The main aim of this study is to investigate the consequences of cross-cultural adjustment in an under researched sample of British expatriates working on International Architectural, Engineering and Construction (AEC) assignments. Adjustment is the primary outcome of an expatriate assignment. According to Bhaskar-Srinivas et al., (2005), Harrison et al., (2004) it is viewed to affect other work related outcomes which could eventually predict expatriate success. To address the scarcity of literature on expatriate management in the AEC sector, an exploratory design was adopted. Phase one is characterised by extensive review of extant literature, whereas phase two was qualitative exploration from British expatriates’ perspective; here seven unstructured interviews were carried out. Further, cognitive mapping analysis through Banaxia decision explorer software was conducted to develop a theoretical framework and propose various hypotheses. The findings imply that British AEC firms could sustain their already established competitive advantage in the global marketplace by acknowledging the complexity of international assignments, prioritising expatriate management and offering a well-rounded support to facilitate expatriate adjustment and ultimately achieve critical outcomes like performance, assignment completion and job satisfaction.

Keywords: British expatriate, adjustment, performance, job satisfaction, assignment completion, international assignments.

INTRODUCTION

Globalization, uncertain domestic markets and increasing competition have encouraged construction firms to internationalize (Santosoa and Loosemore, 2013), resulting in international job mobility which has now become a common experience for growing number of people (Bonache, 2005). Parent country nationals are usually sent on these international assignments to ensure that the policies and procedures of the home office will be carried out in the foreign operation (Gudmundsdottir, 2013). The primary purpose of expatriation is to transfer knowledge (Reiche and Harzing, 2011), set up subsidiary offices, manage subsidiaries or in some instances handle multiple projects. These relocations are inherently costly and have both positive and negative outcomes. Unsuccessful assignments could lead to high downtime costs, direct moving costs, damaged reputation of the firm etc. (Dowling 1)}
Successful assignments on the other hand could lead to retention of repatriates, encourage international mobility among employees, deployment and transfer of expertise etc. to name a few (Yan et al., 2002). Operating in a different cultural setting is demanding (Ko & Yankg, 2011), to such an extent that the cultural shock experienced by the expatriate significantly affects his/her performance and consequently the assignment completion (Hall, 2005). In all these aforementioned cases, cross-cultural adjustment of the expatriate is paramount. Adjustment is defined as a state where variations or modifications become apparent in an individual to accommodate environmental demands (Berry, 1992) like, differences in culture and language, living conditions and working harmoniously with co-workers from different cultural backgrounds (Jassawalla et al., 2004). Inability of expatriate to adjust to new setting is acknowledged as the main cause of expatriate failure (Min et al., 2013). Hence, researchers like Shaffer et al., (2006); Hechanova et al., (2003) and Caliguiri, (2000) have explored factors predicting cultural adjustment. However, little attention has been devoted to investigate the work outcomes of adjustment. It is only recently that researchers like Caliguiri et al., (1999); Kramier et al., (2001) and Takeuchi et al., (2009) have explored job satisfaction, performance, commitment and assignment completion as possible outcomes. In general, research has shown that well adjusted expats show high job satisfaction, performance and are less likely to quit (Hechanova et al., 2003; Shaffer and Harrison, 1998).

Since very few studies have looked into the challenges of managing people on construction related assignments (Santosoa and Loosemore, 2013), the main purpose of the current study is to investigate the outcomes of cross-cultural adjustment in an under-researched sample of British Architectural, Engineering and Construction (AEC) professionals posted on international assignments by their parent company. Particularly because international construction projects are characterised by differences in cultural norms, regulations, routines, work cultures, institutional work practices, safety standards, language barriers, etc. (Chua et al., 2003; Orr, 2005). Since cultural differences become apparent in every aspect of the business, in-depth understanding of the local environment becomes critical for both AEC professionals (Kangari and Lucas, 1997) and construction companies operating in international markets (Kivrak et al. 2010). The findings of this research will not only fill the existing knowledge gap but help AEC companies to understand what practical measures could be taken to support expatriate adjustment throughout the whole process to eventually predict effectiveness on international assignments. The current paper is a part of a larger study conducted by the authors. Therefore it will only concentrate on exploring the outcomes of expatriate adjustment. Previous papers by the same researchers have covered antecedents of adjustment.

LITERATURE REVIEW
Cross-cultural Adjustment
Socio-cultural adjustment deals with the ability to ‘fit into’ or negotiate the aspects of the host country (Ward and Kennedy, 1996). It is defined as the degree of psychological comfort an expatriate has with various aspects of the host country (Black, 1988; Oberg, 1960; Nicholson, 1984). Based on the cultural learning theory, it emphasises social behaviour and practical social skills which underlie the attitudinal factors (Black and Mendenhall, 1991; Furnham, 1993). To provide a comprehensive understanding of international adjustment, Black et al., (1991) proposed a broad theoretical framework by integrating domestic and international adjustment literature.
The argument that they put forth was that though both domestic and international relocation involve a shift to unfamiliar locations the magnitude of ‘uncertainty’ is higher on international assignments as compared to domestic adjustment. Black et al., (1991) made a distinction between three dimensions of adjustment, which include: General, interaction and work. General adjustment is defined as psychological comfort relating to living conditions, weather, food, transportation, recreation etc. in the host country. Interaction adjustment is defined as psychological comfort an expatriate experiences when interacting and communicating with host nationals. It is suggested that interaction is the most difficult of the three facets. Therefore, it is not surprising that many a times cultural interactions on construction projects lead to misinterpretations, confusions, conflicts thereby increasing the risk of disputes (Bu-Qammaz et al., 2006). Finally, work adjustment involves psychological comfort in the new work environment, coping with different work values, expectations, and procedures. These three expatriate dimensions are well supported in literature (Takeuchi et al., 2002) and have received empirical support from Shaffer et al., (1999) and Parker and McEvoy (1993).

**Expatriate Performance**

‘Effective performance on a job is the attainment of specific results i.e. outcome required by the job through specific actions while maintaining or being consistent with policies, procedures and conditions of the organizational environment’ Boyatiz, (1982). In keeping with the above mentioned, Campbell (1999) defines performance as a function of knowledge, skills, abilities and motivation which is directed at role-prescribed behaviour. Similar to the concept of adjustment, job performance is relatively broad and multi-dimensional (Earley and Ang, 2003). In a comprehensive study Caliguiri (1997) suggests work performance on international assignment comprises of the following:

Technical performance - It includes those activities performed by individuals that support an organization's technical core by directly executing a technical process or indirectly by maintaining and servicing technical requirements (Borman and Motowidlo, 1993).

Contextual Performance - It is defined as ‘level of effectiveness in performing international aspects of the job beyond task specific duties’ which includes helping subordinates, being a good team player etc. (Borman and Motowidlo, 1993). Studies suggest that contextual performance supports organizational, social and psychological environment more that technical performance. Caligiuri (1997) further divided contextual performance into managerial, pro-social and expatriate specific categories.

**Assignment Completion**

Completion of the job assignment should be considered as the most basic criterion when assessing success of an expatriate (Black et al., 1992). Success according to this criterion occurs when an expatriate stays until the assigned duration of his or her assignment (Caligiuri, 1997). Contradicting this assumption Harzing (1995) suggests that premature return is not the best measure of expatriate failure because; it is far more damaging for a company if an expatriate who fails to perform adequately stays until the completion of the assignment and, completion of an assignment does not mean the expatriate failure has been avoided. Thus, researchers encountering difficulties in assessing expatriate turnover have concentrated on intentions to remain on the job assignment, early return decisions and withdrawal cognition as outcomes of expatriate adjustment (Bhaskar-Srinivas et al., 2005).
Job Satisfaction

It is defined as ‘a positive emotional state resulting from the appraisal of one’s job or job experiences’ (Locke, 1976). McCaughey and Bruning (2005) describe it as ‘the difference between an employee’s perception of what he/she expects to receive and what he/she actually receives at work’. Researchers in the field of psychology and sociology conceptualize job satisfaction as an emotional response towards various facets of one’s job as opposed to Lazear (2000) who considers it to be a unitary concept measurable in monetary terms. Job satisfaction has been conceptualized to have numerous facets ranging from five (Hackman and Oldham, 1980) to thirteen (Rice et al., 1989). According to Nauman (1993) extrinsic and intrinsic distinction presented by Wiess et al., (1967) is most appropriate conceptualization apt for studying job satisfaction of expatriates, since no best conceptualization of job satisfaction has emerged. Therefore the three facets of job satisfaction include;

Intrinsic Satisfaction - Derived from actually performing the job task and experiencing feeling of accomplishment (Wiess et al., 1967).

Extrinsic Satisfaction - Derived from the rewards bestowed upon an individual by peers, superiors or the organization. It includes; remuneration, allowances for housing, travel, education etc. (Nauman, 1993).

General Satisfaction- It is an aggregate of satisfaction with various job activities or a combination of several measures of overall satisfaction.

RESEARCH METHODOLOGY

This research strives to provide a general overview of the experiences of British expatriates with an ultimate aim to provide AEC companies with few insights about how they can enhance assignment effectiveness. This study primarily focuses on British expatriates who have been extensively involved with international construction projects since the colonial times and still continue to be an under-researched sample. Qualitative research approach was believed to be most appropriate, since it emphasises “on the ways in which individuals interpret their social world and also embodies a view of social reality as a constantly shifting emergent property of individuals’ creation” (Bryman and Bell 2003). Since little is known about the sample under investigation, qualitative methods were employed to get an in-depth description of their experience (Mertens, 2005) and to understand the subtleties and complexity associated with outcomes of adjustment. Interview technique was deemed appropriate because it allowed the authors to explore an individual’s opinion regarding the topic under investigation. Further, unstructured interviews were chosen to provide a thick description of the experience. Unstructured interviews were either conducted face-to-face or video call via Skype VoIP (Voice over Internet Protocol). VoIP technology was used for interviews in those instances where it was difficult to conduct face to face conversations. The advantage of using the VoIP is that it offers easy access, speed and is low cost (Lin, 2004). Overall seven British expatriates i.e.6 male and 1 female were interviewed which lasted between 1 to 2 hrs. The respondents were stationed in six different countries which included China, Egypt, India, Tanzania, Mozambique and Saudi Arabia. The data collected was transcribed and analysed using cognitive mapping to elicit relevant themes. The analysis of interview revealed several major themes. The findings highlight the distinctiveness and uniqueness of each individual’s assignment experience.
FRAMEWORK DEVELOPMENT AND DISCUSSION

A comprehensive review of extant literature supported by qualitative interviews with British expatriates, this study proposes a theoretical framework (Figure 1) which aims to propose various hypotheses to establish the relationship between cross-cultural adjustment, performance, assignment completion and job satisfaction. The following section will review the relationship between aforementioned constructs and provide elaborate explanation for the same.

Figure 1: Theoretical Framework for outcomes of expatriate adjustment

The framework (Figure 1) highlights the pivotal role of expatriate adjustment. The main intention behind developing this theoretical framework is to assess the impact of adjustment on other expatriate outcomes to predict success on international assignments. This study utilizes the socio-cultural model of cross-cultural adjustment proposed by Black et al which has dominated the expatriation literature. According to SriRamalu et al., (2010) adjustment is the primary outcome of an expatriate’s assignment and a key determinant of expatriate success. During the interviews the expatriates were asked about their adjustment to host country culture. Majority noted that relocation to a foreign country meant that the expat and his/her family members were subjected to a variety of challenges associated with adjustment to a new and different environment. One of the respondents attributed adjustment to his motivation in this way;

‘self motivation is essential, he's( expatriate) going to get motivation knocked out of him because of many obstacles that they are not used to, .... So you got to be self motivating and a strong character person willing to change and adapt’

Adjustment and Expatriate Performance

The relationship between adjustment and performance seems to be a logical assumption i.e. an expatriate needs to adjust in order to perform. According to Kraimer and Wayne (2004) an adjusted expatriate is well versed and maintains behaviours appropriate to the new environment, which in turn dictates secondary outcomes of performance and tenure intentions. Anecdotal evidence has suggested a positive relationship between expatriate adjustment and work performance (Aycan and Kanungo, 1997; Ones and Viswesvaran, 1997; Tung, 1981). Studies have clearly demonstrated that adjusted individuals grow to not only to enjoy their foreign assignments thereby completing their overseas contracts, but are also more productive in the process (Richardson et al., 2006). Moreover, well-adjusted expatriates will have greater reserve of personal resources (time, effort and emotional investment) available to spend on behaviours that facilitate job performance (Shaffer et al., 2001). During the interviews it was observed that expatriates with clear understanding of job responsibilities were productive and able to perform well. Whereas, the one’s unable to deal with the transition felt completely exhausted, lost interest in completing the
assignment and yearned to return home consistent with the findings of Koteswari and Bhattacharya, (2007). To substantiate the intricate relationship between adjustment and job performance, the research framework proposes adjustment as a predictor of job performance. Consequently, the following hypothesis is proposed;

**Hypothesis 1: Cross-cultural adjustment significantly influences an expatriate’s performance**

**Adjustment and Assignment Completion**

According to Earley and Ang (2003) expatriate adjustment, assignment completion and work performance are interdependent variables i.e. until and unless an expatriate adjusts to the new work place he/she cannot perform well and moreover one could expect them to return early even before the completion of the job assignment.

**Hypothesis 2: Cross-cultural adjustment significantly influences an expatriate's intention to complete the assignment**

**Adjustment and Job Satisfaction**

Primarily work related, job satisfaction has been studied as both, a predicted outcome and as predictor of cross-cultural adjustment (Black et al., 1991). The present study views job satisfaction as an outcome of successful adjustment to overseas job requirements and from effective development of interpersonal relationships within the host country’s workforce and customers, consistent with Shaffer and Harrison, (1998). Aryee and Stone (1996) suggest that an expatriate well adjusted to the various aspects of job requirements would derive satisfaction from the work experience. An experienced expat shares his satisfaction with the assignment as follows;

‘I was very satisfied with the assignment result. We have prepared two contract documents, both have been tendered and awarded, the client was also satisfied with the result. Over the years I have developed an approach to working with overseas clients’

On the other hand, in another interview the authors observed that in ability to adjust induced higher levels of stress and dissatisfaction with the project assignment. Since, job satisfaction is primarily work-related, general contention is that interaction and work adjustment may result in job satisfaction. But as suggested by Takeuchi et al., (2002) there could be a spill over between general adjustment and job satisfaction i.e. expatriates experiencing adjustment difficulties and stress with the general environment in the host country, may carry over the frustration to work, negatively influencing satisfaction with their jobs. Hence it is proposed that;

**Hypothesis 3: Cross-cultural adjustment significantly influences and expatriate's job satisfaction**

**CONCLUSION**

The findings of the literature review and exploratory interviews with British expatriates suggest that adjustment has a deep influence on the effectiveness of the assignment, since only a well-adjusted international worker can operate in a completely integrated way within the host country (Schiuma et al., 2006). These findings are also consistent with Shaffer et al., (2001), Bhaskar-Shrinivas et al. (2005), Hechanova et al., (2003), Shin et al., (2007), Caligiuri (1997) and Kraimer et al., (2001), who established expatriate adjustment as an important predictor of performance and intention to stay on the assignment. Additionally, this study
addresses the knowledge gap by including job satisfaction as the outcome of cross-cultural adjustment.

The current study contributes to literature on expatriate management within the AEC sector by presenting a framework that confirms the central role of cross-cultural adjustment as the predictor of work related outcomes. Therefore, it would be worth the company's time and expense to help expatriates develop the skills needed to interact and adjust (Van der Bank and Rothmann, 2006). Lacking foresight and appropriate strategies, organisations can hinder the effectiveness of the assignment by producing frustrated, disillusioned, discontented expatriate staff (Mammadov and Poss, 2010). Given the exploratory nature of this study coupled small sample size, the findings have limited generalisation. Therefore, future studies could be designed to quantitatively test the hypotheses and establish views of larger sample.

REFERENCES


Outcomes of cross-cultural adjustment


