by separating the term CTT into the dimensions: participation at pre-departure CCT, length of pre-departure CCT, and comprehensiveness of CCT. Nevertheless, they only find proof for a weak significant relationship between CCT comprehensiveness and adjustment to the general environment.

Focusing on mentorship, Zhuang, Wu, and Wen (2012) explore the facilitating effects of home mentors deployed prior to leaving and host country nationals mentoring expatriates after arrival. Taking a broader focus, Bhatti et al. (2013) find organizational factors in terms of direct and indirect support to assist general adjustment; however, they do not specifically differentiate between prior or post-arrival factors. Their delineation for direct support encompasses organization sponsored programs, whilst indirect corporate support ensues in the form of encouraged activities and techniques.

Work-related Factors: Post-arrival

Post-arrival aspects can be broadly distinguished into factors referring to the professional role (that is job level, role novelty, role clarity, role discretion, role ambiguity, role conflict, decision autonomy, tenure in overseas assignment) and the expatriate's assessment thereof (that is job satisfaction, commitment to the local company, and perceived corporate training initiative).

The impact of work roles on adjustment is analyzed in multiple studies. Peltokorpi and Froese (2009), for instance, find the hierarchical job level to be positively correlated with general as well as work adjustment, which applies to expatriates and SIEs alike. In line with this, Shaffer et al. (1999) take a detailed view on work role and expand the model of Black et al. (1991), by clarifying that job role novelty (negatively) and job role clarity correlate with the general adjustment. In keeping with this, the study of Bonsiep et al. (2003) determines role clarity—depicting how clear work tasks and responsibilities are defined—to be positively and role conflict to be negatively linked to general adjustment. In addition, Gregersen and Black (1992) find that role discretion enhances general adjustment. Furthermore, they discover that role ambiguity and role conflict both decrease the general adjustment abroad. Additionally, they prove that the tenure in foreign operations is positively connected to general adjustment—a result which is also supported by Gregersen and Black (1990).

Shaffer and Harrison (1998) conceptualize a model of expatriates' decisions to withdraw from their assignment. This indicates that the work-related factors of job satisfaction and organizational commitment are predictors for expatriate withdrawal cognitions. As a further result, Shaffer and Harrison find job satisfaction and general adjustment to be positively correlated, which is also supported by Peltokorpi and Froese (2009), who additionally supplement job satisfaction to correlate with interaction adjustment, particularly in the case of SIEs. Another factor, which is associated with job satisfaction, constitutes decision autonomy, which is seen to enhance all dimensions of expatriate adjustment (Takeuchi, Shay, & Jiatao, 2008; Wu & Ang, 2011). In addition, Gregersen and Black (1990) prove that commitment to the local company also positively interrelates with general adjustment. Moreover, Min et al. (2013) discover that perceived corporate training investments act as drivers for general and work adjustment. Takeuchi et al. (2005) research another post-arrival factor, the impact of psychological workplace strain, which is defined as the degree of an individual's psychological response to the work environment. According to their study, psychological workplace strain hinders general adjustment.

Environmental Factors

Environmental factors depict external circumstances which influence the expatriate's adjustment. These encompass the expatriate's family, the place and size of the foreign location, the person-environment fit, and the level of cross-cultural differences. Shaffer and Harrison (1998) test the impact of the spouse's adjusting on the expatriate's general adjustment by means of exploring a twofold perspective: The spouse's adjustment, as seen from the expatriate's point of view, as well as the spouse's perspective; both return significant positive correlations. Various studies corroborate the positive relation between spouse adjustment and expatriates' general adjustment (Black, 1990a; Black & Gregersen, 1991b; Kittler et al., 2006; Shaffer et al., 1999). Following a similar approach, Kittler et al. (2006) research the impact of an expatriate's family on his/her adjustment, with the children's adjustment featuring as significant predictor for the general adjustment of an expatriate. In particular, children's interaction adjustment is significant for general expatriate adjustment.

Including SIEs, Nolan and Morley (2013) differentiate three aspects of person-environmental fit, that is the person-supervisor fit, the person-organization fit, and the person-job fit (which is further subdivided into two aspects, either occurring if the professional requirements match the individual's abilities, that is demand-abilities fit; or the needs-supply fit, meaning the professional role offers the individual what they expect), all of which are positively correlated to general adjustment. Selmer (2005a) examines the relationship between size of location and adjustment in China. He determines a positive impact of population size of location on general adjustment, which is explained by "Westerners adjusting more easily to large cities with their Western-style way of life and consumption patterns, than to less Westernized small towns and villages" (Selmer, 2005a, p. 1228).

Van Vianen et al. (2004) analyze the impact of surface- and deep-level cultural differences on the adjustment of expatriates. Surface-level differences refer to easily visible and thus tangible differences between home and host country, whereas deep-level differences concern intangible differences in basic values. According to the study's findings, surface-level differences predict general adjustment, but not work or interaction adjustment. Thus, in case cultural differences are straightforward and easily observed, the general adjustment is challenging. Figure 10.1 provides a summary of the antecedent factors influencing the expatriate's adjustment to the general environment.

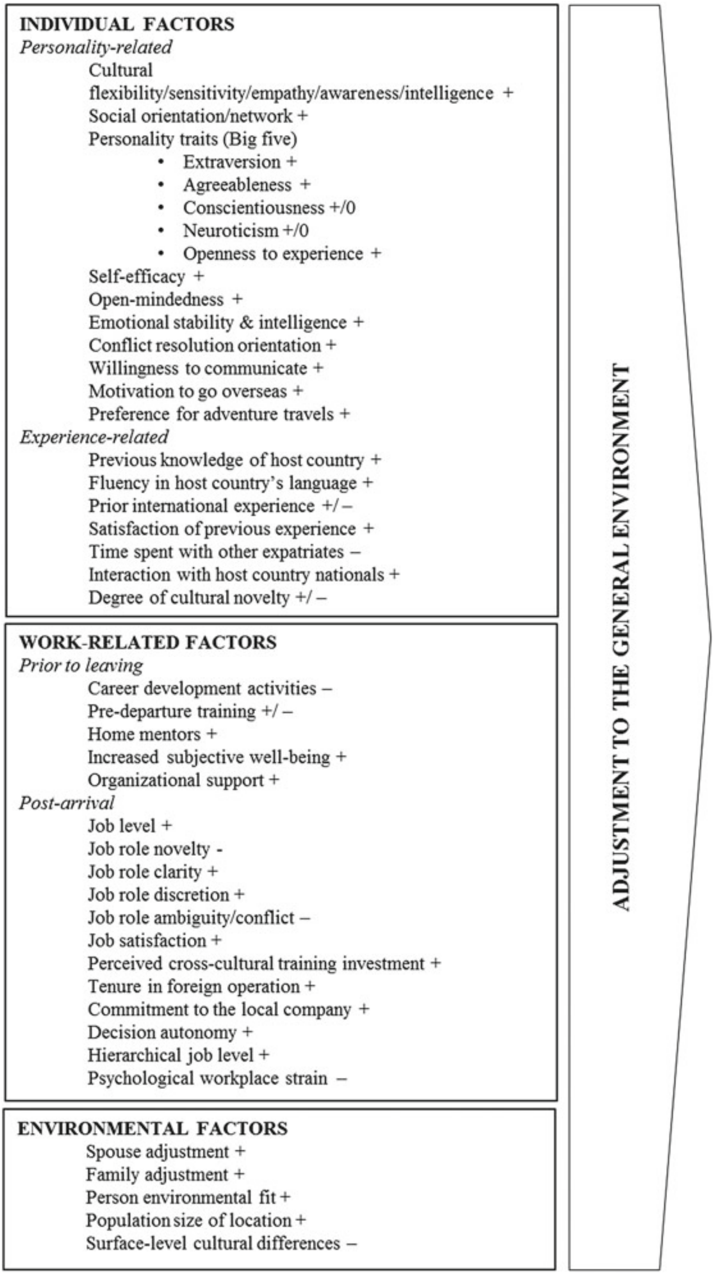

Fig. 10.1 Antecedents of adjustment to the general environment

Adjustment to the Work Situation

The second dimension of expatriate adjustment relates to the work situation, that is the psychological ease with respect to dissimilar values, expectations, and standards at the foreign location of employment. Black's measurement (1988) ensues in view of three items, each depicted on seven-point Likert-scales, with "1 = not adjusted at all" and "7 = very well adjusted". The three items encompass the adjustment to specific job responsibilities, performance standards/expectations, and supervisory responsibilities.

Individual Factors: Personality-related

All four personality-related factors (cultural flexibility, social orientation, willingness to communicate, and conflict resolution orientation) which were found to influence the general adjustment also facilitate the adjustment to the work situation (Black, 1990b). The only factor of the Big five as examined by Huang et al. (2005), which was found to significantly ease work adjustment, is openness to experience. In contrast, other studies supported all five personality traits (Bhatti et al., 2014; Freeman & Olson-Buchanan, 2013; Ramalu, Rose, Uli, & Kumar, 2010), that is extraversion, agreeableness, conscientiousness, and neuroticism. Emotional stability was further added to also positively connect to work adjustment. Analogous to their findings in view of general adjustment, Bhatti et al. (2013) assert the positive impact of cultural sensitivity, social networks and self-efficacy. Divergent from the findings for general and interaction adjustment, Malek and Budhwar (2013) found interaction-cultural intelligence to be negatively related to expatriate work adjustment. Their explanation is that cultural intelligence might not be particularly needed for work adjustment, as the expatriate's novel work situation is likely to be characterized by the identical corporate policies and guidelines for managing their professional responsibilities.

Besides, Black (1990a) establishes a positive connection between the work adjustment and the motivation to move overseas. Supporting this, Firth et al. (2014) find cross-cultural motivation and psychological empowerment to positively relate to initial levels of adjustment. The findings regarding motivation correspond to those delimited in their previous study (Chen et al., 2010). Feldman and Tompson (1993) empirically investigate adjustment to new job assignments in light of three transfer forms, expatriation, repatriation, and domestic geographical relocation. The study's findings support that the ability to work with a multicultural workforce (as measured by the expatriate) increases the work adjustment. Moreover, emotional aspects (as for instance emotional stability, cultural empathy, the expression of emotions, as well as their regulation and utilization) are also observed to play a significant role (Froese & Peltokorpi, 2012; Koveshnikov et al., 2014).

Individual Factors: Experience-related

With regard to the experience-related determinants of work adjustment, Feldman and Tompson (1993) find significant correlations, despite their measure for work-related adjustment being different to Black's (1988). Their results confirm a positive relation between knowledge of international business and work-related adjustment.

Selmer (2002) presents evidence for the importance of international experience, which is positively related to work adjustment. This link has been acknowledged by several scholars (Bhatti et al., 2013; Black, 1990a; Gregersen & Black, 1990; Kim & Slocum, 2008; Okpara & Kabongo, 2011; Selmer & Fenner, 2009; Selmer & Lauring, 2011). In addition, Selmer (2002) proves that earlier experience in other Asian countries is positively related to work adjustment of recently arrived expatriates. Similar to this, Gregersen and Black (1992) and Black (1990a) discover a positive influence of time spent with host country nationals. Correspondingly, supportive host country coworkers are viewed to facilitate work adjustment (Lee & Van Vorst, 2010).

Culture novelty—defined as an expatriate's perception of the differences between the host culture and the home culture—is hypothesized to mostly hinder adjustment (Chen et al., 2010). The more novel expatriates perceive the host culture in comparison to their home culture, the less will be their adjustment. This hypothesis is also supported by studies of Takeuchi et al. (2002) as well as Shaffer and Harrison (1998). Nevertheless, the findings are ambiguous, as Isakovic and Forseth Whitman (2013) find proof for a positive relation. As communication and language skills are suggested to act as important factors in cross-cultural adjustment, Takeuchi et al. (2002) propose language proficiency to enhance the three facets of expatriate adjustment. Consequently, proficiency in the host country language leads to higher levels of work adjustment (Freeman & Olson-Buchanan, 2013).

Work-related Factors: Prior to Departure

Waxin and Panaccio (2005) as well as Okpara and Kabongo (2011) examine the impact of different types of CCTs on expatriates' adjustment. They observe that expatriates who receive CCT have a higher average of work adjustment than those who have not and that all training methods increase the work adjustment. Likewise, Selmer (2005b) detects that CCT facilitates work adjustment for expatriate managers in joint ventures, yet not for expatriates employed in other organizational forms. He explicates this by joint ventures obligating shared authority, which "may result in frustrating experiences on the part of the Westerners" and "therefore, it is likely that training will be beneficial to the work adjustment" (Selmer, 2005b, p. 72). In contrast, expatriates working in other organizations, which are typically dominated by the parent, experience less frustration at work. Opposing these findings, Puck et al. (2008) discard CCT participation, length or comprehensiveness to affect expatriate work adjustment. Yet, the effectiveness of CCT prior to departure is found to increase the work adjustment (Osman-Gani & Rockstuhl, 2009) as is the deployment of home mentors (Zhuang et al., 2012).

Work-related Factors: After Arrival

Shaffer et al. (1999) emphasize the discretion and clarity of professional role to exert a positive impact on work adjustment, which is also supported by Bonsiep et al. (2003) and Black (1990a). Another finding contained in this study is the negative effect which role conflict exerts on work adjustment, which has previously been shown by Black and Gregersen (1991b). Additionally, adjustment is viewed to decrease in cases where the corporate cultures of the parent company and the subsidiary differ. Hence, the rationale to create a global corporate culture is considered to assist in facilitating expatriates' adjustment. Analogous to the results regarding general adjustment, role ambiguity and role conflict negatively correlate with work adjustment. Gregersen and Black (1990) further establish an adverse correlation between work adjustment and the hierarchical position of the expatriate, which contradicts the studies of Shaffer et al. (1999) and Froese and Peltokorpi (2012), who state that the job level of expatriates positively correlates with general and work adjustment. In addition, work adjustment is seen to be affected by the employee's commitment to the parent, as well as the local company.

Kraimer et al. (2001) examine the role three supportive elements play in aiding expatriate adjustment and performance. This is operationalized by a model that considers the effects of perceived organizational support, leader-member exchange, and spousal support on expatriates' adjustment. Results demonstrate that perceived organizational support, for example how the organization values the employee's contribution and cares about their well-being, affects adjustment (Chen et al., 2010). This encouraging effect of direct, as well as indirect corporate support, has also been verified in other studies (Bhatti et al., 2013; Kawai & Strange, 2014; Wu & Ang, 2011), suggesting that the parent company's support services, such as CCT or assistance during relocation contribute to work adjustment (Min et al., 2013). Furthermore, the foreign subsidiary's support (for example providing language courses or socialization experiences, or providing host mentors) also fosters the expatriate's work adjustment (Zhuang et al., 2012). Similarly, Shaffer and Harrison (1998) reveal a significant impact of job satisfaction and promotion on work adjustment. Additional factors, which aid work adjustment, are promotion opportunities upon repatriation and the level of compensation (Parker & McEvoy, 1993). In addition psychological workplace strain is depicted as a factor which hinders the adjustment at work (Takeuchi et al., 2005).

Environmental Factors

Parker and McEvoy (1993) link the spousal adjustment to the three facets of expatriate adjustment, by querying expatriates about their spouse's adjustment. Consequently, the results appear to be significantly higher than those reported in other studies, for example Kittler et al. (2006). In line with this, Shaffer and Harrison (1998) find that spouse overall satisfaction is positively related to work adjustment. The results of Bonsiep et al. (2003) indicate that if their families adjust in the host country, the expatriates' work adjustment ensues, which supports Black's study (1990a). Besides, Kittler et al. (2006) take an even closer look at the family situation and examine the children's' adjustment to be positively correlated with work adjustment. Hence, cultural adjustment of the family may support the expatriate's adjustment.

Corresponding to their findings with respect to general adjustment, Nolan and Morley (2013) prove the work adjustment to progress in cases where either the person and organization fit is given, or the job demands match the abilities of the individual. Yet, the person-supervisor-fit did not yield significant results for adjusting at work, which stands in contrast to the analysis regarding general adjustment. Another aspect, established by Selmer (2005a), is that the location's population size positively correlates with the adjustment at work. Moreover, Van Vianen et al. (2004) examine that deep-level cultural differences regarding the self-transcendence values are related to work adjustment. Thus, the more congruent the expatriate's with the locals' values (regarding self-transcendence), the better the work adjustment. A summary of the results of this section is presented in Fig. 10.2.

Adjustment to Interact with Host Nationals

The third and last dimension of expatriate adjustment depicts the interaction with host nationals. Black (1988) operationalizes this measure by four items on seven-point Likert-scales, with "1 = not adjusted at all" and "7 = very well adjusted". The adjustment to socializing, the general interaction, the interacting outside of work, and speaking with host nationals were enquired.

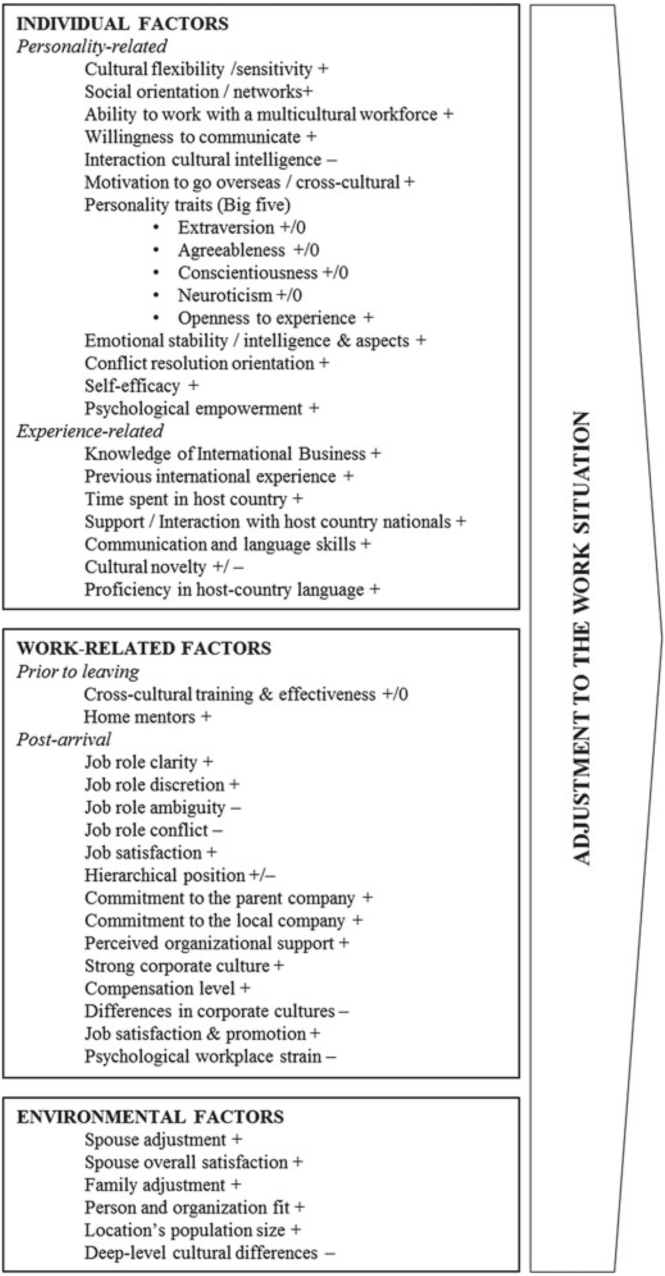

Fig. 10.2 Antecedents of adjustment to the work situation

Individual Factors: Personality-related

In line with their findings for general adjustment, Bhatti et al. (2013) also successfully link cultural sensitivity, self-efficacy, and the expatriate's social network to interaction adjustment. Similarly, awareness- and interaction-cultural intelligence facilitate the expatriate's interactional adjustment (Malek & Budhwar, 2013).

As aforementioned, multiple studies link personality traits to interaction with host country nationals (Bhatti et al., 2014; Black, 1990b; Froese & Peltokorpi, 2012): For instance, conscious expatriates more easily adjust to the interaction with host nationals (Freeman & Olson-Buchanan, 2013), as do extraverted and those expatriates who are open towards new experiences (Huang et al., 2005; Parker & McEvoy, 1993; Ramalu, Rose, Uli, & Kumar, 2010). Additionally, Huang et al. (2005) investigate the agreeableness of individuals to be a predictor for adjusting to interaction, with agreeableness being delineated as the tendency to adapt to other people's norms. However, Huang et al. (2005) could only establish significant results for two of the five personality traits, namely agreeableness and extraversion.

According to Kreppel et al. (2008), the preference for adventure travels, as well as the fondness for folk music, also positively relate to interaction adjustment. Likewise, the intensity of involvement in music, delineating the strength of personal involvement whilst listening to music, is discovered to positively affect expatriates adjusting to interact with host nationals. In a similar vein, the utilization, expression, and regulation of emotions is seen to advance interactional adjustment (Koveshnikov et al., 2014).

Individual Factors: Experience-related

Manifold articles jointly agree in communication and language skills to facilitate all three adjustment dimensions (Froese & Peltokorpi, 2012; Kim & Slocum, 2008; Lee & Van Vorst, 2010; Selmer & Lauring, 2011). Refuting this, Takeuchi et al. (2002) link language proficiency to work adjustment, yet not to interaction adjustment. However, Shaffer et al. (1999) find proof for language fluency as well as previous assignments to correlate with interaction adjustment. Also, Black (1990a) and Takeuchi et al. (2002) establish a positive relationship between previous knowledge and interaction adjustment, which is confirmed (Kreppel et al., 2008) and extended to constitute the broader concept of previous international experience (Bhatti et al., 2013; Okpara & Kabongo, 2011). In contrast, Bonsiep et al. (2003) find previous international experience to be significantly negatively related to interaction adjustment. As explicated before, Bonsiep and his colleagues explain this counterintuitive finding by apprehending experienced expatriates to be more critical. Another positive relation is found for prior knowledge of the particular host country and interaction adjustment (Kim & Slocum, 2008). Equally, time spent with host country nationals and time spent in the host country increase the adjustment to interact with host nationals (Parker & McEvoy, 1993; Peltokorpi & Froese, 2009), which goes in line with Black's (1990a) and Gregersen and Black's (1990) results. They imply that the time since arrival in the host country is very likely to positively correlate with the adjustment to interact with host nationals, which is additionally supported by Selmer (2005a).

Finally, referring to Takeuchi et al. (2002), culture novelty hinders work adjustment but does not impact upon interactional adjustment. A contrasting result is achieved by Shaffer et al. (1999), who show culture novelty to be significantly negatively related to interaction adjustment. This negative correlation is supported by further studies (Isakovic & Forseth Whitman, 2013; Shaffer & Harrison, 1998).

Work-related Factors: Prior to Leaving

The studies of Black and Gregersen (1991b) and Bonsiep et al. (2003) demonstrate a negative relationship between CCT length and interaction adjustment. Consequently, the more time for CCT is spent, the less interaction adjustment is expected. The authors underline that this could indicate that expatriates, who have received longer enduring CCT, tend to be more critical. Another explanation for this finding may be the lack of adequate CCT methods and contents. In contrast to Black and Gregersen (1991b) and Bonsiep et al. (2003), Waxin and Panaccio (2005) show that expatriates who participate in CCT demonstrate higher than average interaction adjustment, which is further confirmed by Okpara and Kabongo (2011), who verify general and specific conventional, as well as specific experimental training methods to nurture interaction adjustment. Additional catalysts for interaction adjustment, which can be applied by corporations, are assigning home mentors (Zhuang et al., 2012), as well as stimulating the effectiveness of trainings (Osman-Gani & Rockstuhl, 2009). Nonetheless, as mentioned above, Puck et al. (2008) discard any significant relationship between either CCT participation, length, or comprehensiveness and interaction adjustment.

Work-related Factors: After Arrival

Shaffer and Harrison (1998) find a positive impact of job satisfaction on interaction adjustment. Consistent with this, the expatriate's decision autonomy is also found to increase the interaction adjustment (Takeuchi et al., 2008). Also, the commitment to the local company positively correlates with adjustment to interact with host nationals (Gregersen, 1992). Correspondingly, expatriates who receive direct as well as indirect support from their corporation adjust more easily to the interaction with host country nationals (Bhatti et al., 2013; Wu & Ang, 2011). A successful corporate support measure is for instance assigning host country nationals as mentors for arriving expatriates (Benson & Pattie, 2009; Van Bakel, Gerritsen, & Van Oudenhoven, 2014; Zhuang et al., 2012). In line with this, expatriates who seek advice from their host country coworkers are better adjusted in terms of interacting (Mahajan & Toh, 2014). However, interaction adjustment is negatively affected, if the corporate cultures of the parent company and the subsidiary differ (Bonsiep et al., 2003). Therefore, the consistency of corporate cultures is instrumental in facilitating expatriates' adjustment.

Environmental Factors

As with general and work adjustment, spousal adjustment also positively relates to the interactional dimension (Black, 1990a; Kittler et al., 2006; Shaffer & Harrison, 1998; Shaffer et al., 1999). In keeping with

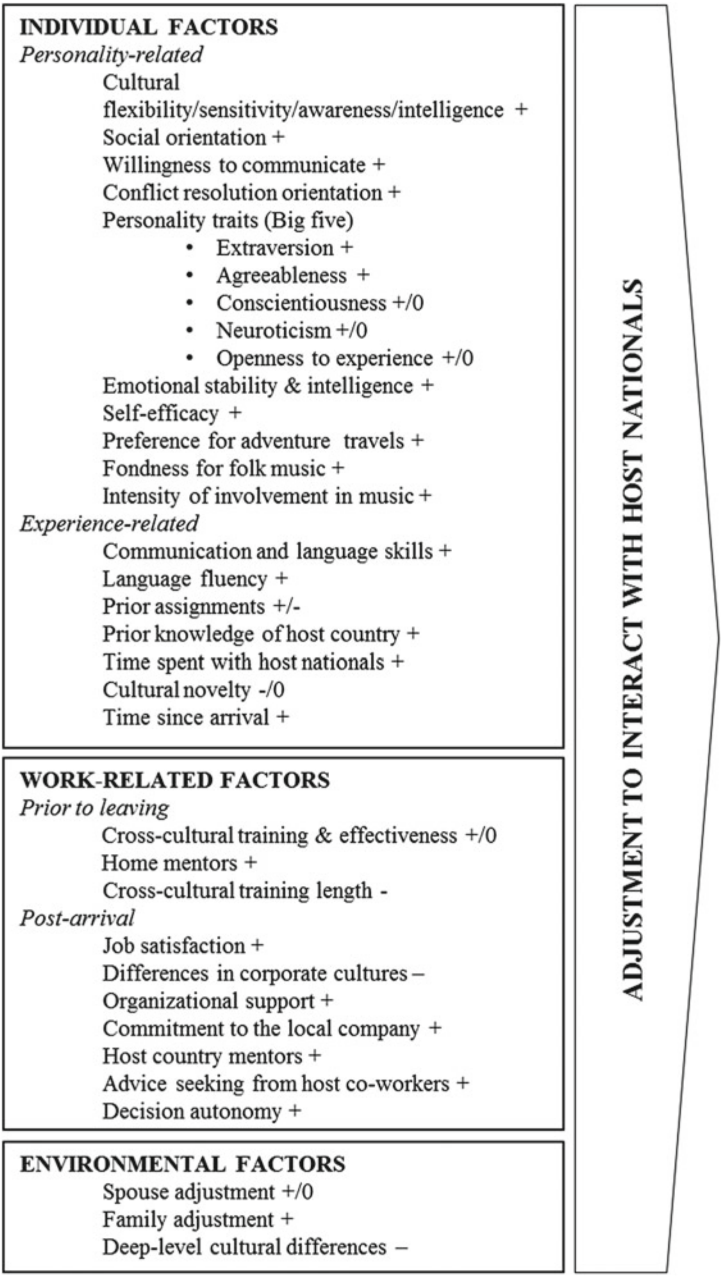

Fig. 10.3 Antecedents of adjustment to interact with host Nationals

this, Bonsiep et al. (2003) see cultural adjustment of the family to support expatriate's interaction adjustment, whereas Black and Gregersen (1991b) only find one facet of spousal adjustment, that is the interaction with host nationals to impact on the expatriate's interaction adjustment. According to Van Vianen et al. (2004), the interaction adjustment is affected by deep-level cultural differences, in particular the sub-category self-transcendence (depicting the expatriate's universal tolerance and benevolence towards others). Figure 10.3 summarizes the causes of adjustment to interact with host nationals.

Consequences of Expatriate Adjustment

Even though the analyzed studies predominantly expect positive consequences of expatriate adjustment, this is only tested in a few. Shaffer and Harrison (1998) for example, focus on expatriates' psychological withdrawal from international assignments, including job as well as non-work satisfaction. They find evidence for a positive relationship between job satisfaction and work, as well as interaction adjustment and confirm non-work satisfaction to be positively associated with regard to all three dimensions.

Takeuchi et al. (2002) suggest a negative association between the three facets of adjustment and the intent to return home early (measured via the expatriate's self-rating). Yet, the statistics only prove significant for the general and work adjustment, which is confirmed by Wu and Ang (2011). The relationship between the intent to return home early and interaction adjustment is significantly positive; however, this counterintuitive result is not elucidated (Takeuchi et al., 2002). In contrast, Gregersen and Black (1990) and Kreppel et al. (2008) only verify the intent to stay to positively interrelate with the interaction and general adjustment, yet not the work adjustment. The study of Black and Stephens (1989) confirms these results. Thus, findings are ambiguous.

Kraimer et al. (2001) endorse a positive relation between contextual performance and the three facets of adjustment, whilst Wu and Ang (2011) can only prove this in relation to interaction adjustment. Additionally, work adjustment and work performance are positively related (Parker & McEvoy, 1993). Corroborating this, Takeuchi et al. (2005) examine a positive impact of work adjustment on job performance, which is also found in multiple later studies (Kim & Slocum, 2008; Malek & Budhwar, 2013). Moreover, Gregersen and Black (1990) determine adjustment to the general environment to be positively linked with the commitment to the foreign operation. However, they only conduct a correlation analysis (allowing no conclusion about the direction of causality), thus the direction of dependency is not clear. Despite this ambiguity, a positive effect of commitment on adjustment is more likely than an inverse relationship, which proposes commitment as a cause of adjustment, rather than an outcome. In addition, Siers (2007) finds general adjustment to be negatively related to turnover cognitions. Figure 10.4 shows the relationships between the three facets of adjustment and the consequences of adjustment, as observed in the reviewed articles.

Discussion and Conclusion

This literature review first presented a holistic overview, including the definition and the multidimensionality of expatriate adjustment. Second, the antecedents of adjustment were categorized and the findings of various studies on expatriate adjustment were contrasted and synthesized. Third, resultant from the literature review, we configured a comprehensive conceptual model of expatriate adjustment.

Observing the findings of this literature review, we detect a strong need for further research in particular with respect to these conclusions: First, the outcomes of adjustment require deeper examination. The emphasis is to be placed upon the usefulness of the adjustment constructs in predicting expatriates' success. Until the relationship between expatriate adjustment and critical outcomes such as turnover or job performance has not been clarified, research on expatriate adjustment can be viewed as devoid of any practical significance. Due to the fact that the three-dimensional model of adjustment has received large support in the literature, it would be helpful to know how these facets are related to outcomes. Empirical and theoretical knowledge of this relation, combined with detailed understanding of the determinants of adjustment,

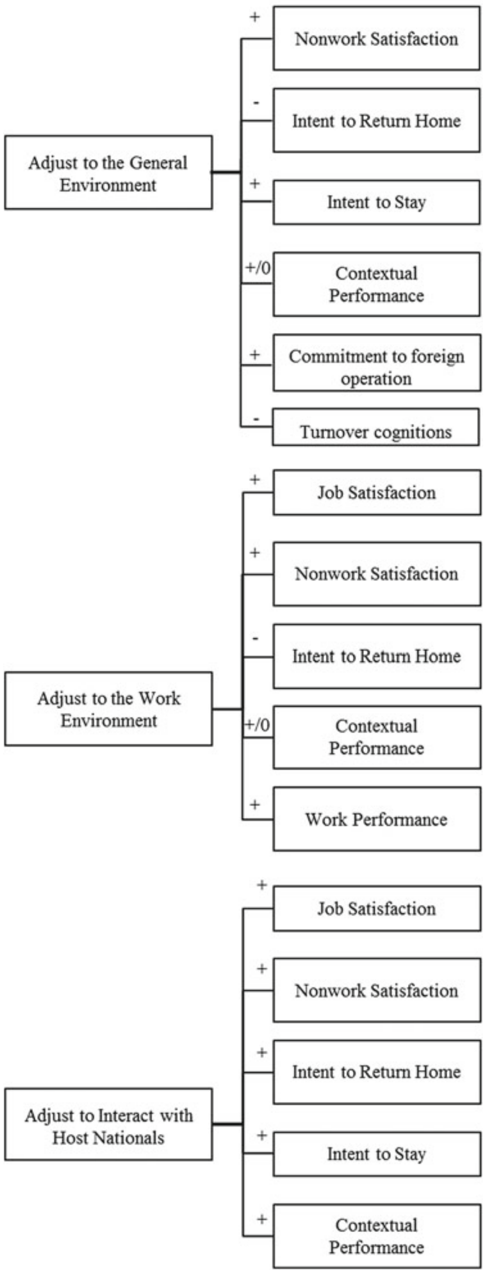

Fig. 10.4 Consequences of expatriate adjustment

would provide useful guidance to international firms. Particularly the relationship between the adjustment to interact with host nationals and the intent to return home early needs to be elucidated, principally in view of the positive and hardly explicable correlation found by Takeuchi et al. (2002). Besides, we call for more interdisciplinary research to be undertaken: By integrating theoretical concepts, deriving from a multitude of different research disciplines, a more diversified perspective could be accumulated, thus elevating the comprehension of expatriate adjustment (Chudzikowski & Mayrhofer, 2011). Therefore, the emphasis of future research should be placed upon grand social theories, enriching this stream of research by, for example, introducing multilevel analyses and additional context-related aspects, hence replacing frail conceptual frameworks with overarching and reliable theory (Bourdieu, 1977). Secondly, it is necessary to explore the relationship between training activities and adjustment in more detail, since empirical evidence is equivocal (see the results of Black & Gregersen, 1991b; Bonsiep et al., 2003; Gregersen & Black, 1992; Puck et al., 2008; Selmer, 2005b; Waxin & Panaccio, 2005). Considering these ambiguous findings, practitioners might intuitively reduce or eliminate pre-departure CCT. Even though we believe (in line with the reviewed authors) that these results indicate that considerable attention needs to be paid to the quality of training methods and contents, future research on what determines high-quality CCT is of utter importance. Third, we see the need for more advanced statistical methods, as the majority of studies in our review base their statistical analyses on correlations. Given that correlation analyses do not provide any information about the direction of relation between investigated variables, it is impossible to prove which constitutes the causal and which the dependent variable. For example, it is easily conceivable that interacting with host nationals leads to higher adjustment, but the inversed direction may equally be accurate. A more frequent use of multiple regressions or structural equation models would assist in resolving this methodological issue. Fourth, the role of organizational culture in the adjustment process seems to be a promising area for future research. Whilst the majority of studies analyzed the effects of national culture on adjustment, research on organizational culture remains scarce. Finally, since expatriate adjustment is seen as a processual development, a stronger focus on longitudinal analyses would immensely assist in advancing this stream of literature. Apart from very few exceptions, the articles reviewed neglect this and use data gathered at merely one point in time (Firth et al., 2014). Accordingly, future studies should apply longitudinal methods, which could include following expatriates throughout their assignments, and thus permit explicating the adjustment process over time.

North American Perspective

Expatriate Adjustment: A Review of Concepts, Drivers, and Consequences

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Puck, Holtbrügge, and Raupp have created a typology of expatriate research related to the three most accepted facets of adjustment: adjustment to the general environment, to the work context, and to the social context (interaction adjustment). The typology is very useful in that it helps us understand what variables have been shown to be related to one or more of these adjustment contexts. This is a necessary and very helpful step in order to better understand where our field is and where we need to go with future research.

The authors mention that the bulk of this research on expatriate adjustment is from the USA, which was especially true in the 1990s. Fortunately, good European and Asian researchers have added significantly to this body of knowledge to enable us to have a more holistic view of expatriate adjustment and its generalizability. Moreover, this has ended any real debate whether adjustment is a unitary phenomenon or a multifaceted one.

I will first make some comments about some points the authors raise about the findings that could be valuable for the typology development. The reason this is important is because the typology is based on common findings. When the findings have contradictions, it is important to try to unearth why the contradictions exist in order to determine whether anything conclusive can be drawn. The second part of my comments will pertain to the typology, itself, the authors have created.

The authors mention the contradiction in findings about whether previous international experience is positively or negatively related to general living adjustment, which might be explained by methodological differences, sample differences, and so on. There are many factors that could relate to the relationship between previous international experience and general adjustment—cultural similarity or divergence, personality type of the expatriate, previous family adjustment experience, differences in organizational support, and so forth.

Similarly, the mixed findings in cultural novelty and adjustment are complex and certainly more research needs to be done to hone in on that relationship. For example, it could be that expatriates who seek or accept such assignments are already predisposed toward adjusting because of competencies or attitudes that are different from those where the expatriate might prefer closer cultural similarity. The authors also include recent research on SIEs. This is important as it has helped us move toward differentiating SIEs versus AEs (assigned expatriates) and how they might be similar or different in the adjustment cause-effect relationship. The field is just really beginning to understand the different types of expatriates, even within categories. However, we need to go further. There are many types of SIEs. There are also many motivations that differentiate but also are similar between SIEs and AEs. The factors that relate to adjustment are not yet conclusive—whether it is the parallel motivation for each to go, the organizational support or lack of it, the more immediate career implications for the assigned versus the SIE, and so on. The field needs to be careful to not equate expatriates sent by their company as non-self-initiated and assume research findings are solely a result of this categorization. The fact is that we know relatively little about how often an expatriate in a firm initiates the interest versus the expatriate is approached by the firm. In addition, just because the expatriate is approached by the firm first does not mean the expatriate is not already predisposed toward going. Further, there are many motivations for self-initiation and the field is not developed well enough yet to differentiate among those motivations. One self-initiated expatriate could be for the adventure; another could be to get away from an unattractive situation in the domestic office; another could be because the spouse wants to go and the concern is separation. Also, these motivations could be different for expatriates from different cultural backgrounds. Hence, this is definitely a good starting point for future research.

Still, there are also clear differences in organizational ties, support, and potential career-related implications and so it is helpful that the authors include this research.

The main contribution of this chapter is the typologizing of expatriate adjustment research, which is crucial to guide future research. So this chapter can be seen as an important first step to advance our understanding. However, more research is needed to elaborate on explaining the mechanisms related to previously considered factors (for example, expatriate family issues and size of location where the expatriate is assigned) as those are often over-simplistically subsumed as "environmental factors".

Another avenue to advance our understanding is to use additional ways of categorizing such factors (for example, home and host organizational factors for those related to expatriate position characteristics, local or home organizational support and adjustment, etc.).

In summary, the authors have made an important contribution here in providing some synthesis and macro-level perspective on research related to expatriate adjustment. It will surely guide further research and help the field understand where it has been, where it is, and where it needs to go. Continually making more refinements on the typology will be another important step in furthering the quest for understanding of this important phenomenon.

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