

ASSESSING EXPATRIATE SUCCESS: BEYOND JUST "BEING THERE"

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ABSTRACT

The criteria used to evaluate expatriates' "success" in their foreign assignments were investigated in this chapter. The three most common criteria found in studies of expatriate success have been: (1) completion of the foreign assignment, (2) cross-cultural adjustment while **on assignment, and** (3) performance on the foreign assignment. Using confirmatory factor analysis, results supported the hypothesis that these three criteria, while often treated as a unitary construct, are in fact separate constructs. The relationships among these three criteria were examined using data collected from expatriates working in foreign subsidiaries of a U.S.-based multinational organization. Using self, peer, and leader ratings, the third criterion, performance on the foreign assignment, was examined in greater detail. A theory of expatriate performance, including contextual, managerial, technical, and expatriate-specific dimensions, is proposed in this chapter.

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Increased global competition has given rise to the need for human resource systems which foster and utilize individuals' global competence (Adler & Bartholomew, 1992). Globally competent managers who understand a diversity of foreign markets and cultures, are able to interact with people from other countries, and can effectively live and work outside of their own countries, are a premium human resource for MNCs (Adler & Bartholomew, 1992; Black & Gregersen, 1991). Globally competent managers have the ability to create cultural synergy because they are able to integrate the best of their own business practices with the practices of other cultures (Adler & Bartholomew, 1992; Adler & Ghadar, 1990; Harris & Moran, 1987). International human resource experts agree that it is imperative for MNCs to attract, select, and retain employees with global orientations and competence (Adler & Bartholomew, 1992; Black, Gregersen, & Mendenhall, 1992; Mendenhall & Oddou, 1985; Tung, 1988; Tung & Miller, 1990).

For many organizations, sending expatriates abroad for one or more years to develop global competencies is consistent with their overall strategic human resource plan. In general, many expatriates find global assignments to be developmental experiences and report having gained tangible skills which are value-added for their organizations (Oddou & Mendenhall, 1991). Oddou and Mendenhall (1991) surveyed expatriates and found that 90 percent report an increase in their global perspectives; 85 percent report being able to communicate more effectively with people from culturally diverse backgrounds; eighty percent are better able to comprehend business trends, and so forth. These results suggest global competencies have been gained as a result of having been on an expatriate assignment.

In addition to professional development for gaining global competency, expatriate assignments are also a mechanism for control and coordination between a given foreign subsidiary and the parent organization. As a means of fostering the parent corporate culture, MNCs place domestic employees in key leadership positions abroad (Kobrin, 1988; Ondrack, 1985; Tung, 1982). In these leadership roles, expatriates are able to enact the parent company "way of doing things." Expatriates' "missions" tend to be very important for the success of the MNC in a given foreign market (e.g., opening new international markets, handling politically sensitive business, training host national employees); therefore, organizations have been increasing their efforts to improve the likelihood of expatriates' success overseas.

CRITERIA OF EXPATRIATE SUCCESS

Since global assignments are becoming more important for both individuals' careers and organizations' global success, having a systematic means to measure expatriate performance, likewise, is increasing in importance. Past research

indicates considerable variation in the types of criteria used in evaluating how successful expatriate assignments have been. To date, the three most common criteria for evaluating expatriate success have been: (1) completion of the foreign assignment, (2) cross-cultural adjustment, and (3) performance on the foreign assignment. Past research has used these criteria almost interchangeably as measures of "success." One purpose of this chapter is to test the hypothesis that these three criteria are related, however conceptually orthogonal constructs.

Hypothesis 1. Expatriate performance, cross-cultural adjustment, and desire to remain on the assignment are orthogonal constructs.

Completion of the Assignment

The first criterion, completion of the foreign assignment, is the most basic behavioral criterion for assessing the outcome of an expatriate assignment. Success, according to this construct, occurs when an expatriate remains in the host country for the entire scheduled duration of his or her assignment. Premature termination has been traditionally defined as an expatriate requesting or being requested to return to his or her home country before the assignment has been completed (Black & Gregersen, 1991). A variety of studies examining the premature return rate of (mostly American) expatriates found that between 16 percent and 40 percent of all assignments terminated early (e.g., Black, 1988, 1990; Torbiorn, 1985).

This criterion, while important, can often be obscured by other intervening causes and should be evaluated carefully (Harzing, 1995). For example, some expatriates are sent overseas without a clear goal for how long the assignment is supposed to last (either in terms of time goal or a project goal). In this case there is no parameter against which to judge what would be considered prematurely returning home. Even when the duration for the assignment is known at the onset of the assignment, other organizational factors (having no relationship with the expatriate's success on the assignment) may force an expatriate to return home early. Organizations, for instance, may withdraw their interest in a foreign market and may recall an expatriate prematurely. In another case, upper management may decide that an expatriate's skills are needed in a different location (or back in headquarters) and may recall an expatriate before his or her assignment is completed to work elsewhere. In addition to organizational causes, other personal factors (again having no relationship with the expatriates' performance) may affect how long they remain on the assignment (e.g., a seriously ill parent back home, an unhappy spouse). In the appropriate use of premature termination as a criterion, expatriates choose either to stay on the assignment, or decide that the **assignment is too difficult (they are unhappy overseas, they are performing**

poorly, etc.) and return home. The motivations for returning may be difficult to ascertain given that more socially appropriate reasons may be given by an expatriate who, himself or herself, could really not handle being overseas.

Another possibility is to assess the expatriates' decision state or attitude regarding their desire to remain on the assignment. This, of course, is an affective criterion (desire to remain and desire to leave) rather than a behavioral one (actually remaining and actually leaving prematurely). Given the cross-sectional design of the study, an affective assessment of expatriates' desire to stay in their assignments will be utilized.

Cross-Cultural Adjustment

Rosalie Tung's (1981) seminal article examining the reasons for expatriate premature termination found that spouses' and expatriates' inability to adjust to living in the host country were the two most frequently cited reasons for assignments failing. This study also suggests that cross-cultural adjustment is important to the outcome of the assignment. Cross-cultural adjustment is the extent to which expatriates are psychologically comfortable with living abroad (Black, 1990; Black & Gregersen, 1991; Nicholson, 1984). Cross-culturally adjusted expatriates "...represent a more integrative approach to a new culture, (they) are open to the host culture, but integrate new behavior, norms and roles into the foundation provided by (their) home cultures" (Church, 1982, p. 542). On the other hand, maladjusted expatriates are unable or unwilling to accept the host country's behaviors, norms, and roles; they view the host culture as inferior to their own. They tend to cohere to anything that reminds them of their home country (e.g., other expatriates from their home country, foods from their home country) whenever possible. Maladjusted expatriates also tend to show signs of emotional stress such as depression and homesickness (Church, 1982).

The concept of "cross-cultural adjustment" began with work on culture shock (e.g., Oberg, 1960). 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 led to the study of cross-cultural adjustment as an individual difference 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). Given that cross-cultural adjustment is an individual's internal, psychological, emotional state, this variable should be measured from the perspective of the person experiencing the foreign culture (Black, 1990; Searle & Ward, 1990).

Although cross-cultural maladjustment is one predictor of expatriates **prematurely terminating their global assignments (Tung, 1981), as a criterion,**

it is important to note that not all maladjusted expatriates terminate their cross-cultural assignments. Some, despite their inability to adjust to the host cultures, remain abroad (disliking their host national colleagues, disliking the host country). These individuals are willing to "do the time" and finish their global assignment; they are usually motivated to put forth a positive impression to the parent organization (Benson, 1978; Tung, 1981). That said, given past research findings, some association is likely to exist between adjustment and desire to remain on the assignment (and the subsequent behavioral decision to stay or leave).

Hypothesis 2. There will be a negative linear relationship between cross-cultural adjustment and desire to terminate the assignment. Expatriates who report greater cross-cultural adjustment will report a lower desire to terminate their assignments than expatriates with lower cross-cultural adjustment.

Performance During the Foreign Assignment

Pragmatically, multinational organizations would want their employees to both remain in their foreign assignment and be cross-culturally adjusted while they are there. Above and beyond these two criteria however, multinational organizations would want their expatriate employees to perform their work assignments successfully while they are abroad. Unfortunately, there are very few sound empirical studies of expatriates where an assessment of job performance is used as the criterion. This represents a dearth of research in the field of expatriate management, especially given research estimates suggest approximately half of the maladjusted expatriates who remain abroad are ineffective (or performing poorly) in their foreign assignment (Black & Gregersen, 1991; Copeland & Griggs, 1985). Since (1) not all maladjusted expatriates leave their assignments, (2) approximately half of those who stay may be ineffective and (3) there is a lack of research in this area, an examination of the expatriate performance criterion is valuable. The following section will focus attention on this criterion specifically by offering a theory of expatriate performance. In particular, the task dimensions believed to comprise expatriate performance are discussed.

Task Dimensions of the Expatriate Performance Construct

All jobs, both domestic and global, will include both technical and contextual performance dimensions (Borman & Motowidlo, 1993). Technical performance dimensions represent the aspect of work performance which, in job analytic terms, are represented by the tasks or duties incumbents perform (Borman & Motowidlo, 1993; Campbell, McCloy, Oppler, & Sager, 1993).

Campbell and associates (1993) consider performance of technical skills the core of the individual's job specific task proficiency. Examples of some technical aspects of expatriate assignments include such things as: negotiating joint ventures, managing sales accounts, training host nationals on new technologies, starting a production operation, and so forth.

Contextual performance dimensions, on the other hand, are those aspects of work performance which are not directly related to the technical tasks or duties of the job (Borman & Motowidlo, 1993). These activities include helping co-workers, putting in extra effort to complete the job, being a good team player, and other prosocial behaviors (Brief & Motowidlo, 1986). Behaviors related to organizational citizenship (e.g., altruism and compliance with company policies) are included as contextual dimensions because they also contribute to the effectiveness of the organization (Smith, Organ, & Near, 1993). Contextual activities contribute to the effectiveness of the organization by shaping "... the organizational, social, and psychological context that serves as the critical catalyst for task activities and processes" (Borman & Motowidlo, 1993, p. 73).

The division between these two types of work performance dimensions, technical and contextual, is blurred for certain jobs in which extra-role contextual activities are actually role-prescribed activities—such as managers (Borman, 1992; Borman & Brush, 1993; Brief & Motowidlo, 1986). Managers have many role-prescribed, required activities (e.g., instructing, motivating, team-building) which, for non-managers, would be considered extra-role activities (Borman, 1992; Brief & Motowidlo, 1986). Managers, therefore, have more contextual performance responsibilities inherent in their jobs. Managers tend to mobilize the resources (e.g., raw materials, people) that is used in the technical core, although they are not part of the technical core directly (Borman & Motowidlo, 1993).

In the case of global assignments, many expatriates are sent abroad to fill high-level managerial jobs, thereby making managerial tasks and responsibilities an important aspect of their position (Tung, 1982). Other expatriates are sent on global assignments for their technical skills. Although these technical positions are less managerial in a domestic context, they become much more inclusive of managerial responsibilities when performed in a host country (Tung, 1994). In domestic positions, technical specialists may not need to have well-developed "people skills" because they may not manage other people, rather, they tend to manage only their own technical expertise. Domestic technical specialists have few role-prescribed contextual activities (Brief & Motowidlo, 1986). However, those same technical specialists in the same positions—now as expatriates in foreign countries—find they have many more role-prescribed contextual activities (Tung, 1994). Tung (1994) found that technical expatriates need to be able to manage people effectively, especially when they are assigned to developing countries. This suggests that all

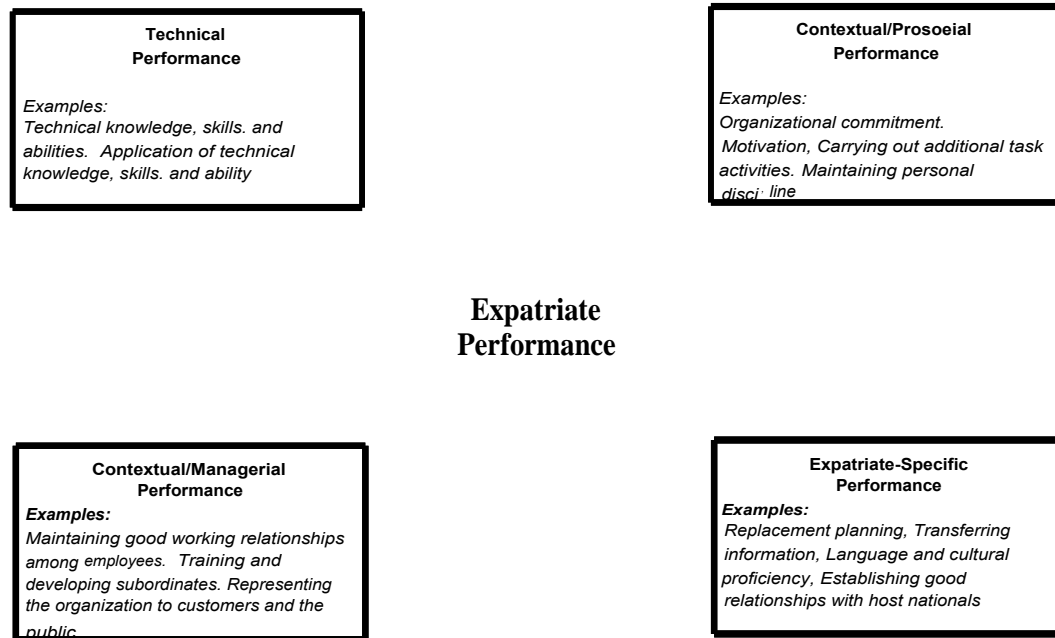


Figure 1. A theory of expatriate performance.

expatriates, both managers and technical experts, will have a greater number of contextual activities included in their job responsibilities.

Based on past research of managerial and contextual performance dimensions, the following performance dimensions are proposed for expatriate positions (see, Borman & Brush, 1994; Borman & Motowidlo, 1993; Campbell et al., 1993; Smith, Organ, & Near, 1983). These performance dimensions are illustrated in Figure 1. Figure 1 further differentiates between the contextual variables that are prosocial and the contextual variables that are managerial. They are listed in the next section.

Contextual/Prosocial Dimensions

Organizational Commitment. Expatriates need to be especially committed to their organization and their expatriate position—especially given the significant upheaval the expatriate position will have on their personal lives.

Motivation. Given the significant amount of autonomy most expatriates experience while on assignment, they need to be self-directed and willing to **expend effort without much supervision.**

Carrying Out Additional Task Activities. As suggested in previous paragraphs the expatriate position will require additional tasks-although the expatriate's job title may not change from the domestic position.

Facilitating Peer and Team Performance. There are more activities in expatriate positions requiring the coordination of the activities of peers and teamwork.

Maintaining Personal Discipline. Given the autonomy of the position, expatriates will need to be more self-disciplined.

Contextual/Managerial Dimensions

Maintaining Good Working Relationships. The distance of the expatriate from the headquarter's office will require him or her to maintain good relationships with former co-workers, while developing new ones with local co-workers.

Training, Coaching and Developing Subordinates. This is especially important given that most expatriate positions will have a managerial component in which they must manage the activities of their subordinates.

Representing the Organization to Customers and the Public. The expatriate position is, in a sense, a corporate ambassador role because expatriates tend to be one of the few representatives from headquarters in a given host national subsidiary.

Communicating Effectively and Keeping Others Informed. Expatriates must often rely on their communication skills in order to direct the work activities of other expatriates and host nationals. In addition to the technical and contextual (both prosocial and managerial) performance dimensions, there are some other performance dimensions unique to global assignments (Black, Gregersen, & Mendenhall, 1992; Cui & van den Berg, 1991). The following performance dimensions include those aspects of the expatriate assignments that are present in almost all global assignments, regardless of job title.

Expatriate-Specific Dimensions

Replacement Planning. Expatriates are often utilized when the talent is not available in the local labor market, therefore, they often have the role of training host nationals to do the job that they have been sent to do (Black, Gregersen, & Mendenhall, 1992).

Transferring Information. Expatriates are a vehicle for the sharing of information between the parent company and host national employees in foreign subsidiaries (Kobrin, 1988).

Language and Culture Proficiency. Global assignments often serve the purpose of developing expatriates' global orientations through the development of their foreign language skills and cross-cultural knowledge (Black, Gregersen, & Mendenhall, 1992; Dinges, 1983; Finney & Von Glinow, 1988).

Establishing Good Relationships with Host Nationals. In order to facilitate the global integration goal of MNCs, expatriates need to develop good rapport or interpersonal relationships with customers, suppliers, colleagues, host country government officials, ' members of the host community, and so on (Abe & Wiseman, 1983; Black, Gregersen & Mendenhall, 1992; Cui & van den Berg, 1991).

Fostering Commitment to the Organization in the Subsidiary. Many expatriates are expected to be organizational "missionaries" of the companies' goals, objectives, values, and so on, in the foreign subsidiaries to integrate the corporate culture worldwide (Kobrin, 1988).

Given that (1) the most important selection criterion for expatriates has traditionally been technical competence (Black, Gregersen, & Mendenhall, 1992; Tung, 1981), (2) unsuccessful expatriates cite technical ability as the least important reason for premature termination (Tung, 1981), and (3) expatriates who have technical-type positions (i.e., technical specialists) need to perform many contextual and managerial activities while abroad (Tung, 1994)-it is worthwhile to examine the technical versus the other performance dimensions as they relate to expatriates' desire to terminate their assignment.

Hypothesis 3. The self, peer, and leader-rated dimensions of performance (in particular, contextual/ prosocial, contextual/ managerial, and expatriate-specific) will be negatively correlated with the expatriates' desire to terminate the global assignment, whereas technical performance will not be related to this outcome.

The relationship between expatriate performance and cross-cultural adjustment will also be examined. The relationship between these two variables may be similar to the relationship found between work-life issues in the domestic context (i.e., our home life affects work and vice versa). Research in this area suggests interconnected and reciprocal relationships between work life and non-work life (Rice, Near, & Hunt, 1980; Schmitt & Bedeian, 1982). How well expatriates are performing may be influenced by how adjusted they are to living overseas, and vice versa.

Hypothesis 4. The self, peer, and leader-rated dimensions of performance will be positively correlated with the expatriates cross-cultural adjustment.

To test these four hypotheses, data on leader-, peer-, and self-rated performance dimensions as well as self-ratings of cross-cultural adjustment and desire to remain in the foreign assignment were collected.

METHOD

Sample

As a part of a larger study, surveys were sent to approximately 260 current expatriate employees working for a large U.S.-based multinational organization. The response rate was 43 percent ($N = 115$) for the expatriates, 30 percent ($N = 82$) for the expatriate leaders, and 30 percent ($N = 87$) for the expatriate peers. The expatriates, expatriates' peers, and expatriates' leaders were located in 22 different countries (Argentina, Australia, Belgium, Brazil, Canada, France, Germany, Guam, Hong Kong, Italy, Japan, Korea, Malaysia, Mexico, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland, Taiwan, United Kingdom). Seventeen of the participants were expatriates working in the United States. The expatriates averaged 40 years of age. Eighty-two percent of the expatriate sample were male and 81 percent were married. The expatriates' peers averaged 39 years of age. Seventy-seven percent of the peer sample were male and 81 percent were married. Forty percent of the peers were American. They were acquainted with the expatriates an average of 3.5 years. The expatriates' leaders averaged 44 years of age. Ninety percent of this sample were male and 96 percent were married. Sixty-three percent of the leaders were American. They were acquainted with the expatriates an average of 3.5 years.

Measurement

Questionnaires were developed to assess the criteria: (1) an Expatriate Survey assessing self-ratings of all three criteria, (2) a Leader Survey assessing expatriate performance only, and (3) a Peer Survey also assessing performance.

Expatriate Survey

The expatriates reported their desire to remain in their foreign assignment on a four-point Likert-type scale (ranging from 1 = definitely no to 4 = definitely yes). The items were (1) "Would you like to terminate this expatriate

assignment early?" (2) "Do you hope that you will be asked to return home early?" (3) "If this assignment had no impact on your career, would you terminate the assignment now?" and (4) "Would you have accepted this expatriate assignment if you knew what you were getting yourself into?" (this item is reverse coded). A low score indicated a greater desire to remain in the global assignment and a high score indicated a greater desire to terminate the global assignment.

Cross-cultural adjustment was measured by four items. Expatriates were asked to rate, on a five-point Likert-type scale (ranging from 1 = poor, to 5 = outstanding), (1) their adjustment to their current living conditions, (2) their adjustment to living in the country, in general, (3) their expatriate experience, thus far, and (4) their adjustment to the entertainment and leisure opportunities in this country. A high score indicated greater cross-cultural adjustment.

Expatriates rated themselves on the following dimensions of performance: technical, contextual/ managerial, and expatriate-specific dimensions. The expatriates also made two ratings of their overall performance (see, Appendix A for the items and scales for each performance dimension).

Peer Survey

Performance was assessed on the surveys that went to the expatriates' peers. The peers rated 13 items to assess three dimensions of expatriate performance: technical, contextual/ managerial, and expatriate-specific. Also, the expatriates' peers made two ratings of the expatriates' overall performance (see, Appendix A for the items and scales for each performance dimension).

Leader Survey

The expatriates' leaders made 17 ratings to assess four dimensions of the expatriates' performance: contextual/ prosocial, contextual/ managerial, expatriate-specific, and technical. The expatriates' leaders also made two ratings of their subordinate expatriates' overall performance (see, Appendix B for the items and scales for each performance dimension).

Procedure

Survey packages were sent to country administrators who, in turn, distributed them to all current expatriates in their respective countries. The survey packages contained the Expatriate Survey, the Leader Survey, and the Peer Survey. Expatriates were instructed (via a letter from the author) to give the Leader Survey to their direct supervisor (in the foreign subsidiary), and to give the Peer Survey to a colleague (preferably a host national). They were assured that the data were being collected solely for research purposes and

Table 1. Descriptive Statistics for the Variables Included in the Study

<i>Variables</i>	<i>N of Items</i>	<i>Alpha</i>	<i>Mean</i>	<i>Standard Deviation</i>
Desire to Terminate Assignment	4	.83	2.04 ^a	.54
Self-report Cross-Cultural Adjustment	4	.87	4.01	.68
Self-rating of Overall Performance	2	.63	4.10	.51
Leader Rating of Overall Performance	2	.84	4.02	.76
Peer Rating of Overall Performance	2	.89	4.09	.61
Leader Rating of Contextual/Prosocial Performance	5	.72	4.00	.72
Self-report Contextual/Managerial Performance	5	.63	3.96	.41
Leader Rating of Contextual/Managerial Performance	4	.73	3.74	.79
Peer Rating of Contextual/Managerial Performance	5	.71	3.91	.59
Self-report of Expatriate-Specific Performance	5	.67	3.64	.53
Leader Rating of Expatriate-Specific Performance	4	.63	3.56	.62
Peer Rating of Expatriate-Specific Performance	5	.71	3.74	.60
Self-report of Technical Performance ^c	1		4.18	.63
Leader Rating of Technical Performance	2	.83	3.78	.66
Peer Rating of Technical Performance ^b			4.30	.63

Notes: $N_{self-report} = 115$, $N_{peer} = 87$, $N_{leader} = 82$.

^aThis scale was out of a possible four points (higher scores, greater desire to terminate assignment). All other scales are out of a possible five points (higher scores, better performance or adjustment).

^bSingle item measure.

that their responses **would be kept confidential. Once completed, the surveys were returned directly to the author.**

RESULTS

The descriptive statistics for all of the variables included in the study were performed. All of the multiple-item scales showed acceptable internal consistency. The means, standard deviations, and alpha coefficients are presented in Table 1.

To test the first hypothesis stating that expatriate performance, cross-cultural adjustment, and desire to terminate the assignment are orthogonal constructs, a confirmatory factor analysis (CFA) was conducted. The CFA was performed on the criteria variables. In addition to expatriate-rated desire to terminate the assignment and cross-cultural adjustment, leader-rated performance dimensions were included in the analysis. Leader ratings were selected over peer and self-ratings for two reasons: one, all four dimensions of performance (technical, contextual/ prosocial, contextual/ managerial, and expatriate specific) were included in the leader-ratings, but not in others. Two, the self-ratings are likely to be favorably biased.

Using the LISREL confirmatory factor analysis program (Joreskog & Sorbom, 1989), the three-factor measurement model was tested on the covariance matrix. Both chi-square statistic and goodness-of-fit index (GFI) were used to assess the fit of data to the factor structure. The three-factor

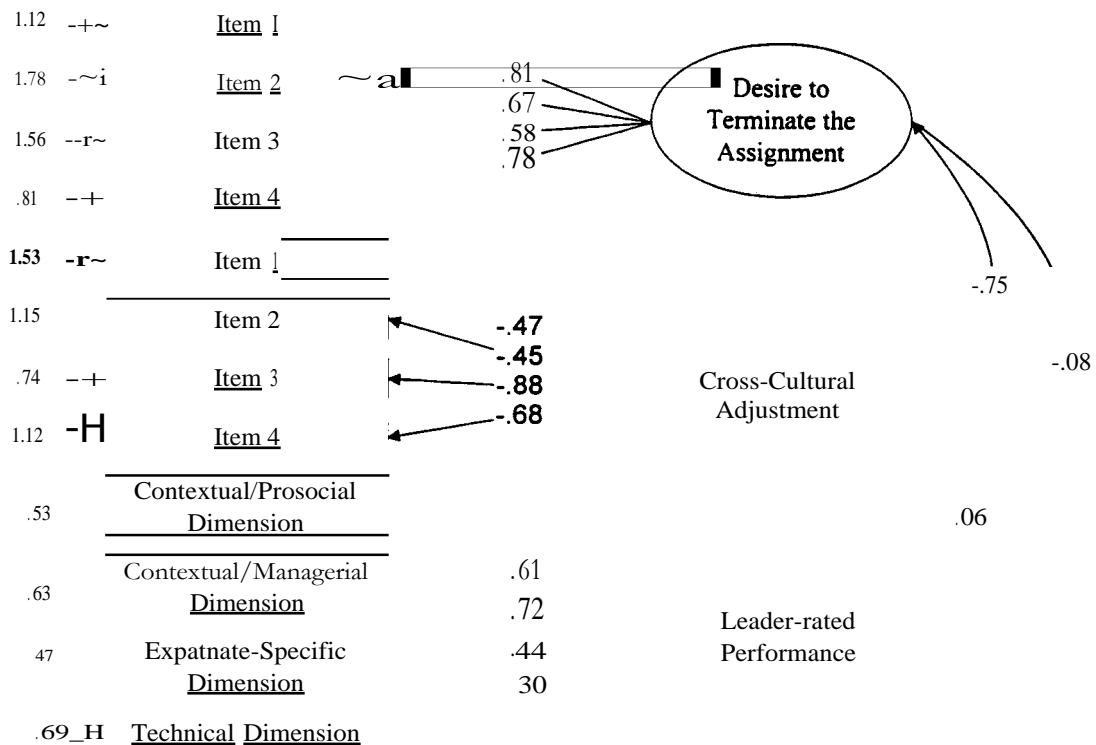


Figure 2. The measurement model of expatriate success constructs.

Table 2. Correlation Matrix of the Variables Included in This Study

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Desire to Terminate	(.83)														
2. Cross-Cult. Adjustment	-.33**	(.87)													
3. S: Overall Performance	-.21 *	.37**	(.63)												
4. L: Overall Performance	-.22	.01	.12	(.84)											
5. P: Overall Performance	-.20	.06	.19	.30*	(.89)										
6. L: Contextual/Prosocial	-.05	.05	.10	.72***	.04	(.72)									
7. S: Contextual/Manag	-.24**	.35**	.52**	.07	.02	.08	(.63)								
8. L: Contextual/Manag	-.05	.15	.04	.65***	.07	.84***	.06	(.73)							
9. P: Contextual/Manag	-.14	.04	.08	.34**	.61***	.10	.02	.15	(.71)						
10. S: Expat-Specific	-.29**	.49**	.39**	.02	.14	.05	.58***	-.10	.09	(.67)					
11. L Expat-Specific	.01	.02	.15	.55***	.07	.72***	.12	.67***	.08	.18	(.63)				
12. P: Expat-Specific	-.21	.00	.04	.21	.62***	.06	.04	.08	.63***	.26*	.08	(.71)			
13. S: Technical'	.04	.05	.22*	.18	.28*	.09	.31**	.18	.17	.23*	.23*	.02	—		
14. L: Technical	.17	.08	.02	.44**	.04	.39**	.02	.41**	.04	.09	.39**	-.18	.19	(.83)	
15. P: Technical'	-.05	.04	.06	.30*	.59***	.02	-.10	.10	.51***	.11	.07	.46**	.25*	.18	

Notes: N_{..SS} = 115, N_{P_} = 87, N_{w,,} = 82.

S = Self, L = Leader, P = Peer.

* $p < .05$; ** $p < .01$; *** $p < .001$.

The alpha coefficients are in parentheses on the diagonal.

' Single item measure.

solution produced an adequate fit, Chi-square (51) = 58.41, $p = .22$, GFI = .92. The incremental fit index (IFI) was .94 and the comparative fit index (CFI) was .93. These would both be considered acceptable, as they are above .90. The standardized root mean square residual (SRMSR) was .073. Generally, a root mean square residual below .10 is considered acceptable. Therefore, the SRMSR suggests that the measurement model is adequate. Although the three-factor solution was adequate, two of the latent variables, desire to terminate the assignment and cross-cultural adjustment, were significantly correlated ($r = -.75$, $p < .01$). Figure 2 shows the factor loadings and correlation between the factors.

To test the second, third, and fourth hypotheses, bivariate correlations were performed (Table 2). The second hypothesis, suggesting a negative linear relationship between desire to terminate the assignment and cross-cultural adjustment, was supported ($r = -.33$, $p < .01$).

The third hypothesis, suggesting a negative linear relationship between performance and desire to terminate the assignment, was partially supported. Table 2 shows that self-reported dimensions of overall performance ($r = -.21$, $p < .05$), contextual/ managerial performance ($r = -.24$, $p < .01$), expatriate-specific performance ($r = -.29$, $p < .01$) were significantly correlated with desire to terminate the assignment. As hypothesized, there was no relationship between the technical dimension of performance (self-rated) and cross-cultural adjustment. Common method variance, always a concern with self-reported variables, may be less of a concern given that there was not a pattern of significant correlations across all self-rated dimensions. On all performance dimensions, for both peer and leader ratings, correlations were nonsignificant with desire to terminate the assignment.

The fourth hypothesis, suggesting a positive linear relationship between expatriates' cross-cultural adjustment and performance, was, again, partially supported. Self-reported dimensions of overall performance ($r = .37$, $p < .01$), contextual/managerial performance ($r = .35$, $p < .01$), expatriate-specific performance ($r = .49$, $p < .01$) were significantly correlated with cross-cultural adjustment. The relationship between the technical dimension of performance (self-rated) and cross-cultural adjustment was nonsignificant. On all performance dimensions, for both peer and leader ratings, correlations were nonsignificant.

DISCUSSION

Although results suggest that the three criteria of expatriate success are distinct, an association was found between two of the constructs: desire to terminate the assignment and cross-cultural adjustment. The association may also suggest that an overarching construct, such as "cross-cultural affect or satisfaction"

may underlie one's desire to terminate the assignment and one's cross-cultural adjustment. That is, expatriates may feel positive or negative about their cross-cultural experience and that "positiveness" or "negativeness" may translate into their desire to stay or to leave, or how well they report being comfortable in their foreign environment.

Future research should further assess the relationship between cross-cultural adjustment and one's desire to stay on the foreign assignment. Three possibilities should be tested to explain the nature of this relationship. First, they are distinct and do not have any influence on one another. Second, they are orthogonal but related and influence each other. And third, they are causal and one may precede the other in time. A significant relationship between the cross-cultural adjustment and desire to terminate the assignment and performance, suggest the first possibility is not likely the case. The relationships, albeit correlations, are consistent with the preliminary findings of Black, Gregersen, & Mendenhall (1992) suggesting that cross-cultural adjustment is a predictor of (self-reported) success in expatriate assignments.

The correlations among the performance dimensions (especially for peers and leaders) were so high that their uniqueness is questioned. One explanation is that the peers and leaders may have made a halo error when rating the expatriates. Halo error (in this case) may have been a problem given the possible geographic distance between leaders and expatriates. It is possible that the raters did not have the knowledge to discriminate among the dimensions and relied on their overall impressions of the expatriate ratee. By examining the magnitudes of the correlations, it seems that the peers and leaders were able to judge the expatriates' technical performance somewhat independently of their performance on the other dimensions. Future research should examine ways to reduce halo and leniency errors in expatriate performance ratings.

The lack of convergence among the raters was a concern, although not completely unexpected given what is known about poor interrater agreement from the domestic performance appraisal literature (e.g., Harris & Schaubroeck, 1988; Steel & Ovalle, 1984; Tsui & Ohlott, 1988) as well as some of the problems associated with this particular research design. For example, the peer-ratings could have been distorted given the way in which the peers were enlisted to participate in the study. Since expatriates were responsible for giving the peer rating survey to a "colleague of their choice," the ratings may reflect the fact that the raters were hand picked by the ratees. This, combined with the fact that the leader-raters were either home or host national leaders, may contribute to the lack of convergence.

To examine (and potentially improve) interrater agreement, future research should consider three alternatives: (1) reducing rating errors, (2) examining selective perceptions of raters, and (3) examining the way in which criteria are weighted by various raters (Tsui & Ohlott, 1988). First, rater training, behaviorally anchored rating scales, and other methods to improve rater

accuracy and reduce bias should be implemented in future studies using performance ratings for expatriates.

Second, future studies should collect more information with respect to the type of information raters possess about expatriates' performance. For example, in this study it was not known whether or not the leader was the home or host country manager; therefore, there was no estimation for how much time the leaders (and also the peers) actually spent observing the performance of the rated expatriates. Presumably peers, because of their frequent contact with expatriates, would be better able to judge the expatriates' performance on a wider variety of dimensions, compared to the leaders.

Third, future studies should collect information with respect to how important the raters believe various criteria are for judging performance. A study to examine this, for example, may include multiple raters within a rater-type. With expatriates, however, low interrater agreement might be found even within rater-type due to the differences in performance theories depending on the location of the rater (e.g., home versus host country manager).

A few considerations should be made with respect to the way in which the constructs were measured. First, this study assessed expatriate's desire to terminate the assignment as an affective response instead of his or her actual behavior of either terminating or completing their assignments. Future studies should examine actual behaviours to remain in, or terminate, global assignments. Second, this study implemented a unitary construct of general cross-cultural adjustment, rather than the three dimensions suggested by Black and his colleagues (e.g., Black, 1988; 1990; Black & Stephens, 1989). Two of their dimensions, interaction with host nationals and work adjustment, seemed to overlap with the performance dimensions of expatriate-specific performance and overall performance, respectively. Future studies should attempt to clarify specifically what is meant by "adjustment" versus what is meant by "performance."

Correctly identifying criteria in expatriate research will aid in theory-building in this area. Future studies of expatriates should more carefully select a criterion based on the theory to be tested by their research. Models predicting these criteria should be considered separately, or interrelated, but not as if they were one and the same. Investigation of each criterion is important (completion of the assignment, cross-cultural adjustment, and performance on the assignment) and would add to our understanding of the expatriation process. I believe however, while all three criteria are important, expatriates' performance warrants greater attention in future research studies.

APPENDIX A

Self-Rated and Peer-Rated Performance Dimensions

Scale

- 1: Unsatisfactory or Poor
- 2: Not very good or Below Average
- 3: Moderate or Average
- 4: Very Good or Above Average
- 5: Exceptional or Outstanding

Performance Dimension	Self-rated Items	Peer-rated Items
Overall	<ul style="list-style-type: none"> 1. your performance of your job responsibilities as an expatriate. 2. your performance in general as an expatriate. 	<ul style="list-style-type: none"> 1. effectiveness in his or her job responsibilities as an expatriate 2. his or her performance in general as an expatriate.
Technical	<ul style="list-style-type: none"> 1. your technical performance on this expatriate assignment 	<ul style="list-style-type: none"> 1. his or her technical performance on this expatriate assignment
Contextual/ Managerial	<ul style="list-style-type: none"> 1. your ability to foster organizational commitment in the foreign subsidiary. 2. your effectiveness at representing the XXX Company to host national customers and community. 3. your effectiveness at maintaining good working relationships with host nationals. 4. your effectiveness at communicating and keeping others in your work unit informed. 5. your effectiveness at supervising and developing host national subordinates. 	<ul style="list-style-type: none"> 1. his or her ability to foster organizational commitment in the foreign subsidiary. 2. his or her effectiveness at representing the XXX Company to host national customers and community. 3. his or her effectiveness at maintaining good working relationships with host nationals. 4. his or her effectiveness at communicating and keeping others in this or her work unit informed. 5. his or her effectiveness at supervising and developing host national subordinates.
Expatriate-Specific	<ul style="list-style-type: none"> 1. your effectiveness at training your expatriate or host national replacement. 2. your effectiveness at transferring information across strategic units (e.g., from the <u>host country to headquarters</u>). 	<ul style="list-style-type: none"> 1. his or her effectiveness at training an expatriate or host national replacement. 2. his or her effectiveness at transferring information across strateic units (e.g., from the <u>host country to headquarters</u>)

(continued)

Appendix A (Continued)

<i>Performance</i>		
Dimension	Self-rated Items	Peer-rated Items
	3. your interpersonal relationships with host nationals, in general.	3. his or her interpersonal relationships with host nationals, in general.
	4. your ability to speak the host national language.	4. his or her ability to speak the host national language.
	5. your understanding of the host national culture.	5. his or her understanding of the host national culture.

APPENDIX B

Leader-rated Performance Dimensions

Scale:

- 1: Unsatisfactory or Poor
- 2: Not very good or Below Average
- 3: Moderate or Average
- 4: Very Good or Above Average
- 5: Exceptional or Outstanding

<i>Performance</i> Dimension	Questions
Overall	<ul style="list-style-type: none"> • In general, how would you score this individual's performance on his or her expatriate assignment? • Compared to other expatriates you have supervisee over the past 5 years, how would you score this expatriate's performance?
Contextual/Prosocial	<p>For each item consider the questions following each dimensions when making your rating.</p> <ol style="list-style-type: none"> 1. Motivation <ul style="list-style-type: none"> • How enthusiastic is this individual to perform work activities? • What level of effort does he or she expert when performing activities? • How persistnet is he or she in getting the work activities accomplished-even when it may be difficult to continue?

(continued)

Appendix B (Continued)

<i>Performance Dimension</i>	<i>Questions</i>
	<p>2. Carrying Out Additional Task Activities</p> <ul style="list-style-type: none"> • Is this individual reluctant to do activities outside of his or her job description-even if they are important for the sake of the organization? • Does this individual volunteer to do additional tasks? • Does he or she make suggestions for ways to improve the organizations? • Does he or she take the initiative to make this organization better and improve productivity? <p>3. Facilitating Peer and Team Performance</p> <ul style="list-style-type: none"> • Does this individual do things to help and support his or her teammates? • Does he or she help teammates with workproblems? • Do his or her activities support the team's goals? <p>4. Ability to Handle Stress While Abroad</p> <ul style="list-style-type: none"> • Has this individla ever acted inappropriately due to stress? • Does he or she handle stress well? • Does this person seem to have appropriate ways to alleviate stress? <p>5. Organizational Commitment</p> <ul style="list-style-type: none"> • Does this individual work effectively within the framework of XXX Company's policies, values, culture, etc.? • Does he or she seem dedicated to the corporate goals, strategic growth, and customer and employee satisfaction?
<i>Contextual/Managerial</i>	<p>1. Representing the Organization to Customers and the Public</p> <ul style="list-style-type: none"> • Does this individual represent XXX Company positively to others not in the organization? • Does he or she maintain a positive image to customers, stockholders, government, etc.? • Does he or she appropriately handle customer problems?

(continued)

Appendix B (Continued)

Performance Dimension	Questions
	<ol style="list-style-type: none"> 2. Maintaining Good Working Relationships <ul style="list-style-type: none"> • Does this individual develop and maintain smooth working relationships with leaders, teammates, and direct reports? • Does he or she display a personal concern for direct reports? • Does he or she encourage and foster cooperation among team members? 3. Training, Coaching, and Developing Subordinates <ul style="list-style-type: none"> • Does this employee identify direct reports' training needs? • Does he or she insure that proper development is received? • Does he or she teach and coach his or her direct reports? 4. Communicating Effectively and Keeping Others Informed <ul style="list-style-type: none"> • Does this employee effectively inform his or her leaders, teammates, and direct reports?
Expatriate-Specific	<ol style="list-style-type: none"> 1. Replacement Planning <ul style="list-style-type: none"> • Does this individual effectively train host national to do the job that they have been sent to do? • Has he or she selected and developed his or her successor? 2. Transferring Information Across Strategic Units <ul style="list-style-type: none"> • Does this individual facilitate the sharing of information across strategic units? • Does this individual integrate information and business practices from various cultural sources? 3. Language and Culture Proficiency <ul style="list-style-type: none"> • Has this individual developed usable language skills and cross-cultural knowledge? • Is this individual able to work effectively in the most country?

(continued)

Appendix B (Continued)

Performance Dimension	Questions
Technical	<p>4. Establishing Interpersonal Bonds with Host Nationals?</p> <ul style="list-style-type: none"> • Has this individual developed effective communications and good relationships with host national customers, suppliers, colleagues, government officials, etc.? <p>1. Technical Knowledge?</p> <ul style="list-style-type: none"> • Does this individual keep abreast of changing technologies? • Is this individual knowledgeable of technical dimensions required to support the customers? • Is this individual knowledgeable of technical dimensions outside current environment/industry? <p>2. Technical Knowledge Application</p> <ul style="list-style-type: none"> • Does this individual demonstrate technical expertise in supporting the customer? • Does this individual effectively communicate technical concepts? • Does this individual transfer technical expertise?

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