DETERMINANTS OF EXPATRIATE ADJUSTMENT SUCCESS. (A CASE OF INTERNATIONAL LOCAL HIRE IN INTEL MALAYSIA, TAIWAN AND SINGAPORE)

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DETERMINANTS OF EXPATRIATE ADJUSTMENT SUCCESS. (A CASE OF INTERNATIONAL LOCAL HIRE IN INTEL MALAYSIA, TAIWAN AND SINGAPORE)

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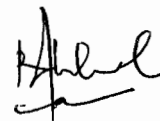06010 Sintok
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ABSTRAK

Objektif utama kajian ini ialah untuk melihat faktor-faktor yang mempengaruhi tahap penyesuaian pegawai-pegawai dagang (ekspatriat) yang berkhidmat di Intel Malaysia, Intel Taiwan dan Intel Singapura. Ianya adalah untuk memahami keperluan-keperluan pegawai-pegawai dagang tersebut di dalam proses penyesuaian diri di negara hos. Kajian ini adalah untuk melihat hubungan di antara variasi iaitu tingkah laku, kredibiliti rakan sekerja dan sokongan dari organisasi dengan tahap penyesuaian perilaku ekspatriat di negara hos. Tiga dimensi tingkah laku dikaji iaitu, "extroversion", keperluan meminta bantuan dan risiko meminta bantuan.

Bagi mencapai matlamat kajian, kaedah kuantitatif digunakan melalui pengedaran soal selidik. Sebanyak 114 soal selidik diedarkan kepada pegawai dagang (ekspatriat) di Intel Malaysia, Intel Taiwan dan Intel Singapura dan daripada jumlah tersebut, hanya 63 (55%) soal selidik di terima dan digunakan untuk tujuan penganalisaan.

Data dianalisa dengan menggunakan ujian korelasi pearson dan ujian regresi kepelbagaian. Dapatan kajian menunjukkan hanya wujud hubungan di antara sokongan organisasi dengan penyesuaian perilaku ekspatriat.

Kesimpulannya, kajian mendapati sokongan organisasi adalah faktor penting yang mempengaruhi penyesuaian perilaku ekspatriat di negara hos. Dapatan kajian membolehkan organisasi menyediakan program-program untuk memperbaiki mutu perkhidmatan, contohnya "program mentor dan mentee", "buddy system" serta mengkaji semula proses- proses dan polisi-polisi organisasi.

ABSTRACT

The main objective of this study is to identify the criteria for international local hire's (expatriates) adjustment success in the host site. This is to understand the support and help needed from them for a smooth adjustment process. Present study examines the relationship between all the independent variables, namely expatriate behavior, local co-worker credibility as well as perceived organization support with the dependent variable, adjustment success in the host site. There are three dimensions for expatriate behavior which are, extraversion, help seeking behavior and risk in help seeking.

To attain the objectives, a quantitative method was employed and data was collected through questionnaires. A total of 114 questionnaires were distributed to international local hires at Intel Malaysia, Intel Taiwan and Intel Singapore. However only 63 (55%) were received and used for further analysis.

The data was analyzed using Pearson Correlation and Multiple Regression. The findings indicated that perceived organization support was the only variable that has significant relationship with expatriate adjustment in the host site while expatriate behavior and perceived organization support do not correlate with expatriate adjustment in the host site.

In conclusion, this study revealed that perceived organization support is the important criteria for a successful expatriate adjustment. From the results, this would enable improvement programs such as, buddy system, mentor and mentee as well as revising the relocation process and policies to assist international local hire's adjustment in the host site.

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CHAPTER 1
INTRODUCTION

1.1   Introduction to the study

The globalization of business and market competitiveness in current economic trend has resulted to demands for skilled and professional manpower as to stay competitive in international market. Due to limitation of local manpower with specific required skills, organizations hire professional foreign expatriates as to fulfill the needs and market demands. Typically, these foreign expatriates help the workforce planning gaps by enabling the organization to place employee with the necessary knowledge, skills and abilities.

In addition, by positioning expatriates from home country, they may help to foster organizational culture in foreign operations by focusing on organization's value, permitting closer control and providing a broader global perspective in achieving the organization mission and vision. However, the possibility of hiring employees from anywhere in the world brings multicultural issues in the business environment and to position the companies for the opportunities without borders (HRM report, 2010).

An "expatriate" can be defined as an individual who is not a citizen of the country he is working. Richardson and McKenna (2002) referred expatriates as professionals who are living in an overseas country on a temporary basis,

but normally for more than a year. International Local Hire (ILH) is the term used in Intel Corporation which refers to foreign hires or "expatriates" that is hired on permanent basis, with the understanding that the employee does not intend to return to their original country. ILH receive host site local salary and remuneration with local standard and practices as identical to locally hired employees. It is often perceived by many organizations, including Intel Corporation that hiring an ILH is less costly than maintaining expatriate benefits on two way international assignment who receives compensation under the "Balance Sheet Approach" (Reynolds, 2000), where their salary and other compensations are paid by their home country and they enjoy the tax equalization benefits during the assignment.

International local hire population for Intel Malaysia was 64, Taiwan 37 and Singapore 13. Total volume was 114 based on the relocation report dated October 29th 2010. Basically there are increasing numbers of international local hire in Intel Malaysia due to new product introduction in this location where professional skills are required for our design group. Another contribution factor to the high international local hire volume in Intel Malaysia was due to the transfer of international local hire from other Intel sites due to factory shutdown and consolidation of the services into shared service center in Malaysia. Expatriates recruited into Intel Taiwan and Singapore is mainly for new opportunities in Sales and Marketing division.

While the employment of expatriates remains operationally and strategically important for organizations, it is important to understand the help needed by

expatriates in order to successfully adjust in the host site. As described by Shaffer, Harrison, Gilley, and Luk (2001), well-adjusted expatriates will have greater resources (time, effort, emotional investment) available to support and help in their job performance. Adjustment is defined as the ability to "fit in" or to negotiate interactive aspects of the host culture as measured by the amount of difficulty experienced in the management of everyday situations in the host culture (Ward & Kennedy, 1996). For this study, the focus were on "expatriate" under the international local hire (ILH) category to understand factors that affect their adjustment success in the host site.

1.2   Problem Statement

Many expatriates (international local hire) in Intel organization, especially those in Intel Malaysia, Taiwan and Singapore had voiced out their concern and dissatisfaction during open forums to their department managers and Relocation Consultants with regards to their difficulty adjusting smoothly in the new environment. The dissatisfaction among international local hire has resulted to high grievances, poor performance as well as resignation from the organization. The report retrieved on October 29th 2010 has indicated that average of 30 percent international local hires who were employed since years 2006 have resigned from the company due to personal reason and better job opportunity.

Basically upon hiring, international local hire in Intel will be provided a soft landing relocation assistance to help them settle down in the host country,

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such as shipment services, home finding assistance and relocation allowance. However, no other relocation assistance provided after they have landed in the host site since they are treated similar to other local employees and receive local host site remuneration. Without prolong assistance especially in terms of integration with the new host site culture and settling down, ILHs may have issue to adjust smoothly and not be able to pay full attention on the task assigned which resulted to performance issue.

According to Hechanova, Beehr and Christiansen (2003), causal relationships exist between expatriate adjustment and various outcome variables, including job satisfaction, organizational commitment, turnover, and job performance. Therefore, appropriate adjustment assistance to foreign environments make expatriates feel happy with their work, thus strengthening their identification with the organization and prompting them to exercise an extra effort on their jobs. As the result, they will want to remain and become committed to the organization. Expatriates with good adjustment in the psychological or socio-cultural dimension will reflect a strong commitment to their organizations.

Additionally, HSBC Expat Explorer Survey in 2008 indicated 68% German expatriates found the move abroad more difficult than expected, while only 8% found it easier than expected. Their biggest problems were adapting to the local culture (85%), finding new friends (72%), learning the local language (42%) and finding accommodation (38%) (Kraimer, Wayne and Jaworski, 2001). This study indicated how adjustments in job and life will directly affect an expatriate's employee performance.

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Therefore manager should let expatriates know clearly what their jobs requirement, assist them in utilizing working conditions and encourage them to take advantage of opportunities which will enable them to adjust better, and to further enhance their performance on the job. If expatriates can adapt to reduce the time taken to complete work skills, it will be easier for them to reduce the time taken to complete a work project or task and also to improve the quality of the work. Hence, expatriates are then more likely to have the time and liking to study new work skills in order to improve their performance more effectively and efficiently working in a foreign environment. Study by Mahajan (2009), shows that expatriate who seek help from locals can help reduce social distance between locals and expatriates and this can create a positive working climate between expatriate and local colleagues. Expatriate who feel positive and successfully adjusted in the host site may reduce their likelihood of quitting their job.

Although the link between recruitment, relocation and retention is stronger in current workforce environment and will cost companies far less to retain employees than finding and attracting others, the cost of hiring expatriates is two to three times more than hiring their domestic counterparts (Webb and Wright, 1996). Hence, increasing emphasis need to be in place to ensure expatriate effectiveness. However, there is no general agreement on the criteria to measure expatriate effectiveness (Harrison, Shaffer and Bhaskar, 2004). Therefore, this research was focusing on contribution factors for international local hire's successful adjustment in Intel Malaysia, Taiwan and Singapore. Results from this research may be important to Intel Human

Resource to be able to provide better human resource services for meeting the needs of international local hire in Intel.

1.3 Research Questions

This research was conducted to find the relationships of the independent variables, namely expatriates behavior, local co-worker's credibility and perceived organization support with the dependent variable of expatriate success outcome.

  i) Does expatriate behavior affect their adjustment success in the host site?

  ii) Does local co-worker's credibility affect expatriate adjustment success in the host site?

  iii) Does expatriate perceived organization support affect their adjustment success in the host site?

  iv) Which of the independent variables (expatriate behavior, co-worker credibility and perceived organization support) contribute the most to expatriate adjustment success in the host site?

1.4 Research Objectives

The main objective of the study is to determine variables that contribute to a successful expatriate's adjustment in Intel Malaysia, Taiwan and Singapore. This is to understand the support and help needed from expatriates for a smooth adjustment process, as listed below:

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i)   To examine the relationship between expatriate behavior and expatriate adjustment success in the host site.

ii)   To determine the relationship between local co-worker credibility and expatriate adjustment success in the host site.

iii)   To find out if perceived organization support and a successful expatriate adjustment success in the host site have relationship.

iv)   To identify if expatriate behavior, co-worker credibility and perceived organization support influence expatriate successful adjustment the most.

1.5   Significance of The Study

This study will provide a better understanding and awareness on expatriate's (international local hire) adjustment success criteria to Human Resource and department managers. By understanding the contribution factors for a successful expatriate adjustment in the host site, this could assist organization performance and reduce attritions rate among expatriates. In addition, results from this research would enable human resource deliver better services and provide good support for expatriate adjustment in the host site. The discrepancy between expectations on both expatriates and company can present a big challenge to both parties and could result in high attrition rate among expatriates. Additionally, when an expatriate assignment fails, the company suffers more than the financial loss incurred by relocation expenses and high salaries paid. Expatriate cost employers more than three times their annual salary (Andreason, 2003) which includes expenses such as travel, destination service, shipment, private schooling and relocation bonuses.

It is hoped that the finding will assist Intel Corporation to manage employee relocation process while maintaining organizational productivity. The research may assist organizations to better comprehend the employees' perceptions, problems and expectations. In return, it could equip them with the ability to assist employee's relocation in today's economic and cultural environment. Ultimately, organizations may benefit from the findings and implement relocation programs that meet expatriate needs in the host site, such as providing cultural training and host site orientation to expatriates. The finding could also benefit Human Resource Planning such as, selecting and hiring right expatriate (international local hire) to the right country.

1.6   Definition of Key Terms

Relocation services: "employee relocation" includes a range of internal business processes that are engaged to transfer employees, their families, or entire departments of a business to a new work location. This process is usually administered by human resources or outsourced to different types of service providers.

Relocation benefits: Benefits provided by employers for new workers relocating from different country and can include moving costs, reimbursement for temporary housing and transportation, education assistance.

Expatriate: An "expatriate" can be defined as an individual who is not a

citizen of the country he is working and hold a professional position in a multinational company. An expatriate is an employee who is working and temporarily residing in the foreign country (Dowling, 2008)

International local hire (ILH): A term used by Intel Corporation for professional foreign employees hired from international market or employees transferred from other international sites who receive salary and compensation package from the new host site. Minimum relocation assistance is provided to the ILH such as one way air ticket, shipment and tax services.

Expatriate adjustment: Adjustment for expatriates can be generally defined as the psychological comfort that individuals experience towards the host culture in which they have to work (Sinangil and Ones, 2001). According to Black and Stephen (1989), there are three dimensions of adjustment: i) adjustment to general environment (ii) interaction adjustment with host country national (iii) work adjustment

1.7   Organization of the study

There are five chapters written in this study. Chapter 1 consists of the introduction of the study, problem statement, research questions, objectives of the study and significance of the study. Chapter 2 reviews the literature of previous studies on the dependent variable (expatriate adjustment) and independent variables (behavior, local co-worker's credibility and perceived organization support). Chapter 3 explains the methodology aspects of the

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study such as population and sample, questionnaires developed, data collection method and statistical analysis. Finding results are discussed in chapter 4 and chapter 5 covers result discussion, conclusion and recommendation.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter reviews the related literature about expatriate adjustment success in the host country. The literature study was organized in three main sections that explains all the variables which are Expatriate Adjustment, Expatriate Behavior, Local Co-worker's credibility, Perceived organization support, and the Relationship between Variables.

2.2 Expatriates adjustment

Different definitions of expatriate adjustment were discussed in previous researches. For example, adjustment has been viewed as an indicator, dimension and predictor of success (Bell and Harrison, 1996). According to Mahajan (2009), adjustment is viewed as desire to learn acceptable behaviors of the host culture and their sense of comfort in performing various roles in both work and non work domains while living in the host country. Black and Stephens (1989), suggested three dimensions of adjustment used in the literature:

a. Adjustment to the general environment (degree of comfort with general living conditions, such as climate, health facilities and food

b. Interaction adjustment with host country nationals

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c. Work adjustment (performance standards, job and supervisory responsibilities).

While the concept of expatriate adjustment runs parallel to the adjustment of a newcomer in an organization (Toh, 2003), expatriates are new to both organization and host country's culture which sometimes brings many surprises to them. This may resulted from the actual experience is different from their expectation. Socialization into a new culture, whether organizational or national, requires individuals to engage in adaptive behaviors through which they make sense of the new culture and achieve a degree of fit between their behaviors and those required to be successful in the new environment (Ashford and Taylor, 1990). This may resulted from the country culture dissimilarities as well as to comply with the corporate culture needs.

Previous researches have used the U-Curve framework to describe the cross-cultural adjustment process of expatriates within host country (Lee, 2005). Discomfort can be experienced when there are differences between home and host cultures which is known as "cultural distance". This "cultural distance" or cultural novelty is the degrees to which two culture differ on various cultural dimensions (Stahl and Caligiuri, 2005). For some expatriates, the new experience upon arrival at the host site is exciting. However, they might begin to feel frustrated or confused with the new environment few months later and this feeling is known as "culture shock". As expatriates get comfortable and understand about the culture, usually three to six months

after arrival, the culture shock will wear off and they will experience a normal feeling (Adler, 1997).

The massive personal and professional changes faced by foreign expatriates while moving to the new destination are unavoidable regardless if they are already used to the new culture and environment. Apart from that, the culture dissimilarity between the host and home culture (cultural distance) will increase adjustment difficulties by expatriates as they need to adapt and deal with the new challenges. Adjusting to a different cultural context is a challenge expatriate must deal with on a daily basis (Newman and Nollen, 1996). The changes encountered during cross cultural transitions seem to be stressful. Furthermore, adjustments in the host country consume time, effort and money.

On the other hand, some study shows expatriate success, expatriate job satisfaction or expatriate performance and turnover as a measure for defining expatriates adjustment (Mahajan, 2009). This relates to the definition of expatriate success which associates with level of their adjustment in the host country, their overall performance and the likelihood of quitting their assignment and leaving the host country (Shaffer, Harrison, Gregersen, Black & Ferzandi, 2006). A successful expatriate adjustment enable to transmit corporate culture around the globe and in order to achieve this, the expatriate must successfully adjust to his or her new role in a foreign environment (Chen and Chiu, 2009). This is also supported by previous researchers that have tried to relate adjustment level directly to performance (e.g., Black and

Stephens, 1989). Additionally, Mahajan (2009) mentioned that seeking work related help from co-worker affects expatriate interaction adjustment which in turn affects expatriate job performance.

From the organization's perspective, the degree of adjustment of the expatriate is a significant predictor of employee performance and completion of the mission. While from the expatriate perspective, adjustment is a determining factor for job satisfaction and psychological well-being (Aryee and Stone, 1996). Failure to comprehend expatriates and their situations could also lead to poor decision making and deprive certain individuals of a chance to pursue global careers. In other words, psychological withdrawal, an inability to adjust to the new environment and a lack of understanding of demographics are key factors in any unsuccessful international expatriate assignments (Olsen and Martins, 2009). International managers should implement appropriate human resource measures to meet expatriates' expectations for their psychological contracts. Managers should ensure that expatriates receive adequate counsel and training to assist them in minimizing any psychological barriers they might have to adjustment in a foreign environment (Chen and Chiu, 2009). Hence, multinational company managers need to be extra careful because if they show no concern for expatriates, a number of problematic situations might arise. These include a loss of their identities, a loss of their sense of belonging and a significant decrease in loyalty to the company.

For Intel Malaysia, Taiwan and Singapore, currently there is no host site training or orientation program to support international local hire adjustment in the host country. Only minimum destination services assistance with host site orientation by authorized vendor will be provided to eligible employees. Therefore more support is required from human resource department to assist these them settle down and adjust smoothly in the host country.

2.3   Independent Variables

There are three dimensions of independent variables for this study which are, Expatriate Behaviors, Local Co-Worker's Credibility and Perceived Organization Support.

2.3.1   Expatriate Behavior

In the academic literature on international manpower, researchers have pointed out that the work attitudes of expatriates are influenced in a positive way by fulfillment of the psychological contract. However, according to analyses conducted by Hechanova et al. (2003), few studies have considered the psychological contract, psychological barriers and organizational commitment together as major factors in expatriate adjustment. Most researches on the determinants of expatriate adjustment focus on four aspects: individual factors, job factors, organizational factors, and non-work factors (Black, Gregersen, Mendenhall and Stroh, 1999). In order to be effective in a foreign culture, expatriate managers must understand both the

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origin of their own behavior and the congruence of their behavior with that of individuals who are from the foreign culture (Black et al,. 1991). Thus, it is important to assess the degree to which home-culture values dominate expatriate managers' behaviors and their perceptions of others (Feather, Volkmer and McKee 1992).

It seems feasible that expatriates are likely to develop attitudes based on both the new work environment and the hosts in the foreign nation, whether co-workers, customers, or suppliers. Therefore, with the unique situation created by the foreign location, not only does the new job and new organizational characteristics produce the development of attitudes, but also the interaction with foreign host nationals. This interaction with host nationals is a key component of the expatriate experience and logically plays a role in influencing the non-work satisfaction and job satisfaction of the assignee (Palthe, 2008).

For expatriate behavior dimensions, this study focused on three variables namely, Extraversion, Help seeking behavior from locals on work and non work related and Risk in help seeking.

2.3.1.1   Extraversion

According to Mahajan (2009), expatriates who are extrovert and like social interactions are most likely will seek work related help from local colleagues in the host site compare to their colleagues who are shy and reserved. As

indicated by Wikipedia (2011), extroverts and introverts have a variety of behavioral differences. According to one study, extroverts tend to wear more decorative clothing, whereas introverts prefer practical, comfortable clothes. Extroverts are likely to prefer more upbeat, conventional, and energetic music than introverts. Personality also influences how people arrange their work areas. In general, extroverts decorate their offices more, keep their doors open, keep extra chairs nearby, and are more likely to put dishes of candy on their desks. These are attempts to invite co-workers and encourage interaction. Introverts, in contrast, decorate less and tend to arrange their workspace to discourage social interaction.

This is important as the ability to socially interact with members of another culture is important for expatriates in order to better adjust in he host country and to effectively perform their jobs. On the other hand, Tye and Chen (2005) found that HR professionals weigh qualitative information about international experience more heavily than quantitative information, such as the amount of time spent abroad, and that they preferred candidates high on both extraversions and stress tolerance. This criterion may contribute to a successful expatriate adjustment.

2.3.1.2 Help seeking behavior from locals on work and non work related

According to Morrison (1993), specific help seeking such as seeking information pertaining to one's job and work-appropriate behaviors can facilitate socialization of newcomers into the organization. Nadler (1991) also

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suggest that individuals may vary in their willingness to seek help due to two reasons-the instrumental benefits of seeking help and the perceived costs involved in seeking help. While successful interactions with locals has satisfaction of interpersonal relationships across group members and will reduce inter-group conflict, it is suggested that as expatriates interact more frequently with host nationals, their interaction adjustment will increase and the development of positive feelings toward host nationals will also increase (Pathe, 2008). Expatriates are encouraged to strengthen work related relationships and network where relevant job information could be developed to support the establishment of expatriate network. According to Chrisman and Kleinman (1993), we can predict that people will attempt to match their help seeking behavior to their interpretations about the sources of wellness or causes of distress.

2.3.1.3 Risk in help seeking

Life in a new country requires exploring new things and learning new ways of doing things. The willingness to take risks, meet challenges and cope with change greatly enhances intercultural adjustment. Expatriates may want to seek help from locals in order to reduce their work pressures, but on the other hand they may be reluctant to seek help as it might hurt their image of independence and competence (Mahajan, 2009).

2.3.2 Local Co-Worker's Credibility

Research has identified supervisors as an important source of dealing with stress at work and argued that organizational support may be an important determinant of employees' adjustment following a transfer (Payne, 1980). In another word, high level of expatriate adjustment with support from co-worker and supervisor will lead to lower pressure in new working environment can reduce stress level and improve performance. It is also highlighted that social support is related to people who may assist or even get in the way of the person experiencing an event (Schlossberg, Waters and Goodman, 1995).

Thus, the role of host country national (HCN) has been considered important for expatriates in role performance, overcoming initial stress and general adjustment of expatriates in the host environment (Black, 1990). Previous studies used different terminology to define helping behavior, however for this study the definition is meant for host country national co-workers in helping expatriates in their work related or personal issues in order for them to better adjust in the host environment. Albeit the local co-worker is important socialization agent, their credibility as perceived by expatriates will influence expatriates help seeking behavior (Mahajan, 2009). Helping behavior is also defined as pro-social organizational behavior such as helping co-workers achieve personal goals (Brief and Motowidlo, 1986). On the other hand, organizational citizenship behavior as defined by Mahajan (2009), is the aggregate of those behaviors that individuals perform not because they should due to any contractual obligation but because they want to out of their

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own choice. Those individuals may not do so for any contractual returns but they do believe that in the long run such behaviors will pay off.

Another term describing helping behaviors is organizational spontaneity, which is defined as "spontaneous behaviors that are performed voluntarily and contribute to organizational effectiveness" (George and Brief, 1992). The results of the study by Kraimer et al., (2001), provide initial evidence that expatriates who are well adjusted at work and who are comfortable interacting with host-country citizens are perceived to be higher performers by their managers on task and expatriate contextual performance, respectively.

2.3.2 Perceived Organization Support

One of the most challenging tasks for any multinational company is to assist and manage expatriates relocation. Competitive Human Resource policies and procedures as well as supervisory support from management may assist expatriates to assimilate successfully in the host site. Furthermore, it is also important to determine the support being received from host site co-workers, managers and counselors for each employee and what type of support the organization may offer. Hence, having support systems in place for relocating employees and their families needs to be part of the relocation.

Perceived organizational support (POS) refers to employees' general beliefs about the extent to which their organization values their contributions and cares about their well-being (Eisenberger, Huntington, Hutchinson, & Sowa,

1986). According to this literature, it is the employee's trusts that the organization will be committed to them, beyond just the tangible benefits they received, that keeps them in the organization POS represent an employee's overall assessment concerning all organizational members who control that individual's resources and rewards (Eisenberger et al., 1986). Providing resources and rewards may be interpreted as a form of aid, the first type of social support as identified by Kahn and Quinn (1976). Whilst, Guzzo, Noonan, and Elron (1993, 1994) demonstrated that the number of resources and benefits that organizations provide to expatriates contribute to expatriates' perceptions of organizational support. The other two types of social support, affect and affirmation, are captured within the definition of POS: general beliefs about the extent to which the organization values and cares about their well-being. Thus, POS constitutes a potential source of support (Kraimer et al., 2001).

Employees encounter stress and respond to relocation with intrusion and avoidance (Schlossberg et al., 1995). By examining the effects of transition on employees who have relocated, organizations can better understand the processes to put in place to assist in the employees coping with the events that cause change in lifestyles. Many transferees experience the effects of stress, which may include feelings of loneliness and isolation, as they attempt to adjust to their new lifestyle and surroundings. Expatriates who are well adjusted at work and who are comfortable interacting with host-country citizens are perceived to be higher performers by their managers on task and expatriate contextual performance, respectively (Kraimer et al., 2001).

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Among contribution factors to most expatriate failures are culture shock, lack of cross cultural training program, an over emphasis on technical qualifications during hiring selection, wrong expectation and family problems. By addressing expatriate failure therefore involves paying more attention to the factors (Harzing and Ruysseveldt, 2004):

- An acknowledgement that expatriate adjustment involves not just adjustment to another job, but also adjustment to the interaction with host country nationals from another culture as well as more general adjustment to living in a foreign country.

- Use of sophisticated selection procedures that include selection criteria such as cross cultural competence and language fluency.

- A job design that maximizes role discretions and role clarity, minimize role conflict and compensates a high level of role novelty with proper training and/or selection of a candidate

- Provision of proper organization support systems

- Inclusions of the spouse in any training and support program

2.4 Relationship between expatriate behavior and expatriate adjustment success

Personal characteristics in assessing expatriate success and failure are examined in a number of studies as significant variables (eg; Mendenhall and Oddou, 1985) and found to be significant determinants of expatriate job performance and adjustment. A list of personal characteristics is derived from prior studies (Black 1990) to measure the level of expatriate managers' adjustment and job performance. Personal characteristics, which are thought

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to be determinants of adjustment and performance include ability to deal with stress, emotional stability, self-esteem, adaptability, being a sensitive person, tolerance (such as for race, ethnic origin, ambiguity), willingness to change and willingness to communicate.

Personal characteristics are also expected to facilitate or impede the formation of social networks, the ability to accomplish tasks and the expatriate's adjustment and performance (Stahl and Caligiuri, 2005). Since it is easier to develop interpersonal relations with peers who come from similar cultures, and who are of similar status, it is important to understand personal characteristics of those who are able to span the cultural boundaries that may exist between the expatriate and local staff (Aycan, 1997; Black et al., 1991).

Similarly, good interpersonal skill and help seeking behavior is also important for expatriates to successfully adjust in the new site. Expatriates may want to seek help from locals in order to reduce their work pressures, but on the other hand they may be reluctant to seek help as it might hurt their image of independence and competence (Mahajan, 2009). Expatriates may value support from their HCN co-workers only when they are in stress or they feel lack of support from organization. Several reasons might account for the reluctance of expatriates in seeking work related help from locals despite that some of the expatriates acknowledged the benefits in help-seeking. Personality differences among expatriates, especially how extroverted they are, might influence their help seeking behavior. Expatriates who are low on extraversion might be less willing to seek help. Another reason expatriates

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reluctant to seek help from locals might be due to the image risk resulted from seeking work related help from local as well as creates perceptions from others. Research shows expatriates preferred to seek non work related help from other expatriates (Mahajan, 2009). The main reason for not approaching locals was limited interaction with them outside work.

Understanding the behavior patterns of individuals who are from different cultures is particularly salient for expatriate managers who not only must work with individuals from other cultures, but who also must work in a foreign culture (Mendenhall and Oddou, 1985). Thus, it is important to assess the degree to which home-culture values dominate expatriate managers' behaviors and their perceptions of others (Feather et al., 1992). As the globalization of organizations continues to increase, more individuals are likely to work in positions requiring ongoing interactions with colleagues from other countries or in other countries. Just as with expatriates, the effectiveness with which these employees manage their cross-cultural relationships will ultimately impact the success of their organizations.

2.5 Relationship between local co-worker credibility and expatriate Adjustment success

Previous studies have consistently theorized about the positive relationship between local co-worker support and expatriate adjustment. From the support viewpoint, Shrinivas, Harrison, Shaffer and Luk. (2005) clearly show that co-worker support and logistical support have positive impacts on expatriate adjustment. Host site managers, co-workers and friends in the new

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organization play important roles in expatriate adjustment. Toh and DeNisi (2007) theorized that several attitudinal variables affect Host Country Nationals (HCN) desire to show helping behaviors towards expatriates. Social categorization theory (Turner, 1987), mentioned that demographic differences such as physical appearance and language, values dissimilarity and perceived pay discrepancy between expatriates and HCN, increased the salience of nationality among HCN and led to their out-group categorization.

This in turn prevents them from showing behaviors towards expatriates and in such situation, expatriates are less likely to adjust to the host environment and more likely to show poor performance. Toh (2003) provide mixed evidence for the positive affect of HCNs helping behavior on expatriate adjustment. HCNs are primary source for expatriates to gain local business knowledge and for seeking psychological support in order to adjust in a new environment (Toh and DeNisi, 2005). Study by Sinangil and Ones (1997) found that expatriates who were perceived by their host co-workers as ethnocentric were less likely to adjust in the new environment. In a similar study, Florkowski and Fogel (1999) found that expatriates who perceived their host country co-workers to be ethnocentric had difficulty adjusting in the host environment and showed less commitment to the host unit. Caliguiri (2000) found significant affect on expatriate adjustment where the greater contact with HCNs facilitated expatriates' adjustment in the host nation. When the high levels of adjustment lead to lower pressure in the new environment and reduce stress levels, it can cause improved performance. Moreover, when expatriates are better adjusted to the working environment and have good relationships with local coworkers,

the performance will also be higher. Several studies shows social support from local co-worker helps expatriate adjustment success (Black et al., 1991), where co-workers are important socializing agents and can help expatriates make sense of the new environment.

However, results obtained from Toh (2003) provide mixed evidence for the positive affect of HCNs helping behavior on expatriate adjustment. In a sample consisting of HCNs, Toh (2003) found that HCN's helping behavior was positively related to expatriate adjustment but it seems there's no significant relationship for the sample consisting of expatriates. Given that previous researchers have considered co-worker support as an important antecedent variable for expatriate adjustment, lack of significance in Toh's study could be due to the small sample size which didn't have sufficient respond. However, there's also a possibility that expatriates didn't value support from host site co-workers for their adjustment process due to the lack of credibility by the co-workers.

2.6 Relationship between organization support and expatriate Adjustment success

There is evidence from literatures that confirm support from organization plays important role for a successful expatriate adjustment. For example, Lee (2005) in his study on "the factors influencing expatriates", suggested multinational companies to ensure human resource policies and practice are in place to support their expatriate adjustment. Similarly, Caligiuri, Phillips, Lazarova, Tarique and Burgi (2001) suggest that organizations should

develop programs to ensure that their expatriates have realistic expectations prior to their global assignments. Expectations that are met are similar to the fulfillment of the psychological contract. If expatriates feel that their psychological contracts have been fulfilled, they are less likely to perceive discrepancies between their expectations and their actual experience. This is supported by Aycan's (1997) model of expatriate acculturation which highlighted the important role that organizations play in the acculturation of expatriates. Apart from that, other scholars have also argued that organizational support may be an important determinant of employees' adjustment following a transfer (Payne, 1980).

With the status as international local hires, benefits and employment status are different from expatriates of two way temporary assignment. Many expatriates on international local hires are facing challenges to establish and maintain a local network to ensure seamless employment in the organization. They are expected to adjust well in the local culture and work closely with local co-workers to ensure competitive advantage in the local market. Although the local salary maybe sufficient, but there are many other challenges to the international local hires.

Furthermore, with an international trend toward local hires, many expatriates are facing challenges such as, to establish and maintain a local network to ensure seamless employment in an increasingly project-based economy, expectation to master the local language and culture, especially because more and more local workers may have the competitive advantage of local

knowledge and connections (Neault, 2007). Hence the support from organization is needed in order to successfully adjust in the host site. Good relocation policies and effective cross cultural training could be some of the elements to be focused in relation to expatriate adjustment. Thus, in terms of managing the expatriates, it is important for the international companies to understand the reasons behind expatriates' high failure rates so that the preventive measures can be taken. The effective management of expatriates has been regarded as crucial to business success and poor management of expatriates has been correlated positively with business failure (Brewster, 1996). Multinational Corporation need to recognize that by modifying the socialization policies and practices can have a positive influence on their expatriates' adjustment (Lee, 2005).

On the other hand, managing expatriate compensation package, human resource plays an important role to stay competitive and benefit both the organization and the employee. In addition, active organizational support should come with realistic expectations and thoughtful human resource policies with clarity of direction for a successful expatriate adjustment. Lacking of organizational support and direction with unhelpful human resource expectations or policies as well as cross cultural training may impact expatriates adjustment level. According to Dowling and Welch (2005), expatriates' perceptions of the fulfillment of their psychological contracts will influence their organizational commitment. Violation of their psychological contracts will push the relationship between expatriates and organizations from a relational type towards a transactional type, which might cause

expatriates to leave the organization. At the same time, if expatriates feel that their psychological contracts have been fulfilled, their commitments to the company are strengthened.

2.7   Research Framework

The research model for the study is shown in Figure 1. Major objective for the study is to disclose and discuss the relationships among the three dimensions of dependent variables of expatriate adjustment success with the three dimensions of Independent variables. The model of the study has been depicted as below:

Independent Variables   **Dependent variables**

Expatriates characteristic

-Extraversion

-Help seeking behavior from locals on work /non work related

-Risk in help-seeking

Host Site local's co-worker credibility

Perceived organization support

Expatriates adjustment success
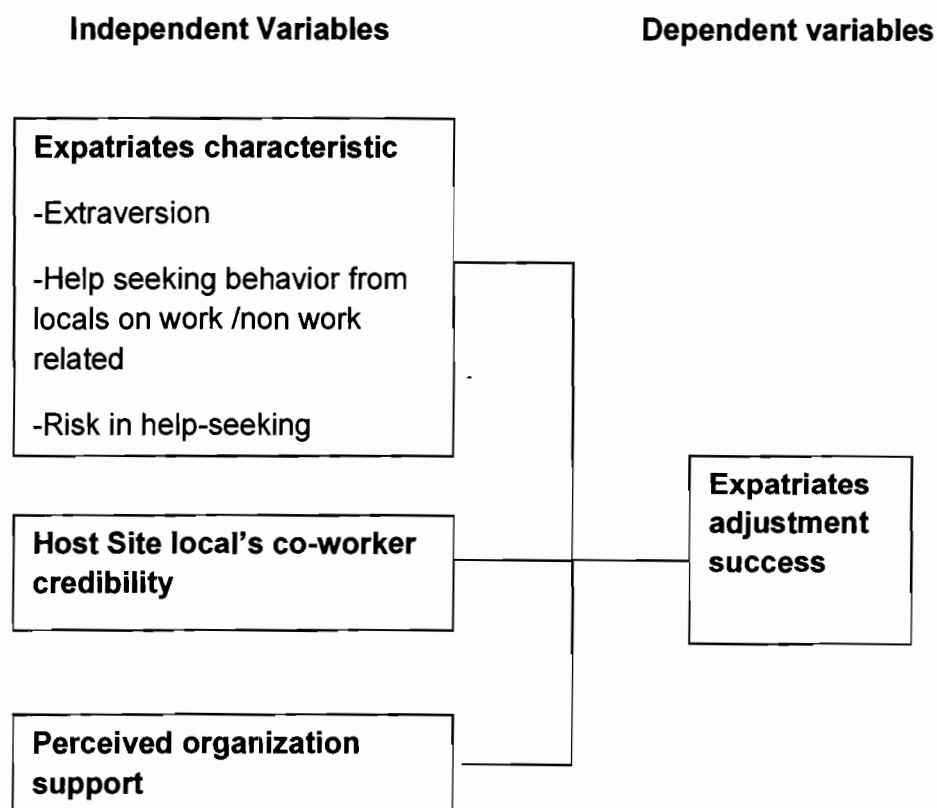
Figure 2.1 Research Framework

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This study on expatriate adjustment utilizes the relationship model to examine the relationship between independent variables, expatriate behavior, local co-worker's credibility and perceived organization support with the dependent variable, expatriate adjustment success. These will provide possible explanations about the relationships between the given set of variables and the adjustment success of expatriates (Intel International local hire) participating in this study.

Good expatriate management, as perceived by expatriates, shows a positive correlation with expatriates' mentality and their performance, respectively and also reduces their intention to quit (Caligiuri, Joshi and Lazarova, 1999). Well performed expatriate management will be helpful to expatriate successors in understanding of local situation, handling on of responsibility, merging into the local social network, and making better family adjustment and moreover, if managers give effective help to their successors it can promote the satisfaction of the expatriates and will further help the achievements of international assignments (Selmer and de Leon, 1997).

2.8   Conclusion

In summary, this chapter has explained about the literature review of the study for all the variables which included expatriate behavior, local co-worker's credibility and perceived organization support in relation to expatriate adjustment. The next chapter will discuss methodology aspects of the study.

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

3.1   Introduction

This study intend to determine the contribution factors for a successful international local hire (ILH) adjustment in the new site (dependent variable) and the independent variables used for this study were expatriates behavior, host site local co-worker credibility and perceived organization support. It is a common scenario where many new international hire had problems to adjust smoothly in the host site without any help from organization and peers. This chapter covers the research design and methodology, sources of data, unit of analysis, population frame, sample and sampling technique, measurement, data collection and the technique of analyzing data. It included the methods used to study the relationships between the independent variables and the dependent variable.

3.2   Research Design

The study discussed the relationships between the dependent variable, International local hire (ILH) adjustment in the host country and independent variables which comprised of ILH behaviors, host site local co-worker credibility and perceived organizational support. Behaviors covered three

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dimensions namely, extraversion, help seeking behavior and risk in help seeking.

3.2.1 Type of Study

Primary data using a structured questionnaire was collected from the samples of international local hire in Intel APAC sites, which covered Intel Malaysia, Taiwan and Singapore sites. For this study, a survey was used as it allows the respondent to think back their previous experience such as relocation (Chadwick, Bahr, & Albrecht, 1984). By using surveys it provide some benefits since a standard question will be used and it can reach large numbers of participants. According to Babbie (2002), survey research is a frequently used mode of observation in the social sciences. Hence, the attitudes and feelings of the respondents who had been involved in relocation could provide data to determine the contribution factors for a successful adjustment in new host country.

Quantitative research method was used for data collection due to the valuable benefits of survey instrument. According to Polit and Hungler (1991), a researcher using quantitative methods to collect data may use a standard form of questioning, and maintain structure and control whereas in qualitative research there is minimum structure and control and may become time consuming. Fink (1995) stated that a survey is "a system for collecting information to describe, compare, or explain knowledge, attitudes, and behavior". Using surveys provides a researcher the variety and ability to

provide knowledge by applying three measurement classifications. These include (a) nominal data which produce no numerical values; (b) ordinal data which uses a scale similar to very important to very unimportant, provides a measure for each point on the scale, and can be indicated by a percentage; (c) interval data calculates the number of people in different categories, such as age and provided for using statistical methods. Survey result could provide data for determining a correlation between independent variables and the dependent variable (Fink, 1995).

3.2.2   Unit of Analysis

The unit analysis is on individual basis as expatriate has individual argument and is free to make choices, and any outcomes can be explained exclusively through the study of his or her ideas and decisions.

3.3   Population

The populations of this research include all international local hires (ILH) in Intel APAC sites, which covered Malaysia, Taiwan and Singapore. International local hire population for Intel Malaysia was 64, Taiwan 37 and Singapore 13. These ILHs are from the international market as well as those who are on one way transfer from other Intel Corporation sites for reasons such as career opportunity, site closure and service consolidation into Shared Service Center in Intel Malaysia. Population refers to the entire group of people, event or things of interest that researcher wishes to investigate.

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Based on the report retrieved from Intel Relocation system on October 29th 2010, total population of active international local hires in Intel Malaysia, Taiwan and Singapore was 114 employees. Hence, there is a need to study and understand the contribution factors to a successful adjustment in the host country.

3.4   Sample & Sampling Techniques

Due to the small population of international local hires (ILH) in Intel Malaysia, Taiwan and Singapore, all the 114 total populations were used as the samples for this study. Those samples who hold various professional job positions from multi departments in Malaysia, Taiwan and Singapore were contacted to complete a structured survey questionnaire using email. One week was provided to the respondents as to get their most comfortable time to answer the questionnaire given. The survey timeframe was from November 10th to November 17th 2010.

3. 5   Variables studied and measurement of variables

The aim of this study was to examine the success criteria for a successful international local hire adjustment in the host site. Dependent variable was expatriate adjustment success and independent variables were expatriate behavior, host site local co-worker credibility and perceived organizational support. The survey measured attitudes or feelings for personal life events, and situations. Demographics such as gender, nationality and years with the

organization were included in the survey. The following instruments were used to measure the variables in the study.

Table 3.1:
Operational Definitions and Items for Expatriate Adjustment Success

Variable	Operational Definitions	Items
Expatriate (ILH) Adjustment Success	Psychological comfort, familiarity and level of adjustment that ILH has in the new environment	1. Living conditions in general
		2. Housing condition
		3. Food
		4. Shopping
		5. Cost of living
		6. Entertainment/recreation facilities and opportunities
		7. Health care facilities
		8. Socializing with host nationals
		9. Interacting with host nationals on a day-to-day basis
		10. Interacting with host national outside work
		11. Speaking with host nationals
		12. Specific job responsibilities
		13. Performance standards and expectations
		14. Supervisory Responsibilities

(Source: Black and Stephens, 1989)

For the above questions, respondents indicated their agreement with each item on a 7-Point Likert Scale starting with 1-Very Adjusted, 2 –Unadjusted, 3-Somewhat Adjusted, 4- Neither Unadjusted Nor Adjusted, 5-Somewhat Adjusted, 6-Adjusted, 7 –Very Adjusted.

Table 3.2:
Operational Definitions and Items for Expatriates Behavior

Variables	Operational Definitions	Items
Expatriates (ILH) behavior	The behaviors that may impact the level of expatriate (ILH) adjustment success in the host site	
Dimension		
i. Extraversion	The ability to socialize and seek for help in the host environment	1. Feel comfortable around people 2. Make friends easily 3. Am skilled in handling social situations 4. Am the life of the party 5. Know how to captivate people 6. Have little to say 7. Keep in the background 8. Would describe my experience as somewhat dull 9. Don't like to draw attention to myself 10. Don't talk a lot

(Source: Goldberg, 1999)

Variables	Operational Definitions	Items
ii. Help Seeking Behavior	ILH work and non-work related help seeking behavior from host site co-worker	1. I seek this person's opinion on job 2. I request help from this person when I get behind performing my job 3. I ask this person for information necessary to complete my job 4. When in doubt about performing my job, I ask advice from this person 5. I ask for advice from this person to better understand behaviors at my workplace 6. I learn acceptable workplace behaviors by observing this person at work 7. I seek advice from this person regarding the appropriateness of my social behavior at work 8. When necessary, I borrow a transportation from this person for personal task 9. I ask this person when I need any help with transportation (e.g. asking for a ride to go grocery shopping) 10. I would ask this person to help me negotiate with a car dealer

(Source: Mahajan, 2009)

Variable	Operational Definitions	Items
iii. Risk in help seeking	Negative perception when seeking for help from host site local co-workers	When asking for help from local co-worker: 1. Make you feel inadequate or incompetent 2. Bother this person and make you Feel bad 3. Make you feel foolish 4. Convey a lack of confidence on your part 5. Convey that you do not want to do something on your own by yourself 6 Take away your chance to do or learn something

(Source: Anderson and Williams, 1996)

For the above questions, respondents indicated their agreement with each

item on a 7-Point Likert Scale starting with 1-Strongly Disagree, 2-Disagree,

3-Slightly Disagree, 4-Neither Agree nor Disagree, 5-Sightly Agree, 6-Agree,

7 –Strongly Agree.

Table 3.3:
Operational Definitions and Items for Host Site Local Co- Worker
Credibility

Variable	Operational Definitions	Items
Host Site local co-worker's credibility	Local co-worker's knowledge and credibility in handling their job	The statements regarding the host site co-worker with whom you have worked the most in the recent past: 1. This person really knows a lot about my line of work 2. I consider this person to be a credible source of information in my subject area 3. This person really knows what he is talking about 4. I believe that this person is quiet Intelligent 5. This person has substantial Experience in my subject area

(Source: Fisher, Ilgen and Hoyer, 1979. Mc Croskey,1961)

For the above questions, respondents indicated their agreement with each

item on a 7-Point Likert Scale starting with 1-Strongly Disagree, 2-Disagree,

3-Slightly Disagree, 4-Neither Agree nor Disagree, 5-Sightly Agree, 6-Agree,

7 –Strongly Agree.

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Table 3.4:
Operational Definitions and Items for Perceived Organization Support

Variable	Operational Definitions	Items
Perceived Organizational Support	The level of support rendered by the organization as perceived by the ILH	1. My organization cares about my opinion 2. My organization really cares about my well being 3. My organization strongly considers my goals and values 4. Help is available from my organization when I have problem 5. My organization would forgive an honest mistake on my part 6. If given the opportunity, my organization would take advantage on me 7 My organization shows very little concern for me 8. My organization is willing to help me if I need a special favor

(Source: Eisenberger, Cummings, Armeli and Lynch, 1997)

For the above questions, respondents indicated their agreement with each item on a 7-Point Likert Scale starting with 1-Strongly Disagree, 2-Disagree, 3-Slightly Disagree, 4-Neither Agree nor Disagree, 5-Sightly Agree, 6-Agree, 7 –Strongly Agree.

3.6   Data Collection Procedures

Structured survey questionnaires were distributed to the 114 samples of international local hire in Intel Malaysia, Taiwan and Singapore by emails. The data collection was accomplished through personal contact and internal mail.

Employees who did not respond within 5 days were follow-up by another email to remind and encourage them to respond to the study. From the total of 114 sets distributed to the samples, only 63 responses were received within the 2 weeks timeline. Therefore, data analysis was done based on 63 responses which constituted to 55% of the response rate.

3.7 Data Analysis Techniques

After collecting the information from the questionnaires, a few procedures were done such as checking the data for complete information and accuracy. The questions were coded with numbers which serves the simple and convenient tracking process to enable the analysis using Statistical Packages for the Social Science (SPSS). For this study, Statistical Package for Social Science (SPSS) Version 12.0 was used to interpret the results of data because it is commonly used by researchers and easily available in business settings. Both descriptive analysis and inference analysis were used in the analysis process. The data were analyzed using frequency statistic, reliability analysis, standard deviation, mean, correlation and multi regression.

The data analysis began with reliability test as determine the reliability of the items in each dimension. Next, descriptive statistics were computed to run the frequencies for demographic questions. Then, Pearson Correlation Analysis was used to determine the relation and degree of relationship between dependent variable (expatriate adjustment success) and independent variables (expat behavior, local co-worker credibility and perceived organization support).

Finally, Multiple Regression tests were conducted for a single dependent variable which is expatriate adjustment success and several independent variables which includes the dimension of expatriate's behavior (independent variable) and expatriate adjustment success (dependent variable).

3.7.1 Reliability Analysis

Reliability refers to the extent to which the results are consistent over time and accurately represent the total population for this study. Cronbach Alpha was used to measure the reliability of the items in this study. The Cronbach Alpha testing was used as it is the most well accepted reliability test tools applied by social researcher (Sekaran, 2003). In Cronbach's Alpha reliability analysis, the closer Cronbach's Alpha to 1.0, the higher the internal consistency reliability. (Cronbach's Alpha; Cronbach, 1946). Cronbach measures;

1. Reliability less than 0.6 considered poor.
2. Reliability in the range 0.7 is considered to be acceptable.
3. Reliability more than 0.8 are considered to be good

3.7.2 Frequencies distribution analysis

Frequency distribution analysis was generated using Data Analysis option in result excel table as to obtain the number of responses associated with different values of one variable.

Next step is measurement for central tendency and dispersion where the "Descriptive Statistics" option under the Data Analysis tool in excel menu is selected to obtain measures on respondent profiles such as gender, length of service in the organization and job position.

3.7.3 Descriptive Statistics

Descriptive statistics such as maximum, minimum, means, standard deviations, and variance were obtained for interval-scaled independent and dependent variables.

3.7.4 Correlation Analysis

The computation of Pearson correlation coefficients was performed to obtain an understanding of the relationship between all the variables the study and to determine the statistical significance. The values of the correlation coefficients given in above table reflect the degree of association between each of these variables. According to Sekaran (2003), the closer the reliability coefficient gets to 1.0, the better it is, and those values over .80 are considered as good. The scale model suggested by Davis (1997) proposed the rules of thumb that need to be used in interpreting the R-*value* obtained from this analysis. Refer table 3.5.

Table 3.5:

R-value

R-value	Relationship
Above 0.70	Very strong
0.50 - 0.69	Strong
0.30 - 0.49	Moderate
0.10 - 0.29	Low
0.01- 0.09	Very low

3.7.5 Regression Analysis

Multiple regression analysis was used to examine the simultaneous effects of several independent variables that are interval scaled. In other words, multiple regression analysis aids in understanding how much of the variance in the independent variable is explained by a setoff predictors. Multiple Regressions Analysis was conducted to determine which among the three independent variables are the most important variables in explaining expatriate adjustment in Intel. According to Cavana, Delahaye and Sekaran (2001), the multiple R is the multiple correlations among the independent variables and dependent variables, and the R square is the variance in the dependent variable accounted by the three independent variables. Multiple coefficient, R, indicate the strength of relationship between the variables and it also show how much of the variance in the dependent variable when several independent variables are theorized to simultaneously influence it.

3.8 Conclusion

This chapter discussed the research methodology for this study which comprised of design of the study, population and sample, questionnaire design, measurement, data collection and data analysis. Result of findings will be discussed in the next chapter.

CHAPTER FOUR

DATA ANALYSIS AND RESULTS

4.1 Introduction

This chapter outlines the finding results from the analysis done based on the data obtained from respondents. The data collections are interpreted based on four-data analysis techniques, which are Frequency Analysis, Reliability Analysis, Descriptive Statistic, Pearson's Correlation Coefficient and Multiple Regression. All four data analysis technique are very important in this research in order to test the reliability of the variables and also to determine the relationship between the variables whether it is positive or negative relationship and whether it is strong, moderate or low relationship.

4.2 Sample Characteristics

A total of 114 questionnaires were sent by personal email in November 2010 to the international local hires in Intel Malaysia, Taiwan and Singapore. 63 of the respondents which constituted to 55% of the response rate returned the questionnaire with completed answers. Therefore, the usable questionnaires for this research were 63.

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4.3 Respondents' Profile

The survey demonstrated the details concerning demographic characteristic or respondents' profile as shown in table 4.1

Table 4.1:

Respondents' Profile

	Demographic	Categories	Frequency	Percentage (%)
1.	Gender	Male	57	90.5
		Female	6	9.5
2.	Marital status	Married	60	95.2
		Single	2	3.2
		Divorced	1	1.6
3.	Education	Bachelor degree	22	34.9
		Master degree	35	55.6
		PhD	6	9.5
4.	Nationality	British	1	1.6
		China	3	4.8
		Filipino	20	31.7
		Indian	17	27.0
		Malaysia	2	3.2
		Pakistan	5	7.9
		Russian	2	3.2
		Taiwan	4	6.3
		USA	9	14.3
5.	Length of Service (host country)	Less than 2 years	40	63.5
		2-5 years	8	12.7
		5-10 years	6	9.6
		>10 years	9	14.3
6.	Length of Service (organization)	Less than 2 years	21	33.4
		2-5 years	6	9.5
		5-10 years	29	46.1
		> 10 years	7	11.1

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7.	Job title	Administrator	1	1.6
		Director	1	1.6
		Engineer	34	54.0
		Manager	26	41.3
		Program Mgr	1	1.6
8.	Position Level	Junior	1	1.6
		Middle	33	52.4
		Senior	29	46.0
9.	Host site orientation upon arrival in host country	Yes	33	52.4
		No	30	47.6

The above table shows that, out of 63 respondents, the male represent 90.5% or 57 respondents and only 6 respondents are female which represent 6.5%. 95.2% of the respondents are married. From the total respondents, 34.9% respondents had First Degree, 55.6% had Master Degree and only 9.5% had PhD. In terms of expat nationality, majority of the respondents are from the Philippines which represent 31.7%, followed by Indian 27% and 14.3% from USA. Other respondents are from Britain, China, Malaysia, Pakistan, Russia and Taiwan. In terms of the length of service in the host country, about 63.5% of the respondents had work up to 2 years in their host country, 14.3% for more than 10 years, 12.7% between 2 to 5 years and 9.6% between 5 to 10 years. For length of service in the organization, 46.1% had work between 5-10 years, followed by 33.4% between 0-2 years. Only 6 respondent or 9.5% had work between 2- 5 years. Most of the respondents are engineers and managers which represent 54% and 41.3% respectively. 52.4% of the respondents are from middle range position and 46% are from senior position.

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The result also shows 52.4% respondents attended host site training and 47.6% did not have any host site training.

4.4 Reliability Analysis

According to George & Mallery (2003), reliability is the degree to which measure are free from error and therefore yield consistent results. Whilst, according to Sekaran (2003), the closer the reliability coefficient gets to 1.0, the better it is, and those values over .80 are considered as good. Those value in the .70 is considered as acceptable and those reliability value less than .60 is considered to be poor (Sekaran, 2003).

Table 4.2 shows the reliabilities of the four (4) study variables that are Expatriate behavior, Local Credibility, Perceived Organizational Support and Expatriate Adjustment.

Table 4.2:
Results for variables

Variables Items	No of	Cronbach's Alpha
A-Extraversion	9	0.873
B-Help seeking behavior	10	0.809
C-Risk in help seeking	5	0.855
Expatriate behavior (A+B+C)	24	0.802
Local credibility	5	0.863
Perceived organization support	8	0.826
Expatriate adjustment	14	0.923

As shown in table 4.2, alpha value for both the independent and dependent variables are above 0.8 which is considered good and reliable. Expatriate adjustment has the highest alpha value which is 0.923. Overall ability of the question and internal consistency reliability of the measures used in this study is acceptable and can be used for further analysis.

4.5 Descriptive Statistic

Descriptive analysis which includes the mean and standard deviation for the independent and dependent variables are shown in Table 4.3

Table 4.3:
Descriptive Statistics of the Dependent and Independent Variables

Variables	Mean	Std. Deviation
Expatriate Behavior	3.26	0.71
Local Co-Worker Credibility	5.21	0.98
Perceived Orgn support	5.03	0.87
Expatriate Adjustment	5.41	0.95

All the variables are evaluated based on 7 point likert scale. Descriptive statistics such as means and standard deviation were obtained for the interval-scaled independent and dependent variables. From the results, it exhibit that the mean on expatriate adjustment being rather high (5.41 on a 7-point scale) followed by the mean on local co-worker credibility (5.21). The other variables which are perceived organization support is at (5.03), and local co-worker credibility being (3.26). The mean or the average is a

measure of central tendency that offers a general picture of the data without unnecessarily inundating one with each of the observations in the data set.

4.6   Pearson Correlation Analysis of the Variables

This section presents the correlation analysis between independent variables (expatriate behavior, local co-worker's credibility and perceived organization support) and dependent variable (expatriate adjustment). Table 4.4 demonstrates the results of the variables.

Table 4.4:
Correlations among the Study Variables

	Expatriate Adjustment	Expatriate Behavior	Extraversion	Help Seeking Behavior	Risk in Help Seeking	Local Credibility	Perceived Orgn support
Expatriate Adjustment	1	-0.066	-0.295*	0.238	-0.199	0.111	0.485**
Expatriate behavior		1	0.703**	0.473**	0.709**	-0.018	-0.145
Extraversion			1	0.019	0.498**	-0.152	-0.289*
Help Seeking Behavior				1	-0.128	0.554**	0.381**
Risk in Help Seeking					1	-0.295*	-0.503**
Local Credibility						1	0.319*
Perceived Orgn Support							1

**. Correlation is significant at the 0.01 level (2 tailed)
*. Correlation is significant at the 0.05 level (2 tailed)

Table 4.4 indicate only perceived organization support has significant relationship with expatriate adjustment while the other two variables (behavior and local co-worker's credibility) do not show relationship. The Pearson Correlation Coefficient or r-value is 0.485**. Whilst, among all the dimensions of expatriate behaviors which are extraversion, help seeking behavior and risk in help seeking, extraversion is the only variable that have significant correlation with expatriate adjustment at R-value -0.295*.

Pearson correlation matrix provides information which indicates the direction, strength and significance of the relationships of all the variables in the study. Theoretically, there could be a perfect positive correlation between two variables which is represented by 1.0 (plus 1), or a perfect negative correlation which would -1.0 (minus 1). While correlation could range between -1.0 and +1.0, the researcher need to know if any correlation found between two variables is significant or not (i.e.; if it has occurred solely by chance or if there is a high probability of its actual existence). As for the information, a significance of $p=0.05$ is generally accepted conventional level in social science research.

4.7 Multiple Regression Analysis

The Multiple Regression Analysis (MRA) treated the dimension of dependent variables and independent variables separately. This is a way to recognize

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whether there is significant relationship between independent variables and dependent variables or not.

Table 4.5:
Multiple regression of independent variables on dependent variables

Variables	Dependent Variable-Expatriate adjustment				
	Unstandardized Coefficients		Standardized Coefficients	T	sig.
	B	Std Error	Beta		
Expat behavior	0.008	0.154	0.006	0.049	0.961
Local credibility Perceived organization	-0.047	0.116	-0.049	-0.407	0.685
support	0.551	0.133	0.502	4.136	0.000**

R Square =0.238
Adjusted R square=0.199
F=6.128
R=0.487

From table 4.5 above, the Multiple R shows a substantial regression between the three independent or predictor variables and the dependent variable which is expatriate adjustment (R= .487). The R-square value identifies the portion of the variance accounted for by the independent variable that is approximately 23.8% of the variance in the expatriate adjustment is accounted for by expatriate behavior, local co-workers credibility and perceived organizational support. This value indicates that those three factors just explained expatriate adjustment by 23.8% and there are other factors which are not considered in this study may contribute to expatriates adjustment.

The Adjusted R Square is considered a better population estimate and is useful when comparing the R Square values between models with different number of independent variables. The value of Adjusted R Square obtained is 0.199, illustrate that 19.9% changes of dependent variable, which is expatriate adjustment, can be explained by the three independent variables that are expatriate behavior, local co-workers credibility and perceived organizational support. The other 80.1% are explaining by other factors.

The Beta values indicate that only perceived organization support has the influences on expatriate adjustment (Beta=.502, p>0.05) while the other two variables, expatriate behavior (Beta=.006, p<0.05) and local co-worker credibility (Beta=-.049, p<0.05) do not have significant correlation with expatriate adjustment. The model summary also show the F change value of 6.128 is significant at 0.05 levels.

Table 4.6:
Multiple Regressions of Expatriate Behavior on Expatriate Adjustment

Variables	Dependent Variable-Expatriate Adjustment				
	Unstandardized Coefficients		Standardized Coefficients	T	sig.
	B	Std Error	Beta		
Extraversion	-0.217	0.11	-0.274	-1.964	0.054
Help seeking behavior	0.230	0.122	0.229	1.881	0.065
Risk in help seeking	-0.032	0.135	-0.034	-0.239	0.812

R Square = 0.142
Adjusted R square= 0.098
F= 3.252, R=0.377

From table 4.6 above, the Multiple R shows no significant correlation of the regression analysis between the three dimension of behavior which are extraversion, help seeking behavior and risk in help seeking and the dependent variable which is expatriate adjustment (R= .377). The R-square value identifies the portion of the variance accounted for by the independent variable that is approximately 14.2% of the variance in the expatriate adjustment is accounted for by expatriate behavior and another 85.8% by other factors such as organization support.

4.8 Summary of findings

From the result of regression table, summary of the findings are as below:

a) The Beta values (Beta=.502, p>0.05) indicate perceived organization support has the greatest influences on expatriate adjustment. Expatriate behavior has minimum influence on expatriate adjustment (Beta=.006, p<0.05) and local co-worker credibility does not influence expatriate adjustment (Beta=-.049, p<0.05). Among all the dimensions of expatriate behaviors which are extraversion, help seeking behavior and risk in help seeking, extraversion is the only variable that have significant correlation with expatriate adjustment at R-value -0.295*.

b) The regression analysis between the three dimension of behavior which are extraversion, help seeking behavior and risk in help seeking shows no significance correlation with expatriate adjustment.

4.9 Conclusion

This chapter presented the analysis result. The results reveal there was a positive correlation between organizational support and expatriate adjustment. The next chapter will discuss finding of the study.

CHAPTER FIVE

DISCUSSION AND CONCLUSION

5.1   Introduction

This chapter summarizes and discusses the results and findings from the
analyses performed. The discussion will be based on the objectives of the
study as indicated in chapter 1, namely:

- To examine the relationship between expatriate behavior and
  expatriate adjustment success in the host site.

- To determine the relationship between local co-worker credibility and
  expatriate adjustment success in the host site.

- To find out if perceived organization support and a successful
  expatriate adjustment success in the host site have relationship.

- To identify if expatriate behavior, local co-worker credibility and
  perceived organization support influence expatriate successful
  adjustment the most.

5.2   The relationship between expatriate behavior and expatriate adjustment success in the host site.

The result of this study revealed no significant correlation between expatriate
behavior and expatriate adjustment, however among the three components of
expatriate behavior which are extrovert, help seeking behavior from local and
risk in help seeking only extraversion indicates significant relationship with

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expatriate adjustment, but negatively correlated. This could be resulted by their behavior that does not really need to seek help from the locals who are located in the host country particularly from lower ranking employees. Therefore, international local hire's behavior in Intel Malaysia, Taiwan and Singapore do not have any impact to their adjustment success in the host country. This is parallel to Mahajan, 2009 which revealed that the relationship between expatriates seeking work related behavior and expatriate general and work adjustment was not supported. This may resulted from their professional skill and position in the organization which does not require them to seek help from local co-workers. Furthermore, it is also possible that expatriates prefer other expatriates over locals besides most of them have arrived host site for more than six months and no longer seek any help.

5.3 The relationship between local co-worker credibility and expatriate adjustment success in the host site.

Finding results show there is no significant relationship between local co-worker credibility and expatriate adjustment success in the host site. There are several possible explanations for the lack of affect of local co-worker's credibility on expatriate adjustment. One possible explanation is that could be other important variables not discussed in the model that might influence the relationship between local co-worker credibility and their adjustment success in the host site. For example, expatriate's help seeking effort may not have yielded any help from local co-worker, but instead expatriates prefer other expatriates for seeking help. Another possibility is the expatriates' position in the company such as senior managers and professionals doesn't required

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them to seek help from the local co-workers. The finding result is also consistent with Toh (2003) which stated that help from host country national (HCN) was not positively related to expatriate adjustment.

However, the role of host country nationals (HCN) or locals in increasing the effectiveness of expatriates continues to remain an under-researched area in the field of international management (Lowe, Milliman, DeCeiri & Dowling, 2002). This is supported by Suutari and Burch (2001), suggest that the role of locals becomes central when settling-in-programs are considered. In addition, the role of on-site mentoring has been stressed from the point of view of the socialization process (Oddou, 1991).

5.4 The relationship between perceived organization support and a successful expatriate adjustment success in the host site

This study result exhibits that perceived organization support (POS) has significant correlation with expatriate adjustment. It indicates POS has direct impact on expatriate level of adjustment in Intel Malaysia, Taiwan and Singapore. This could be caused by the environment and culture in Intel where employees demand support frm organization in terms of providing clear communication, competitive relocation benefits for financial and non financial matters. This positive finding for POS suggests that more research is needed to integrate the organization support and work transitions.

This finding is consistent with the study by Kraimer et al., (2001) who developed a model that examined the effects of perceived organizational

support (POS), leader member exchange (LMX), and spousal support on expatriate adjustment to work, the country, and interacting with foreign nationals. He found that POS had direct effects on expatriate adjustment, which in turn had direct effects on both dimensions of performance. This result finding is also supported by the initial evidence exists that organizational support predicts expatriate adjustment (Caliguiri et al., 1999). Another literature that supports the finding is the study by Shaffer, Harrison, Gilley, and Luk (2001) that suggest perceived organization support and the interplay between work and family domains have direct and unique influences on expatriates' intention to quit. According to the study, recurring refrain from international assignees was that the organizations and their HR departments were not doing enough to facilitate the relocation and suggested organization supports such as pre-arrival housing arrangements, dedicated support staff at the host location and additional assistance in dealing with foreign governments might reduce the stress adjusting in the host site.

In today's economic environment, multinational companies perceive expatriate management as one of the challenging job scope. Hence, the human resource personnel need to understand the multi faceted nature of international employees and maximize their potential. Thus, to be successfully implemented, global business strategic requires global human resource systems and globally competent people (Lee, 2005).

5.5   Implication of the research

The study result has proven that perceived organization support has positive relationship with expatriate adjustment in the host site. From the finding, this study could provide some ideas and contribution to Intel organization in order to increase the level of expatriate adjustment in the host site which could also lead to their performance and productivity.   It could improve the current process and support capability by the organization in helping out the relocation process. Apart from that, this finding might contribute some insights to present improvement programs such as buddy system and host site training orientation for more exposure to local culture environment.

Knowledgeable Human Resource personnel with excellent customer service could also contribute to better organization support. At the same time, support can range from having one person available to assist expatriates and having an entire human resource staff to answer questions as they arise. For example, the foreign facility may provide support by providing post-arrival cross-cultural training to the expatriates. In most cases, host-country nationals provide these types of support systems, thereby allowing expatriates to interact and bolster their confidence in language skills.

Additionally, research finding shows local co-worker's capability doesn't have any relationship with expatriate adjustment in the host site. This finding seems contradicting with previous research which suggests that support from host site national is one of the important variables for a successful expatriate

adjustment. One of the possible reasons is, those international local hires who participated in this study are experience employees and holding senior positions, therefore do not need support from local co-worker for their work adjustment. Moreover, most of them have been in their host site for few business trips before their relocation and have relocated more than 6 months, hence do not really need help from local co-workers.

Since organization support is the most important criteria for successful adjustment in the host site, it is recommended to have a better introduction program of the local environment outside work. This is to assist the expatriates and make them feel more welcome, be better prepared as a result be more satisfied and effective employee. It is also recommended to organize get together meetings between host site management and expatriates group to "break the ice" and discuss their needs and expectation from both parties. Such on-site mentoring, including task related assistance, career guidance and psycho-social support, has been found to be positively related to expatriate socialization (Feldman and Bolino, 1999). These "human" considerations are important criteria to assist expatriate adjusting successfully in the host site.

5.6   Limitations

The limitations are as following:

i)   The researcher was not allowed to use internal email to reach the
        target samples for the survey, therefore external email was used for
        this purpose.

ii)   The population scope of the study is rather small and the result may
        not significantly applicable to international local hires in other host
        sites. Bigger sample size of respondents will give more accurate
        findings, stable and more reliable base. Only the international local
        hire (ILH) for Malaysia, Taiwan and Singapore were surveyed in the
        study, therefore, the result may only apply to ILH in those sites.
        Comparative studies for ILH in other Intel sites will be able to
        generalize the findings better.

iii)   International local hires (ILH) participated for this survey mostly have
        arrived the host country for more than 6 months and may be no longer
        have issues with adjustment in the host site, except for their concern
        on organization support. They no longer need support as they have
        adjustment well in the local contacts.

5.7   Recommendations

The findings of this study led to several opportunities for future research,
which are:

i) Improve the current process to hire and integrate international local hire for a successful adjustment in the host country. This can be enhanced by focusing on different categories of organization support activities to understand the relationship with expatriate adjustment success. It will be interesting to understand the critical support required for the expatriates and the responsible functional group. In this particular study, further study in the different type of organization support will provide more information on the organizations characteristics.

ii) For future research should concentrate on other variables regarding expatriate's behavior such as learning behavior and tolerance ability to further understand their relationship with adjustment success in host site. This is because personal behavior has relationship with the level of adjustment status. Hence further study is needed to understand which particular behavior impacts the level of local hire adjustment.

iii) It is recommended to expand the study to include international local hires in other Intel sites as to determine whether host location has an impact on international local hire adjustment success.

iv) Future expatriate research would benefit from a longitudinal study design in order to develop fundamental predictors of expatriate adjustment and performance. A onetime study can't determine the right criteria for a successful adjustment in the host site.

5.8 Conclusion

The purpose of the study was to examine variables that may affect expatriate adjustment success in the host site for international local hires in Intel Malaysia, Taiwan and Singapore. Studied variables namely, expatriate behavior, local co-worker's credibility and perceived organization support were discussed to understand the contribution factors. From the reliability analysis, it has been concluded that all of the variables were reliable and considered good. The results showed there is no significant relationship between independent variables, which are expatriate behavior and local co-worker's support with dependent variable. Perceived organization support is the only independent variable that has relationship with the dependent variable, expatriate adjustment success in the host site.

There are some limitations for this study such as small sample size and response rates and result findings can't be generalized to other host sites. The research findings have several implications for company and expatriates. The findings have provided ideas to the organization to implement the best way to improve the organization support such as mentor mentee program and good communication skills by Human Resource personnel. Furthermore, it has provided some insight for further research especially to examine the specific organization support or activities that have significant correlation with expatriate adjustment success.

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APPENDIX

SURVEY FOR FOREIGN ASSIGNMENT EXPERIENCE

Dear Participant,

I'm pursuing the Master of Human Resource Management in University Utara Malaysia and this research is to fulfill the program requirement.

The purpose of this research study is to understand the challenges foreign nationals face while working as a local hire in APAC countries and the support systems they seek to cope with such challenges for a successful adjustment. As a foreign national you are the best person to describe these thoughts. Therefore, I'm seeking your help to complete this research and respond **within 1 week from today**. This survey contains structured questions and can be completed in approximately 10 minutes

Please note that your responses will be kept strictly confidential and anonymous. You will not be asked to disclose your name or any other form of identification in this survey.

Your participation is extremely important to complete this research and your help is very much appreciated.

Thank you

Balkis Mohamad

Office phone #: 6-04-4332417

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I. Following phrases describes people's behaviors. Please use the rating scale below to describe how accurately each statement describes you.

1 Strongly Disagree	2 Disagree	3 Slightly Disagree	4 Neither Agree nor Disagree	5 Slightly Agree	6 Agree	7 Strongly Agree

- Feel comfortable around people............... ☐
- Make friends easily .... ☐
- Am skilled in handling social situations.... ☐
- Am the life of the party............................ ☐
- Know how to captivate people.................. ☐
- Have little to say... ☐
- Keep in the background.............................. ☐
- Would describe my experiences as
       somewhat dull .... ☐
- Don't like to draw attention to myself....... ☐
- Don't talk a lot .... ☐

II. The following questions ask you to think about your host site co-worker with whom you have worked the most in the recent past. A co-worker is a colleague or a fellow worker with the same job function.

Using the following scale, please indicate the extent to which you agree or disagree with the following statements regarding the *host site co-worker with whom you have worked the most in the recent past*

1 Strongly Disagree	2 Disagree	3 Slightly Disagree	4 Neither Agree nor Disagree	5 Slightly Agree	6 Agree	7 Strongly Agree

- This person really knows a lot about my line of work.. ☐
- I consider this person to be a credible source of information in my subject area ...... ☐
- This person really knows what he is talking about.. ☐
- I believe that this person is quiet intelligent .... ☐
- This person has substantial experience in my subject area...................................... ☐
- I seek this person's opinion on certain aspects of my job .... ☐
- I request help from this person when I get behind in performing my job.................... ☐
- I ask this person for information necessary to complete my job................................ ☐
- When in doubt about performing my job, I ask for advice from this person............... ☐
- I ask for advice from this person to better understand acceptable behaviors
  at my workplace.. ☐
- I learn acceptable workplace behaviors by observing this person at work................. ☐
- I seek advice from this person regarding the appropriateness of my social
  behavior at work... ☐
- When necessary, I borrow a transportation vehicle from this person for personal task ☐
- I ask this person when I need any help with transportation (e.g. asking for a ride
  to go grocery shopping)... ☐
- I would ask this person to help me negotiate with a car dealer................................ ☐

III.   Using the following scale, please indicate the extent to which you agree or disagree that *asking for help from you local co-worker will*:

1 Strongly Disagree	2 Disagree	3 Slightly Disagree	4 Neither Agree nor Disagree	5 Slightly Agree	6 Agree	7 Strongly Agree

- Make you feel inadequate or incompetent .... ☐
- Bother this person and make you feel bad.. ☐
- Make you feel foolish.. ☐
- Convey a lack of confidence on your part.. ☐
- Convey that you do not want to do something on your own or by yourself....... ☐
- Take away your chance to do or learn something.. ☐

IV.   The following statements refer to aspects of your living and working in the host country. Using the scale below, please indicate *your extent of adjustment to*:

1 Very Unadjusted	2 Unadjusted	3 Somewhat Unadjusted	4 Neither Unadjusted Nor Adjusted	5 Somewhat adjusted	6 Adjusted	7 Very Adjusted

- Living conditions in general... ☐
- Housing condition... ☐
- Food... ☐
- Shopping.. ☐
- Cost of living.. ☐
- Entertainment/ recreation facilities and opportunities............................. ☐
- Health care facilities... ☐
- Socializing with host nationals.. ☐
- Interacting with host nationals on a day- to- day basis............................. ☐
- Interacting with host nationals outside work.. ☐
- Speaking with host nationals.. ☐
- Specific job responsibilities.. ☐
- Performance standards and expectations.. ☐
- Supervisory responsibilities... ☐

V. Using the following scale, please indicate *how your supervisor rate your performance on*:

1 Very poor	2 Poor	3 Fair	4 Good	5 Very Good	6 Excellent	7 Outstanding

- Meeting job objectives... ☐
- Technical competence.. ☐
- Overall job performance.. ☐
- Adapting to foreign facility's business customs and norms................ ☐
- Establishing relationships with key host country business contacts ..... ☐
- Interacting with co-workers... ☐

VI. Using the scale below, please indicate *your agreement or disagreement* with the following statements:

1 Strongly Disagree	2 Disagree	3 Slightly Disagree	4 Neither Agree nor Disagree	5 Slightly Agree	6 Agree	7 Strongly Agree

- As soon as I can find a better job, I'll leave my current organization...............☐
- I am actively looking for a job outside my current organization......................☐
- I am seriously thinking of quitting my job...☐
- I often think of quitting my job at my current organization.............................☐
- I think I will still be working at my current organization five years from ☐☐
- My organization cares about my opinions...☐
- My organization really cares about my well being...☐
- My organization strongly considers my goals and values.................................☐
- Help is available from my organization when I have a problem.....................☐
- My organization would forgive an honest mistake on my part.......................☐
- If given the opportunity, my organization would take advantage on me.......☐

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- My organization shows very little concern for me...☐
- My organization is willing to help me if I need a special favor.........................☐

Demographic questions: *Please indicate by writing or tick the following questions*.....

- How long has it been since you started working in this country?_____years
- How long have you worked in the present organization?_____years
- What is your job title?_____
- What is your position at work? _____Junior_____Middle_____Senior
- Your Gender?_____Male_____Female
- Your Nationality?_____
- Are you married?_____Yes_____No
- Please mark your highest level of formal education you have completed
  a. _____high school
  b. _____Bachelor's degree
  c. _____Master's degree
  d. _____PHD
  e. Others, please indicate..
- Have you undergone any form of training/orientation provided by this organization before or after you started this oversea job? _____Yes_____No