

The Relationship between Individual, Organizational and Non-Work Factors and Cross-Cultural Adjustment: The Mediating Role of Communication

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Abstract

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This study examines the mediating effects of communication and interaction on the relationships between individual, organizational and non-work variables and expatriate adjustment. We tested the model by using structural equation modeling with data obtained from 203 hotel expatriates in Malaysia. The analyses found that the link between previous international experience (individual), social support (organizational) and family adjustment (non-work) and expatriate adjustment was partially mediated by perceived communicative and interaction adaptability. These findings validated the proposed model and, in particular, the central role of communication in cross-cultural adjustment processes in workplace is empirically confirmed. Practical implications are also discussed in the paper.

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Keywords: Expatriate adjustment; communication and interaction; cross-cultural adjustment.

1. Introduction

Research on cross-cultural adjustment have investigated the issues of adjustment from various aspects with the most constant being the factors facilitating and inhibiting the adjustment of expatriates and other sojourners (Kittler, Rygl, Mackinnon, & Wiedemann, 2011; Palthe, 2008; Selmer, 2001). According to Shay and Tracey (1997), adaptability, flexibility and good communication skills are important in the adjustment of hotel expatriates, as the industry requires those with good interpersonal and relational skills.



Although studies on expatriate adjustment have been implicit, several important questions remain unanswered in the cross-cultural adjustment literature. One of these questions concerns how and whether communication influences expatriates cross-cultural adjustment. As noted by Causin, Ayoun & Moreo (2011) communicative adaptability might act as a mechanism of expatriate adjustment outcomes.

Research in expatriation has long focused on the direct effects of certain variables on expatriate adjustment (Lee & Sukoco, 2008; Palthe, 2008; Selmer, 2001; Stahl & Caliguri, 2005). However, very few had actually investigated the mediating effects of certain variables on expatriate adjustment. Thus, this study hopes to address this gap and contribute to a better understanding of how communication plays its role(s) in expatriate adjustment. This is important because communication is the fundamental component of social relationships especially in the workplace (i.e. development, maintenance, and demise (Duck, 1994). Selmer and Lauring (2011) further emphasized that workplace adjustment exists through communication. However, surprisingly communication remains as the background element in cross-cultural adjustment literature as opposed to being the primary process in the adjustment development (Causin, Ayoun, & Moreo, 2011).

The present article attempts to advance the research on cross-cultural adjustment in several ways. We respond to the call by Kittler, Rygl, Mackinnon, & Wiedemann (2011) to examine the impact of communication in cross-cultural adjustment. In doing so, we hypothesized that communication and interaction adaptability is a process variable that mediates the relationship between previous international experiences, personality, language ability (individual), social support, human resource support, training (organizational) culture distance and family adjustment (non-work) and expatriate adjustment. This line of research also addresses Causin et al. (2011) call to identify the underlying process variables linking factors of adjustment and adjustment outcomes, such as non-work adjustment and expatriate adjustment. Exploring these relationships using causality and structural equation modelling analysis is theoretically and practically imperative because it provides a more comprehensive and realistic picture of the cross-cultural adjustment.

2. Review of Literature

2.1. Cross-cultural adjustment

Research have found a number of antecedents that affect adjustment process. These antecedents can be divided into three different areas: general, interaction and work adjustments (Black and Stephens, 1989; Black, Mendenhall, and Oddu, 1991). In ensuring that expatriates are able to adjust to and perform competently in the host culture, they require the ability to understand and communicate in the host country's language. This is crucial as the ability will help expatriate to develop relationships with the locals.

Adjustment is viewed as multidimensional (Black et al. (1991) based on the three areas described earlier: general, interaction and work adjustment. Therefore, it is crucial that the present study covers these three areas as it would help determine the expatriates' ability to adjust to the new situation.

2.2. Determinants of Expatriate Adjustment

Tung (1981) identified three desirable attributes that could help expatriates to adjust to life in a foreign country. They are adaptability, flexibility and communication skills. Shay & Tracey (1997) on the other hand, adopted a comparative approach in their study because they believe that most of past research (Tung, 1981) examined industries other than hospitality. The findings highlight the importance of relational and social skills for hotel expatriates and this suggests that the two variables are more desirable than technical skills. The two most desirable attributes are people skills and the characteristics of adaptability, flexibility and tolerance.

The individual factors generally include variables such as personality, language ability, communication and interaction, previous international experience, relational skills and perception skills. The organizational factor comprises of pre-departure training, human resource support, on-site support and organizational culture. A number of studies for example, have addressed that the expatriates' decision on whether to accept a foreign assignment depends greatly on those factors of the compensation package that may influence their willingness to accept or decline the position offered to them (Warneke, & Schneider, 2011). This relates to a study by Peltokorpi & Froese (2009) which conclude that expatriates' willingness to accept an international assignment will depend much, though not exclusively on financial components. In addition, companies should also ensure that expatriates receive adequate counsel and training to assist them in minimizing the psychological barriers they might have in relation to adjustment to a new cultural environment (Chen & Chiu, 2009). Finally, the nonwork factor is made up of family/spouse adjustment, culture novelty and social support. Even though some of these variables may belong to a different category, there are possibilities that the variables can interact with each other to allow successful adjustment.

2.3. Hypotheses Development

Peltokorpi & Froese (2009) argue that when discussing the challenges in adjustment, researchers tend to focus on work and life and not at the determinants of adjustment in general. These antecedents can be categorized into three separate groups: the individual, organizational and non-work factors (Black & Stephens, 1989; Shaffer et al., 2006). The impacts of individual, organizational and non-work factors on expatriate adjustment have been extensively examined (Black & Gregersen, 1990; Black & Gregersen, 1991a; Black & Gregersen, 1991b; Black & Gregersen, 1999; Selmer & Luring, 2011; Shaffer, Harrison, & Gilley, 1999; Shaffer et al., 2006; Ward & Kennedy, 1993). Since adjustment is viewed as a multifaceted construct, it seems logical that different antecedents may have differing impacts on each facet of adjustment.

Past research seemed to look at communication and interaction directly on expatriate adjustment (Black, 1990b; Holopainen & Bjorkman, 2005; Mendenhall & Oddou, 1985; Piedmont, McCrae, Costa, 1991). Holopainen & Bjorkman (2005) and Aycan & Kanungo (1997) reviewed expatriation literature and they posited that researchers have not paid sufficient attention to the expatriate process mediators. According to Black (1988) work adjustment may not necessarily influence the performance level unless expatriates are better able to communicate effectively to the people in the host country, at work or outside work context.

Very often, it is thought that expatriates gradually adjust themselves as they learn the language, develop greater knowledge of the host culture and work with people in the host culture to achieve common goals (Schneider & Barsoux, 1997). This would mean that the more knowledge they have about the host culture, the more they communicate with the locals and the better they will adjust to the new environment. Brett, Stroh & Reilly (1992) suggest that the level of difficulty in cross-cultural adjustment depends greatly upon the motivation and expectations of expatriates prior to expatriation. Therefore, expatriate perceptions of culture and the interaction process with host are most likely to influence their adjustment and social exchange with the host. Building upon that, the following hypothesis is offered.

Hypothesis 1: Communication mediates the relationship between previous international experience, personality, language ability, human resource support, social support, training, culture distance and family adjustment and expatriate adjustment.

3. Method

The participants of this study were expatriates attached to hotels in Peninsular Malaysia. The study employed self-administered questionnaires for data collection. The majority of the participants were at the management level. Of the 241 questionnaires sent to these expatriates, 203 were returned, resulting in a response rate of 71%. In that 203 sample, 66% were male and 34% were female. 48 % were from the European region, 7% were from North American, 20% were Asian and 25% were from Australia/New Zealand region. More than 50% of these expatriates were self-initiated expatriates and the remaining were those sent by parent companies. A majority of them hold managerial posts. Most of them had worked in other countries before coming to Malaysia.

3.1. Instruments

Expatriate adjustment. Expatriate Adjustment Survey (Black, 1988), which consisted of 14-item scale was used to measure expatriate adjustment. The Cronbach's α was .92.

Communication and interaction. The variable was measured using Duran (1992) Communicative Adaptability Scale, which consisted of 30 items. The α value for this instrument was .84.

Personality. The variable was measured using the instrument adopted from a revised self-efficacy scale by Mendenhall & Oddu (1985) which consisted of 23 items. The α for this instrument was .74.

Human resource support. This variable was measured using Guzzo, Noonan and Elron's Company Practice Items, which comprised of 43. The α was .84.

Social support. (Caplan et al., 1980) Social Support Scale was used and it yielded an alpha of .60.

Family adjustment. The construct was measured using Black and Stephens (1989) self-report measures of adjustment which comprised of nine items. The α for this instrument was .94.

Culture distance. This construct was also measured by the instrument developed by Black and Stephens (1989), Culture Novelty which comprised of 8 items. It yielded an α of .86.

All items measuring these constructs utilized the Likert format, ranging from 1 to 5. Another three items (previous international experience, language ability and training) were based on the nominal data provided by the respondents in demographic information section.

4. Results

Prior to conducting hypothesis testing, we examined the data for entry errors and normality of the distribution of each item and the composite score of each variable. Tests for normality included kurtosis and skewness as well as a visual inspection of histograms. The majority of the items appeared within normal ranges. Means, standard deviations, and correlations for all variables are reported in Table 1.

Table 1. Means, Standard Deviations and Correlations Among Variables

Variables	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7
Adjustment	4.50	.39	-						
Personality	4.20	.36	.29**	-					
Interaction	4.07	.36	.56**	.24**	-				
Human resource	2.30	.34	.06	.04	.33**	-			
Culture	2.00	.54	-.04	.08	.30**	.19**	-		
Social support	4.05	.27	.23**	.03	.23**	.24**	.36**	-	
Family	4.00	.85	.27**	.29**	.15*	.20**	.15*	.17*	-

Note: All variables were measured based on a 5-point Likert scale. ** $p < .01$ * $p < .05$

Confirmatory factor analysis (CFA) was conducted to determine the validity of our hypothesized factor model as compared to other underlying plausible factor models based on several fit indices. The structural model testing was used in determining the validity of the hypothesized factor model as compared to other underlying plausible factor models based on several fit indices. The chi-square and fit indices were $X^2 = 41.4$, $df = 18$, ratio = 2.301, CFI = .96, NFI = .94, RMSEA = .08. The results provided evidence for the distinctiveness of the construct in this study and suggested that common method variance was not responsible between the constructs (Podsakoff et al, 2003). The above results enabled the researcher to develop the structural model and examined the mediation. Table 2 displays the fit indices for independent, mediating and dependent variables. From the constrained path, an acceptable fit was generated:

Table 2. Fit Indices for All Variables

Model	<i>df</i>	$\chi^2(p)$	GFI	CFI	NFI	TLI	RMSEA
personality, human resource, social support, culture, family, communication and interaction and adjustment	59	150.67(0.25)	.91	.95	.92	.93	.08

Note: GFI = goodness-of-fit index; CFI = comparative fit index; NFI = normed fit index; TLI = Tucker Lewis index

For the direct effect of independent to mediating, the scores are: personality ($\beta = .12$, $p < .01$); human resource support ($\beta = .13$, $p < .01$); social support ($\beta = .09$, $p < .01$); culture ($\beta = .57$, $p < .01$) and family

($\beta=.16$, $p<.01$). The scores from mediating to dependent was $\beta=.25$ at $p<.01$. On the other hand, the direct effect of independent to dependent variable shows the values of personality ($\beta=.06$, $p<.01$), human resource support ($\beta=.21$, $p<.01$), social support ($\beta=.15$, $p<.01$), culture ($\beta=.09$, $p<.01$) and family ($\beta=.07$, $p<.01$). The direct effect of independent on dependent with mediator shows that values for personality, culture and family seem to decrease but did not turn to zero and suggest only partial mediation of the model. This is consistent with Schneider and Barsoux (1997) guidelines. Based on the model, personality, human resource support, culture and family together contributed 52.3 per cent of variance in mediating and dependent variables. In sum, SEM analysis suggests that: a) personality, human resource support and social support demonstrate a significant direct effect with adjustment; b) personality, human resource support, culture and family reveal significant direct effects with communication and interaction; and c) communication and interaction has a significant direct effect with adjustment and it also mediates the relationship between personality, human resource support, culture and family and adjustment.

5. Discussions and conclusion

The findings contribute to the literature on adjustment, especially expatriate adjustment in several ways. Firstly, reviews of the literature had shown that research on expatriate adjustment mostly looked at a limited variable such as personality, communication and interaction, human resource support or family adjustment. The present research took further efforts in investigating all possible variables (except work role) that could possibly affect expatriate adjustment. Previous international experience, social support and family adjustment were found to be significantly related to adjustment. Social support and family adjustment have also shown to be the strongest predictors to expatriate adjustment. The results obtained also provide support for the hypothesized relationships in the model. In multiple regression analysis, social support and family adjustment had shown to have significant direct effects with expatriate adjustment. In sum, the findings of this research contribute to and support the expatriate literature in several ways. First, it confirms past research by providing supports for the importance of social support and family adjustment in expatriate adjustment.

Besides the theoretical implications, the present research also provides practical implications. The social support from people at work (employers and subordinates) could help expatriates to better adjust themselves to the new environment. This means that those involve with expatriates should be aware that in ensuring successful adjustment of the expatriates, it does not only involve the efforts from the expatriate alone but also those in the host facility such as supervisors and co-workers. The importance of family adjustment is undeniable. The implications of the inability of the family to adjust to the new cultural environment had been discussed in various literatures and had proven to cause companies a great deal.

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