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IMPACT OF CULTURAL DIFFERENCE ON EXPATRIATES COUPLES' ADJUSTMENT TO RELOCATION

Original
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Relocation;
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JEL Classification

J13, J24, J61

Abstract

The purpose of the study is to examine the influence of relocations' position (expatriate or couple) and the cultural distance (CD) on cultural adjustment to the host country (AHCC). The 120 conveniences cohort divided equally into expatriates and partners / developing and developed countries (N=30 in each group). AHCC include general adjustment (GA), Job adjustment (JA), and social adjustment (SA). The position during relocation was defined as an expatriate or a couple. A large CD was defined when the relocated took place from developing country to developed country or vice versa. A significant group difference was found for AHCC, GA, and JA, where the means of the small CD were significantly higher than that of the large CD. The AHCC and SA of the expatriates were significantly higher than that of the couples. In the other two dimensions, GA, and JA, a similar but not significant trend was found. A large difference was found in between the expatriates SA and that of the couples only under conditions of a large CD. The authors conclude that the difference between the expatriates and the couple's adjustment is greater in cases of a large cultural distance.

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INTRODUCTION

Relocation is a popular staffing practice among international business (Mujtaba, Han Ping, Cao, 2013; Downes, Varner and Hemmasi, 2010). For relocated employees, the transition between different countries or regions, often related to adjustments' difficulties (Yi-chun, Shin-yih, Yi-chen, 2012; Downes et al., 2010; Lii and Wong, 2008).

Most studies focus on the impact of expatriates' traits on their adaptation (personal traits, command of languages, work experience, and cultural sensitivity). A minority of them have focus on the impact of developments' differences between the host and the origin countries on the adjustment of expatriates and their partners during relocation. This study attempts to fill that gap and focus on the impact of the cultural difference (CD) between the host and the home countries on expatriate and the couple's adjustment to a host country cultural (AHCC) during relocation.

LITERATURE REVIEW

Successful relocation is linked to relocated employees' ability to adapt to the foreign culture (Rose, Ramalu, Uli, Kumar, 2010; Cole and McNulty, 2011; Peltokorpi and Froese, 2014). That ability is connected to the degree of satisfaction and the absence of stress (Johnson, Lenartowicz and Apud, 2006). Researchers address three interconnected types of adjustment:

General adjustment (GA)

The ability to adjust to the general living circumstances and culture in the host country (for example its climate, health services, food, housing, transportation and others) (Freeman and Olson-Buchanan, 2013; Cole and McNulty, 2011).

Job adjustment (JA)

The expatriate's psychological well-being when it comes to work assignments abroad (for example: performance standards, areas of responsibility at work, ability to integrate within the organisation, and an understanding of the specific needs of the local organisational culture) (Selmer and Luring, 2013; Cole and McNulty, 2011).

Social adjustment (SA)

The ability to communicate easily and successfully with a mutual understanding with the host country's citizens (for example: undergoing a local socialisation process; and adapting to local norms) (Freeman and Olson-Buchanan, 2013; Cole and McNulty, 2011).

Expatriates' and expatriates couples' perception of relocation and their adjustment to the new situation

are influenced by factors at both the micro and macro level. At the micro level, the experience is affected by their personality (Peltokorpi and Froese, 2014; Freeman and Olson-Buchanan, 2013; Downes et al., 2010; Johnson et al., 2006); their exposure to foreign cultures (Johnson et al., 2006); their past managerial experience (Mujtaba et al., 2013); and the duration of their assignment (Rose et al., 2010). At the macro level, the experience is influenced by the organisational culture of the home-organisation and that of the host-organisation; the degree of attractiveness of the country they relocate to, and the relative ease of relocating there (in terms of changes in living-standards, language, culture, and accessibility) (Freeman and Olson-Buchanan, 2013; Downes et al., 2010). Expatriates in large CD and different level of economic development are liable to go through a harder and more complex adjustment process (Selmer and Luring, 2013).

Expatriates adjust better to the relocation than their couples do. The exposure and integration of the expatriates in the host country's local culture is intensive and necessary for their jobs' success. In comparison, their couples are exposed to it voluntarily, during making the necessary arrangements for the relocation, through children, and in differing social circumstances (Kim, van Erp, van der Zee and van Duijn, 2014). Another reason for the variation in cultural exposure between expatriates and their couples is the differing level of motivation: while expatriates aspire to relocate overseas, as a means of professional advancement, it is often enforced on their couples, who are likely to be less motivated to learn the culture, and sometimes have reservations about it (Gupta, Banerjee and Gaur, 2012).

The aim of this study is to test the effect of CD and the position during relocation on AHCC.

RESEARCH METHOD

Participants

Study participants were 60 expatriates and 60 couples who were known to one of the researchers. Additionally, the authors approached the relevant population through social media. Participation was administered through a URL. Fifty percent of them (N=60) were relocated to countries with a large CD, and 50% were dispatched to countries with a small CD (N=60). Ninety percent (N=108) of the respondents were Israelis, the majority of whom (94%) had relocated together with their partners; one-third of them had relocated in the past. One-third of the respondents were male (N=41); 61% of them were aged up to 40 (N = 73).

The research tool

AHCC assessment based on the Adjustment to Foreign Culture Questionnaire (Levi-Nishri, 2012).

The AHCC questionnaire is a 15-item instruments divided by factor analysis into three factors: GA [(three statements) ($\alpha=0.68$)]; JA [(five statements) ($\alpha=0.68$)]; and SA [(five statements) ($\alpha=0.81$)]. It is using a five-point Likert type scale, from *strongly disagree* to *strongly agree*, with five items of the SA factor are reverse-scored. The higher the score, the more it reflected better adjustment. In addition, an overall value (AHCC) was calculated. Background variables were also examined: age, personal status, gender, whether the respondent had relocated in the past, and whether children were also involved in the relocation.

Variables

There were two independent variables: 1) The position during relocation was examined through a question testing the respondent's status overseas - the expatriate or couple; 2) CD, was examined via answers to the question examining the home country and the host country of the expatriates/couples. Data of the World Bank (2017) were used in identifying the nation as a developed or developing country. Accordingly, a small CD was defined when the expatriates/ couples relocated to a country at a similar level of development. A large cultural distance was defined when they relocated from developing country to developed country or vice versa (World Bank, 2017).

The authors used SPSS for Windows 11.5 to examine the data; the Univariate Analysis of Variance test of the mean of total AHCC, SA, JA and GA for group.

FINDINGS

The study comprised a total of 120 participants. Of these, half were in a large CD countries and half in a small CD country. A significant group difference was found for AHCC [($p < 0.012$; $F=6.450$) ($M=3.5$; 3.2)], GA [($p < 0.023$; $F=5.327$) ($M=4.2$; 3.9)], and JA [($p < 0.002$; $F=9.708$) ($M=3.5$; 3.1)]; where the means of the small CD were significantly higher than that of the large CD; whereas SA of the two groups was not significant ($M=3.1$; 3.0) (Figure 1). Of the 120 participants, half were expatriates and half were couples. A significant group difference was found for AHCC [($p < 0.008$; $F=7.291$) ($M=3.6$; 3.3)] and SA [($p < 0.001$; $F=11.237$) ($M=3.3$; 2.8)]; where the means of the expatriates were significantly higher than that of the couples. In the other two dimensions, GA ($M=4.1$; 4.0), and JA ($M=3.3$; 3.2), a similar but not significant trend was found (Figure 2).

Thirty of each position's participations were under a CD condition - a large CD countries or a small CD country. No significant group differences of AHCC and the three adjustments' dimensions were observed. Yet, a large difference was found in

between the expatriates SA (3.4) and that of the couples (2.7) only under conditions of a large CD (Table 1).

DISCUSSION

The main aim of the study was to examine how the AHCC of expatriates and partners is influenced by cultural difference. The authors found that the AHCC is better under conditions of a small CD between home and host countries. These findings are in accord with previous studies (for example, McNulty, 2015; Kim et al., 2014). When there is a small CD, it is easier to appreciate the host country's culture and adjust to it, except for social adjustment, in which no differences were found. The SA concerns the ability to communicate easily and successfully with a mutual understanding with the host country's citizens. This finding may be influenced by the higher percentage of women among the couple in the study (52 women versus eight men). When they're several families in a host country, woman tend to develop a friendship with each other. Thus, they establish a kind of support group that helps them cope with the adjustment process of the relocation. These support groups can help the couples build their social adaptability in the host country.

The AHCC was better among expatriate employees than among the partners and this difference was stronger under conditions of a large CD. Possible explanations for these are: (a) the greater involvement of the expatriates in the host country's culture, deriving from their daily exposure to the host culture, including its business culture (Kim et al, 2014); (b) the expatriates are likely to be more motivated to adjust successfully to relocation, because it concerns their career, while their couples are likely to feel that they were "dragged along" to the relocation, without an inner desire to successfully adjust to the new culture (Gupta et al., 2012); (c) expatriates receive assistance from their corporations in adjusting to the new culture, through courses, training, and mentoring, while their couples receive none (McNulty, 2015). This is a lacuna that separates the members of the couple, since the partners have no framework that could give them some knowledge of the local culture.

The influence of CD on the expatriates versus partners' AHCC and its dimensions was not significant. It may be due to the small number of participation in each group and the language in the host country. A position in countries where the language is that of the home country, or alternatively where there are fluent English-speakers has a positive impact on adjustment (Yi-chun, Shin-yih, Yi-chen, 2012). Additionally, it may be that easier for expatriates and couples, regardless of the CD, to develop a positive approach towards developed countries because their positive image (Selmer and

Lauring, 2013) and the proposed organizational support (Kawai and Strange, 2014).

The research findings require a change in several policy patterns of HR managers in international business. They should realize that the partners of their expatriates may adjust to the foreign culture less well than the expatriates themselves. Acknowledging this finding would help them to manage more effectively their practise vis-a-vis the expatriates' families, among others, by planning critical resources such as courses, training sessions and so forth, that are likely to improve their adjustment to the host culture.

These findings should be interpreted with caution, due to the small number of participants from each group. Generalization of the study is limited because the data were collected from a convenience sample mostly Israelis. Further research is needed to explore the difference in a large and diverse sample. Because the adjustment measurements did not enable a study of the relations between expatriates and their partners, the authors recommend this in a future research. In addition, further research is needed to explore the cultural difference by means of the respondents' subjective positions, not only by objective data of the World Bank based on per capita income.

CONCLUSIONS

The present research is unique in the sense that it compares the adjustability to host country of expatriates and their partners under conditions of a cultural distance. Its prominent finding is that the difference between the expatriates and the couple's adjustment is greater in cases of a large cultural distance. This finding has practical implications for the process of preparing the all family ahead of overseas relocation and assisting the family in integrating in the host country.

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Figures & Tables

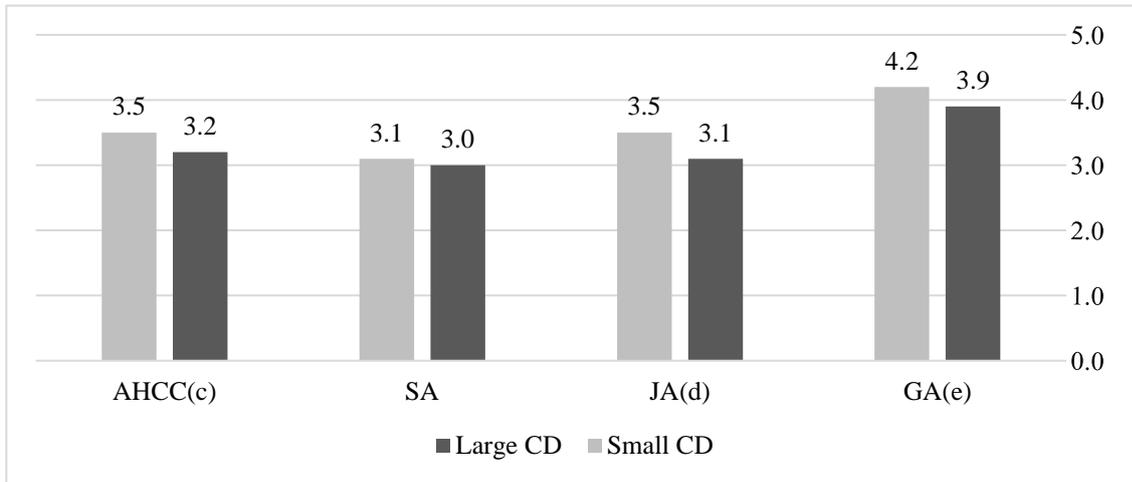


Figure 1
Mean score of AHCC, SA, JA and GA- by CD
^c($p < 0.012$; $F = 6.450$), ^d($p < 0.002$; $F = 9.708$), ^e($p < 0.023$; $F = 5.327$).

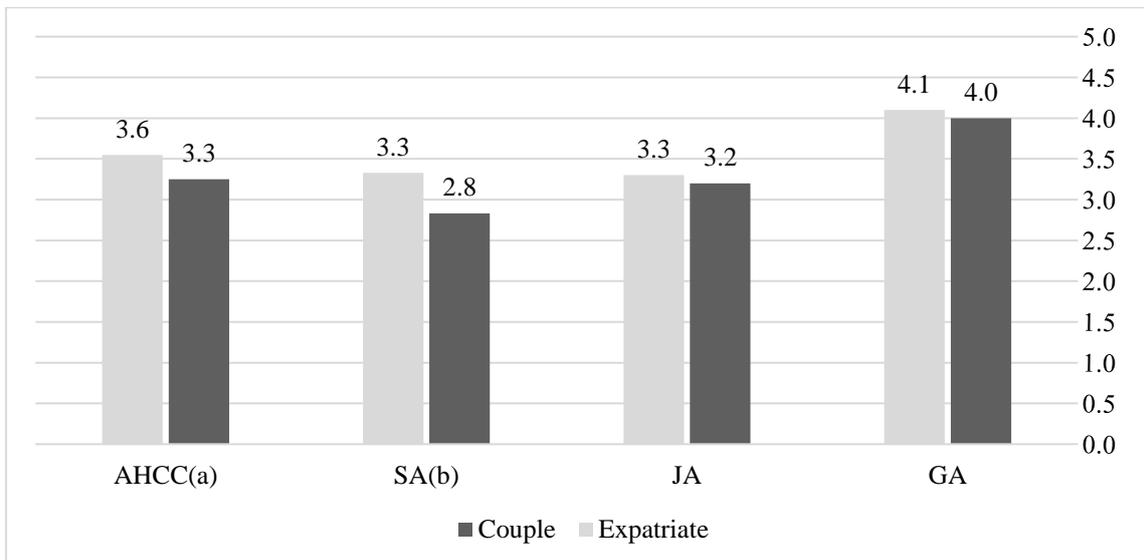


Figure 2
Mean score of AHCC, SA, JA and GA- by participants' position
^a($p < 0.001$; $F = 11.237$); ^b($p < 0.008$; $F = 7.291$).

Table 1
Mean score of AHCC, SA, JA and GA of participants' position by CD

Small CD		Large CD		CD		
Expatriate	Couple	Expatriate	Couple	Position	N	
30	30	30	30	3.8	3	GA
4.2	4.2	4.1	0.71	S.D.		
0.57	0.69	0.71	0.71	3	3	JA
3.5	3.4	3.1	0.5	S.D.		
0.4	0.93	0.84	0.5	2.7	2.7	SA
3.2	2.9	3.4	0.69	S.D.		
0.94	0.75	0.93	0.69	3.1	3.1	AHCC
3.6	3.4	3.4	0.44	S.D.		
0.44	0.56	0.64	0.44			