Perceptive of Expatriation and Cross-Cultural Adjustment

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ABSTRACT

For many organizations, sending expatriates abroad to develop global competencies is consistent with their overall strategic human resource plan. Thus, expatriate job assignments require adaptation to multiple environments. However, due to cultural differences and language barriers, it may be even more difficult for expatriates to rely on current organizational members and native citizens in making sense of their new environment. This research reviewed several theories in contemporary literature and offered guidelines to human resource professionals in their pursuit of managing a global workforce more effectively and suggested avenues for future research.

EXPATRIATION

Expatriates

For many organizations, sending expatriates abroad to develop global competencies is consistent with their overall strategic human resource plan. In general, expatriates find the position to offer developmental experiences and report having gained tangible skills that are value-added for their organizations. Oddou and Mendenhall (1991) surveyed expatriates and found that 90 percent report an increase in their global perspectives, 80 percent report being able to communicate more effectively with people from culturally diverse backgrounds, and 80 percent are better able to comprehend business trends. These results indicate a tremendous developmental benefit from foreign assignments.

Louis (1980), studying work transitions, discussed the changes, contrasts, and surprises within the organization which newcomers to organizations experience and attempt to understand. Expatriates will need to make sense of not only the new organizational facility, but also the foreign country. The foreign country may entail different political, economic, and monetary systems, a different language, and different norms and standards of behavior compared to the expatriate’s home country, which results in the expatriate having to overcome culture shock (Oberg, 1960).

Thus, expatriate job assignments require adaptation to multiple environments. Furthermore, current organizational members have been identified as playing a key role in aiding newcomers’ sensemaking processes. (Louis, 1980; Reichers, 1985). However, due to cultural differences and language barriers, it may be even more difficult for expatriates to rely on current organizational members and native citizens in making sense of their new environment.

Advantages of Expatriation

Expatriate assignments may facilitate intersubsidiary communication and coordination (Boyacigiller, 1991; Rosenzweig, 1994) by transferring overall corporate philosophies and the company vision along with the expatriate. Having worked for the company in its home location, it is likely that the expatriate has “bought into” the corporate culture through assimilation and socialization, and would therefore communicate goals and objectives in the manner in which they were intended.

The use of expatriates in overseas subsidiaries may also aid in forming linkages with other nations (Boyacigiller, 1991). Ongoing relationships with host-country governments, domestic businesses, and other interest groups can enhance the competitiveness of firms operating abroad. As their firms compete for access and for market share in the international arena, the “first-mover advantages” associated with
government concessions and establishing efficient channels for distribution may by critical to long-term success.

The practice of employing expatriates may be a strategic move on the part of an MNC to increase the international experience and knowledge base of present and future managers (Boyacigiller, 1991). A significant advantage of expatriation is the organization that is facilitated by the expatriate’s experiences overseas. This expatriation is a tool by which organizations can gather and maintain a resident base of knowledge, which in turn helps with the complexities of international management. This knowledge in turn provides for competitive advantage by creating a cadre of cosmopolitan executives sensitive to international opportunities.

Expatriates’ Success

Multinational corporations, wanting consistency in culture across their subsidiaries, might try to export the parent company’s culture by staffing expatriates in key positions of its foreign subsidiaries. MNCs using this tactic believe that expatriates can significantly impact the subsidiaries’ cultures (Kobrin, 1988). Selecting expatriates for foreign assignments would be quite simple for MNCs if success in domestic assignments were predictive of success in foreign assignments.

Unfortunately, the failure rate of expatriates is extraordinarily high despite the fact that it is generally the more successful domestic employees who are sent abroad (Tung, 1981). The high failure rate is understandable since many MNCs use the same employee selection procedures to select both expatriates and domestic employees with the same job title. But the performance requirements for domestic and expatriate jobs are likely to differ.

The expatriates in a given subsidiary, however, are generally working in environments comprised of many more host nationals than compatriot expatriates. This results in an organizational culture more similar to the host country than that of the more familiar parent country (Louis, 1980). Expatriates will adapt their behaviors, norms, and values to fit in and ultimately succeed in the cross-cultural environment.

MNCs can maximize the likelihood of expatriate’s success through appropriate selection programs. Since the dimensions comprising the performance construct for expatriate positions differ from performance in domestic positions, expatriate employees in a foreign environment need a somewhat different set of skills and abilities to accomplish the same job they performed successfully in a domestic environment (Tung, 1981).

THEORIES

This section discusses the three theories that have guided research on expatriate adjustment: Lysgaard’s (1955) U-Curve Theory of Adjustment; Mendenhall and Oddou’s (1985) Dimensions of Cross-cultural Acculturation; and Black, Mendenhall, and Oddou’s (1991) An Integration of Multiple Theoretical Perspectives.

U-Curve Theory of Adjustment

Early research on expatriate adjustment focused mostly on cross-cultural adjustment issues; scholars relied on the U-Curve Theory (UCT) of adjustment. Adjusting to a culture in closer proximity to one’s own can reduce stress arising from psychological uncertainty engendered by a new learning situation (Black et al., 1991). Learning is facilitated if an experienced person can guide a neophyte in the new environment (Mendenhall & Oddou, 1985), but such a relationship is more likely if there is cultural proximity.

The U-Curve framework has been used to describe the cross-cultural adjustment process of expatriate employees or sojourners within a host culture (Lysgaard, 1955; Black & Mendenhall 1990; Usunier 1998).
The UCT include discussions of four stages of adjustment (Figure 1). The honeymoon stage occurs during the first week after arrival at the host country. Individuals are fascinated by the new and different culture. When the newcomers start to cope with real conditions on daily basis, the second stage begins - culture stock stage. The stage is characterized by frustration and hostility towards the host nation and its people. The third stage is the adjustment stage in which the individual gradually adapts to the new norms and values of the host country and can act more appropriately than they were before. Finally, in the mastery stage, the individual is able to effectively function in the new culture.

The initial time in a new culture is exciting for the expatriate, plotting on a chart as a high point. However, as time progresses, they begin to feel the stress of adjusting and can begin to feel low, depressed, and even physically ill. Finally, they emerge at a higher point as they have adjusted to the new culture by learning how to cope and operate in the new environment. They are better able to interpret new cues, have eased past the communication breakdown and resolved their identity crisis. It is not as high as the exuberance they may have felt at the start, but reflects a more moderate attitude that is healthily sustainable in the long run (Gammel, 1998).

The degree of adjustment is measured not by conformity to the host country culture but in terms of variables such as comfort or satisfaction with the new environment, attitudes, contact with host nationals, or difficulties with aspects of the new environment (Torbiorn 1982; Black & Mendenhall 1990).

![Figure 1. The U-curve of cross-cultural adjustment](attachment:image.png)

The different stages suggest a transition in cultural understanding and perceived quality of living when relocating. Initially, difficulties of adjustment may be overridden by a cultural infatuation caused by the newness of the environment. Culture shock sets in when coping with the new environment on a daily basis becomes necessary because an individual begins to recognize some degree of unpreparedness for dealing effectively with the environment. Adjustment is marked by an increasing degree of satisfaction in being able to cope. Increasing satisfaction arises from a better knowledge of how to function effectively within the host country. Familiarity with the host country may result in more realistic expectations of that culture and people, rather than any desire to follow that culture (Usunier, 1998).
Dimensions of Cross-Cultural Acculturation

Many personnel administrators believe that the dimensions of acculturation are simply not known well enough to devise sound selection instruments or training programs (Baker & Ivancevich, 1971). To a large degree they are correct on holding this view. Management researchers have largely failed to systematically study the psychological, social, and behavioral concerns of managing overseas operations (Adler, 1983a, 1983b; Tung, 1981).

The key factors that constitute the expatriate acculturation process would aid personnel directors in the design of (a) selection instruments that are predictive of expatriate acculturation and (b) acculturation training programs that would address the relevant factors of acculturation and train the expatriates in the necessary skills relevant to those factors (Mendenhall & Oddou, 1985). The field of expatriate selection and training, then, currently suffers from two basic problems: (a) an inadequate understanding of the relevant variables of expatriates’ acculturation and (b) the use of inappropriate selection and training methods.

A review of empirical studies that directly investigated the overseas adjustment of expatriate managers revealed four dimensions that were related to successful expatriate acculturation. There are (a) self-orientation, (b) others-orientation, (c) perceptual skills, and (d) cultural toughness. The study’s implications for expatriate selection and training procedures in multinational corporations are discussed.

Self-orientation refers to the activities and attributes of a person that strengthen his/her self-esteem and confidence. Specifically, they propose that expatriates who can (a) find substitutes for their native interests and activities in the new culture, (b) effectively deal with stress, and (c) are high in work and social self-efficacy will be able to adjust more quickly to the foreign environment. The other-orientation dimension refers to the person’s ability to develop relationships with host nations. They specifically propose that expatriates who can develop mentorship ties with host nationals will adjust more quickly at work. Furthermore, relationship development is largely dependent on the expatriate’s confidence and willingness to use the host country’s language. Perceptual dimension refers to being non-evaluative and non-judgmental. They propose that expatriates who are high in perceptualness will become adjusted more quickly because they are more willing to update their beliefs to fit with the foreign culture. Finally, cultural-toughness refers to the living standard of the foreign country and it is suggested that the larger the discrepancy in living standards between the home and foreign country, the more difficult the adjustment process.

This four-dimensional model of expatriate acculturation has provided expatriate researchers with a strong theoretical grounding for examining individual differences and a contextual factor that influences the expatriate adjustment process. Individual who are high on self-orientation and others-orientation tend to achieve higher degrees of adjustment. Additionally the degree of cultural-toughness does influence expatriates’ difficulties in adjusting to the foreign assignment. However, the model has two primary weaknesses: (a) it does not incorporate factors related to the work and organizational environment, and (b) it focuses exclusively in international adaptation; this cannot be generalizable to domestic work transitions.

An Integration of Multiple Theoretical Perspectives

Although international adjustment has received increased scholarly attention, the majority of the writing has been anecdotal in nature, and few scholars have rigorously investigated the phenomenon, empirically or theoretically (Adler, 1983a; Black & Mendenhall, 1990; Kyi, 1988; Scholhammer, 1975). Five dimensions emerged as components of the cross-cultural adjustment process: (a) predeparture training, (b) previous overseas experience, (c) organizational selection mechanisms, (d) individual skills, and (e) nonwork factors. The first three dimensions describe issues that exist before expatriates leave their home countries, and the remaining two deal with issues that become relevant after the expatriates arrive at their foreign assignments.
However, scholars in the area of international human resource management have not utilized the domestic adjustment literature in order to formulate theories or models that would assist them in understanding the international adjustment process (Black et al., 1991). Domestic adjustment involves the basic process of adjusting to a new setting. The literature provides important insights for constructing a theoretical framework for international adjustment. Consequently, four areas of research are related to individual adjustment (Ashford & Taylor, 1990): (a) organizational socialization, (b) career transitions and sense making, (c) work role transition, and (d) relocation/domestic transfer.

In both, domestic adjustment and international adjustment literatures, an individual leaves a familiar setting and enters an unfamiliar one. Because the new setting is unfamiliar, it upsets old routines and creates psychological uncertainty. Scholars from both literatures either argue or imply that individuals generally have a desire to reduce the uncertainty inherent in the new setting, especially concerning new behaviors that might be required or expected and old behaviors that would be considered unacceptable or inappropriate.

In general, the domestic adjustment literature has focused on pre- and post-entry adjustment variables, especially those related to the job and the organization, and the mode and degree of adjustment, whereas the international adjustment literature has focused on individual and non-job variables and on degree of adjustment. A more comprehensive understanding of international adjustment can be gained by integrating both literatures rather than simply extrapolating from the domestic adjustment or from only relying on the extant cross-cultural adjustment literature (Black et al., 1991). Figure 2 represents a schematic integration of both literatures and a more comprehensive theoretical framework of international adjustment.

![Figure 2. Framework of international adjustment](image)

**CROSS-CULTURAL ADJUSTMENT**

Generally, cross-cultural adjustment is conceptualized as the degree of psychological comfort with various aspects of a host country (Black, 1988; Oberg, 1960; Nicholson, 1984). In the past, most researchers have conceptualized cross-cultural adjustment as a unidimensional phenomenon (Gullahorn & Gullahorn, 1962), much as job satisfaction (Wanus & Lawler, 1972) and organizational commitment (Reichers, 1985) originally were.
However, like these two constructs, recent research suggests that cross-cultural adjustment is also a multifaceted construct (Black, 1988; Black & Stephens, 1989). Expatriates adjust to work, to interacting with host nationals, and to the general environment, while spouses adjust to interacting with host nationals and to the general, foreign environment (Black & Stephens, 1989), although the exact type of host country nationals and general environmental factors spouses confront might vary somewhat by individual.

The concept of “cross-cultural adjustment” began with earlier work on culture shock. Culture shock was defined as the period of anxiety before an individual feels comfortable in a new culture (Oberg, 1960). Subsequent research found that not all sojourners experience the same level of anxiety, or experience anxiety for the same length of time (Church, 1982; Stening, 1979). This resulted in the study of cross-cultural adjustment as an individual difference criterion, which could potentially be predicted, rather than as a fixed period of anxiety that all sojourners will necessarily experience when they enter a new culture (Black, 1990).

Over the past thirty years of research on this topic, a large number of substitute definitions of “cross-cultural adjustment” have been used. Some researchers have used job satisfaction (Abe & Wiseman, 1983; Hammer, Gudykunst, & Wiseman, 1978; Torbijn, 1985), life satisfaction (Cui & Van den Berg, 1991), acquisition of language or cross-cultural skills, and ratings of depression (Armes & Ward, 1989) as surrogates for cross-cultural adjustment.

Others suggest that, while adjustment may be an antecedent of some of these variables, it is a separate construct (Black, 1990; Searle & Ward, 1990). Cross-cultural adjustment is “the individual’s affective psychological response to the new environment and its variables” (Black, 1990). Therefore, the cross-cultural adjustment is an internal, psychological, emotional state and should be measured from the perspective of the individual experiencing the foreign culture (Black, 1990; Searle & Ward, 1990).

Cross-cultural adjustment is defined as the process of adaptation to living and working in a foreign culture. It is the perceived degree of psychological comfort and familiarity a person has with the new host culture (Black, 1988; Black et al., 1991). Recent conceptualizations of the construct have focused attention on three specific facets of cross-cultural adjustment.

The first facet is work adjustment, which involves the adaptation to new job tasks, work roles, and the new work environment. Work adjustment is aided by similarities in procedures, policies, and task requirements between the parent company and host subsidiary abroad (Black, Gregersen, Mendenhall, & Stroh, 1999). The second facet is interaction adjustment, which involves the comfort achieved in interacting with host nationals in both work and non-work situations. Black et al. (1999) argue that interaction adjustment is the most difficult of the three facets to achieve. The third facet is general adjustment, which involves the overall adaptation to living in the foreign culture (Black, 1988) and comprises factors such as housing conditions, health care, and cost of living (Black & Stevens, 1989).

The process of cross-cultural adjustment can be stressful because there is the insecurity and ambiguity of not knowing what is appropriate, coupled with a potential inability to understand feedback from the environment due to a lack of knowledge of language or culture (Black & Gregersen, 1991; Louis, 1980). During the process of cross-cultural adjustment, uncertainty in the environment is reduced (Black, 1988; Black & Gregersen, 1991; Church, 1982). In relation to the criterion of premature termination of an assignment, an expatriate who is unable to adjust would be feeling insurmountable stress and would feel the need to return home (Tung, 1981). In relation to the criterion of work performance, cross-cultural adjustment enables expatriates to develop effective working relationships with host nationals, and to interpret their host national colleagues’ behaviors, gestures, and stories. In some preliminary research, cross-cultural adjustment has been found to be a predictor of success in expatriate assignments (Black, Gregersen, & Mendenhall, 1992).
REFERENCES


