

**Cross-Cultural Management Performance Evaluation in the Expatriate
Context**

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“The teacher who is indeed wise, does not bid you to enter the house of his wisdom, but rather leads you to the threshold of your mind” (Kahlil Gibran)

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Abstract

This research responds to the practical need for an effective appraisal strategy for expatriates that incorporates the unique challenges of cross-cultural management (Audia & Tams, 2002; Bonache, Brewster, & Suutari, 2001). The need for research examining the performance evaluation of expatriates, particularly with regard to their cross-cultural management performance, has been identified in previous research (J. S. Black, Gregersen, Mendenhall, & Stroh, 1999; Triandis, 2001). How raters from the host country with differing cultural perspectives (in particular those who are being managed by the expatriate) can be involved in evaluating performance has also been identified as a research need (Audia & Tams, 2002).

The research attempts to address these needs by answering the research question of ‘how can a cross-cultural management performance framework include self-ratings and ratings by cultural others?’ through three empirical research studies. The research utilises the social constructivist paradigm (Schwandt, 1998) to examine effective evaluation of cross-cultural management performance utilising appropriate performance elements and multiple raters. Although there have been numerous studies identifying predictors for expatriate success (Shaffer, Harrison, Gregersen, Black, & Ferzandi, 2006), studies identifying the unique performance elements needed for effective *cross-cultural management* in the expatriate context are rare (Fish & Wood, 1997). Research on Australian expatriate managers has reported problems with their performance in the cross-cultural environment (Dawkins, Savery, & Mazzarol, 1995), particularly their cross-cultural management skills, and so Australian expatriate managers are a particular focus of this research.

Study One evaluates the performance appraisal methods of expatriate managers from the perspectives of 51 Australian and Singaporean expatriate managers and Australian human resource professionals, detailing their critical perceptions of fairness and accuracy. Based on semi-structured interviews, the Study proposes more effective performance appraisal practices, focusing on the critical use of feedback from host country national subordinates, and the need for cross-cultural management specific performance criteria. Studies Two and Three explore this proposal further.

Study Two develops a model of cross-cultural management performance evaluation within the expatriate context. The model is grounded in relevant literature and analysis of the results of a focus group and semi-structured interviews with 68 expatriate managers and host country national subordinates from 24 countries. The interview and focus group transcripts were analysed through an inductive three step coding process outlined by Strauss (1987). The Study found that an expatriate's cross-cultural management performance should be assessed through rating specific elements of cultural awareness, open-mindedness, flexibility, knowledge of the host country business environment, respect for cultural others and their culture, local language ability, task performance and contextual performance in a multiple rater performance appraisal process.

The next stage of the research aimed to identify any significant links in the model of cross-cultural management performance proposed in Study Two. After first analysing the model with relevant theory and research, Study Three collected data from one hundred expatriate managers through an online questionnaire where they rated themselves on the eight performance elements of the model. In addition, one

hundred host country nationals who were individually subordinate to each expatriate manager rated their manager on the same eight performance elements.

Through Pearson correlation and hierarchical regression analysis, Study Three found that that cross-cultural manager's (self) ratings of 'respect for cultural others and their culture' and serve as a predictors of contextual performance. Self-ratings of 'cultural awareness' are mediated by the 'amount of contact with host country nationals' in negatively predicting task performance. Self-ratings of 'knowledge of the local business environment' are mediated by 'job complexity' in predicting task and contextual performance. Subordinate/ peer (cultural other) ratings of 'cultural awareness', 'knowledge of local business environment' and 'respect for cultural others and their culture' predict the cross-cultural manager's contextual performance. The cultural other's rating of 'knowledge of local business environment' and 'respect for cultural others and their culture' serve as predictors of task performance.

This research contributes a new definition and model of cross-cultural management performance in the expatriate context. The research also contributes by detailing evidence that the involvement of performance raters from the host culture is important in evaluating cross-cultural management, as host country raters provide insight into the relevant factors involved in managerial performance. The research also contributes by shifting the focus of expatriate cross-cultural management performance from cultural adjustment to respect for cultural others and their culture and knowledge of the local business environment.

Statement of Originality

This work has not previously been submitted for a degree or diploma in any university. To the best of my knowledge and belief, the thesis contains no material previously published or written by another person except where due reference is made in the thesis itself.

Peter Robert Woods

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Chapter One – Performance Appraisal and Cross-Cultural Management in the Expatriate Context

Over the decades, local hosts have viewed their cross-cultural and expatriate managers as enemies to overcome, as fools to tolerate, as experts worthy of respect for their skills, or as icons held in reverential awe (Stening, 1994). In contrast, expatriate managers see themselves in a positive light as they attempt to manage across cultures (Shay, 2000). Establishing the reasons for these discrepancies between expatriates and their cross-cultural hosts in the context of performance evaluation is a major focus of this thesis. The second focus is establishing a performance evaluation framework for cross-cultural management (CCM) in the expatriate context. This research addresses the question of ‘how can a cross-cultural management performance framework include self-ratings and ratings by cultural others?’ Recently, the disciplines of cross-cultural management, international organisational behaviour and international human resource management (IHRM) have begun to address gaps in perceptions of performance between expatriates and host country nationals, and other issues relevant to international organisations such as cross-cultural management performance (CCMP). This research program will draw upon and utilise these various literatures in a series of three studies.

This first chapter will outline the context of the research question by exploring a number of relevant areas in turn. These areas are: international human resource management; cross-cultural management; the definition of performance management; performance appraisal; performance evaluation; IHRM orientations; challenges with the performance management of expatriation; the definition of expatriate management; and problems with the cross-cultural management performance of

Australian expatriate managers. The next section examines the context of IHRM in relation to the research question.

The field of IHRM and cross-cultural management are relatively undeveloped academic areas of study, and theory development in these fields is still in a stage of infancy (Clark, Grant, & Heijltjes, 2000). In 1986, Laurent suggested that IHRM as a discipline had a history of only two or three years (Laurent, 1986). Since 1983, IHRM has grown into a distinct subset of human resource management (HRM) in line with the trend of business internationalisation (Sparrow, Brewster, & Harris, 2004).

IHRM is defined as the activities an organisation utilises to manage its human resources effectively, within the context of diverse countries of operation and diverse groups of employees including host-country nationals, parent-country nationals and third-country nationals (Dowling & Welch, 2004). These activities include human resource planning, staffing, performance management, training and development, compensation and benefits, and industrial relations. The focus of this research program is an evaluation of the processes and elements of effective performance management of expatriate managers in the context of IHRM. For the purposes of this research program, a performance element is defined as an “underlying characteristic that results in effective performance in a job” (Fraser, 1999, p.791) and “the underlying characteristic could be a body of knowledge, motive, trait, skill, self-image or social role” (Fraser, 1999, p.791). This research program seeks to provide insights to assist with a more effective evaluation of the processes and elements of effective cross-cultural management performance (Dowling, Welch, & Schuler, 1999).

With growing research in the area of IHRM there has been a concurrent, sometimes complementary, expansion of research interest in CCM (Schneider & Barsoux, 2003). CCM is broadly defined as the management of people and

organisations across cultural boundaries (N. Adler & Bartholomew, 1992). While, some theorists define CCM as an approach or subset of theory within IHRM (Dowling & Welch, 2004), other researchers suggest IHRM is much more than this because the discipline provides a unique perspective on the institutional aspects of the multinational enterprise (Evans, Pucik, & Barsoux, 2002). This has been labelled as the ‘institutional perspective’ (T. Edwards & Rees, 2006). In contrast, Brewster and colleagues (2000) have focused on IHRM as a way of comparing and contrasting differences in human resource management across national and cultural boundaries. This perspective, labelled the ‘culturalist’ perspective (T. Edwards & Rees, 2006), has been criticised because it focuses on differences between specific cultures in specific cultural contexts, thus providing information that is difficult to apply in broader contexts (Holden, 2002). The culturalist perspective is evident throughout this research program because it provides a useful context for examining management across cultures. This current research argues, however, that the frame of reference should be across a number of cultures, rather than being limited to bicultural frameworks. Evaluating the cross-cultural performance of expatriates beyond bicultural frames of reference may provide useful information on how to improve CCM in general

In summary, the approach taken here is that CCM is a complementary sub-discipline of management. The research program examines performance management as a function of human resource management, within the context of CCM. The experience of Australian expatriate managers is a particular focus, for reasons outlined later in this chapter. Chapter Two presents a fuller discussion of the concepts and definitions of CCM. The next section defines performance management and performance evaluation.

Performance Management, Performance Appraisal and Performance Evaluation

'Performance management', is defined here as "a strategic and integrated approach to delivering sustained success to organisations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors" (Armstrong, 1998, p.7). This definition incorporates the organisational, team and individual aspects of performance, emphasising the necessity of an integrated and strategic approach to development and ultimately, organisational success. Further, managerial performance is defined as "the cumulative stakeholder perceptions of attainment level on specific behaviours and actions that capture the full spectrum of job activities" (Fraser, 2001, p.3). This definition reflects the reality of managers having to deal with a variety of stakeholders successfully, in order to achieve company objectives incorporating a broad and long-term perspective. Thus, the manager's performance is not simply to fulfil the wishes of their immediate superior if that means alienating subordinates, disappointing clients and offending government regulators. A strength of this definition is that it allows for the determination of specific behaviours and actions to be predetermined or mutually agreed upon, depending on the role and context of the manager. This is particularly suitable in the expatriate context, where contextual variables such as culture, economy and business environment will impinge on the task performance and role of the manager (N. Adler & Bartholomew, 1992).

This definition also focuses on observable performance outcomes from a variety of stakeholder perspectives, which helps to eliminate 'hidden' aspects of performance through its multi-perspective nature (Stone, 2002). The definition takes the analysis of performance away from a focus on abstract, indirect testing, a focus which has more to do with potential rather than *actual* performance. Expatriate

research often focuses on what a person's performance 'might' be (potential) (Briscoe & Schuler, 2004; Evans et al., 2002), whereas this current research will concentrate on the performance of expatriates 'in the field' and on the perspectives of those who work with them. The next section defines the important terms of performance appraisal and performance evaluation.

'Performance appraisal' is usually categorised as a subsystem of performance management (Delahaye, 2000). Performance appraisal is defined as "determining how well employees are doing their jobs, communicating that information to employees and establishing a plan for performance improvement" (Stone, 2002, p.264). Thus, performance appraisal assesses the individual's performance in relation to the broader organisational systems and strategies that characterise performance management. 'Performance evaluation' is used interchangeably with performance appraisal in the relevant research literature (Dowling & Welch, 2004. p.245), however it is also regarded as a process within performance appraisal (Tahvanainen, 1998; Williams, 2002). As a process within performance appraisal, 'performance evaluation' is defined as "defining and measuring individual performance" (Williams, 2002, p.18). Thus, performance evaluation does not necessarily include communicating performance information to employees, nor does it include establishing a plan for performance improvement. The current research will focus on the evaluation of individual cross-cultural managerial performance within the context of expatriate performance appraisal. Some consideration will also be given to organisational and team performance within the context of the overall expatriate appraisal process (J. S. Black et al., 1999). The next section focuses on performance management of expatriates.

The Importance of Expatriate Manager Performance

Companies with international operations have a strong interest in the performance of the managers they send overseas, as evidenced by the investment required to send and maintain an expatriate manager at a foreign location. In studying the expatriate management practices of over 750 U.S., Japanese and European companies over a ten-year period, Black and Gregersen (1999) concluded that on average, expatriates cost from two to three times more than they would back home. Of managers who stayed for the duration of their assignment, about one third did not perform to the expectations of their superiors (J. S. Black & Gregersen, 1999). Expatriate failure rates (returning home early due to adjustment or other difficulties), have been debated in the research literature over recent years (Harzing, 1995), with the debate concluding that the rate is somewhere between 10 to 20% (J. S. Black & Gregersen, 1999). Given the risk of costly failure, one could wonder why companies bother sending expatriates. Indeed, researchers such as Harvey (1998) have questioned whether host country nationals, third country nationals and inpatriates (Harvey, Novecevic, & Speier, 2000) (a subsidiary staff member transferred to the parent country or headquarters operations) may be better equipped to deal with the cultural challenges of international management than are expatriates. The next section examines the impact of IHRM orientations on expatriate performance evaluation.

The Impact of IHRM Orientations on Expatriate Performance Evaluation

Approaches to expatriate performance evaluation depend on the IHRM orientation of the organisation. Harvey, Speir and Novecevic (2001) categorise IHRM approaches as 1) exportive/ethnocentric, 2) integrative/regiocentric and geocentric, 3) adaptive/polycentric. This framework is based on the work of

Perlmutter (1969) in identifying the international orientation of a company. Harvey, Speir and Novecevic (2001) assert that the exportive/ ethnocentric approach is characterised by a transfer of the parent company's HRM system to the host country, with expatriates functioning in a control position, as well as benefiting from international developmental experience. This orientation lays bare the organisation's intention that host country nationals should adapt to the organisation's culture in deference to their own ethnic or national culture. The integrative approach also allows for the employment of expatriates, however HRM policies and managerial practices can be transfused and adapted from host country to parent country and vice versa. The adaptive approach focuses on adopting and localising the practices and policies of the international organisation to the host country.

These approaches serve as an introduction to the underlying debate on managerial convergence (adoption of a dominant organisational or ethnic culture) or divergence (where diversity is valued). The convergent approach would argue that expatriates and local staff should all be evaluated using a common organisational system in order to achieve organisational efficiency and fairness (Sparrow, Schuler, & Jackson, 1994). The divergent approach argues that performance management systems must be adopted to suit the different situations of expatriates and host country nationals, in order to provide a culturally relevant system that is fair to expatriates as well as host country nationals (Audia & Tams, 2002). This thesis argues that a divergent approach to performance management assists the development of the cross-cultural management performance of expatriates, which in turn impacts positively on expatriate managerial performance overall.

The Challenges of Expatriate Performance Evaluation

Evaluating the performance of expatriate managers is an inherently difficult task due to the confounding influence of the contextual variables of differing cultures, differing national business systems and geographical distance (J. S. Black et al., 1999). The management of host country nationals (HCNs) and effectively dealing with international business partners, service providers, suppliers and clients requires cross-cultural management skills (Fish & Wood, 1997), which need to be included in performance evaluation. It is these skills that often play a crucial role in determining the success of expatriates on their overseas assignments (Clarke & Hammer, 1995; Shay, 2000). The relative importance of these skills, however, depend on the expatriate's role, the degree of cultural difference or 'toughness' (J. S. Black, Mendenhall, & Oddou, 1991) and the strength of the organisation's culture (Fenwick, De Cieri, & Welch, 1999).

Black, Gregersen and Mendenhall's (1992) significant work on expatriating and repatriating international managers reflects the relationship between the complexity of these skills and performance evaluation. Black and colleagues identify three common challenges to the design of international performance appraisal systems: - invalid performance criteria, rater competence and rater bias. Their arguments are adapted and expanded on in Table 1.1. The problems that give rise to these challenges include either the problems of geographical distance, the differences in national business environments, the issues related to international business systems, the effects of differing language, the influence of cultural difference, and the unique challenges of cross-cultural management. Chapters Two and Three will explore these problems further in conceptual and practical terms.

Table 1.1

The International Dimensions of Expatriate Performance Appraisal - Adapted from (J. S. Black, Gregersen, & Mendenhall, 1992), pp. 162-182).

No.	Dimension	Common Criteria	Reasons for Invalidity
1	Invalid Performance Criteria	• Profit and loss • Rate of return on investment (ROI) • Cash flows • Efficiency (input-output ratios) • Market share • Conformity to authority • Physical volumes	• Host country economic factors such as currency fluctuations, inflation, availability of local debt financing • Host country political factors such as union power, government regulations and reporting • Price controls • Transfer pricing • Home country control of the revaluation of assets • Delays in head office decisions • Unsuitable reporting and control procedures from home office • Disregard of suggestions to home office to enhance success • Host country market, distribution and retailing differences
2	Rater Competence	• Home office evaluator • Regional or area office evaluator	• Little contact with rater and manager, particularly face to face contact • Lack of or outdated expatriate experience of rater • Lack of understanding of the host country business environment • Lack of appreciation for the unique cultural and social issues of the host country office
3	Rater Bias	• Rater from a different culture	• Confounding of data due to cultural stereotyping • Difficulty understanding issues involved due to cultural misunderstandings

One of the most outstanding problems relating to international performance appraisal is a paucity of research related to the topic (Audia & Tams, 2002; J. S. Black et al., 1992). In reviewing the state of the research on expatriation, Bonache, Brewster & Suutari (2001) highlight critical areas for attention. These are the lack of a rigorous, formal appraisal system for expatriates, the influence of the nationality of the parent company in performance appraisal, and the lack of objective criteria for expatriate performance appraisal. Other problem issues identified include relatively infrequent performance appraisals of expatriate staff (Mendenhall, Kuhlmann, Stahl, & Osland, 2002) and the use of internationally standard performance appraisal forms, rather than customisation for local conditions (H.B. Gregersen, Hite, & Black, 1996). Study One, reported in Chapter Five, will examine these issues more closely. The broader issue of identifying objective criteria for expatriate performance appraisal remains a central focus of the research program.

Defining Expatriate Management

This research program defines expatriates as people working in foreign countries (E. Cohen, 1977). This study defines an expatriate *manager* as someone managing others (including host country nationals) on assignment in a foreign country for a period of at least six months. An assignment of at least six months will usually involve relocation and significant progress in cultural adjustment (Coyle & Shortland, 1992; Selmer, Torbiorn, & de Leon, 1998; Torbiorn, 1982).

A related concept is that of 'global leader' (Rosen, Digh, Singer, & Phillips, 2000) or 'global manager' (McNally & Parry, 2000). These roles usually describe someone who may have their base in their home country, but who oversees or manages operations or aspects of operations in a number of countries. Like expatriates, global managers need to achieve cross-cultural management performance,

however, the demands of having one's base in one's home country differ from the expatriate in terms of the degree of home office supervision and the demands of cultural adjustment that one must face when living overseas on a full-time basis. Further, the global manager's role is less likely to involve the day-to-day supervision and working in teams where there is a predominance of a particular cultural group different from that of the expatriate manager, (e.g., host country nationals (HCN)). While differences exist between the two roles, the links with intercultural management performance, suggest that the roles of global managers are useful to examine when exploring the expatriate manager's performance. This relatedness, however, must be tempered with the distinctive challenges of evaluating an expatriate manager's performance in terms of being removed from the home country office, long term cultural and overseas living adjustment pressures for managers and their families, and the challenges of supervising and working alongside host country nationals. For the purposes of this research, the focus will be on the performance of the manager living abroad rather than the performance of the global leader.

Pucik (1998), in specifically examining the issue of developing a working definition of expatriate manager versus global manager, defines the expatriate manager as “an executive in a leadership position that involves international assignments” (Pucik, 1998, p.40). This definition is similar to the one adopted in this research, however Pucik's definition does not include the important dimension that expatriate managers are managers who oversee host country nationals. Pucik (1998) equates the term ‘international manager’ with ‘expatriate manager’, however this practice will not be replicated here. ‘International manager’ (Pitfield, 1998) is a term that seems more appropriate in the environment of transnational organisations, where the hierarchical relationship between headquarters and foreign subsidiary is

largely irrelevant (Pucik, 1998), so the manager may transfer across borders for assignments on a more frequent basis. Nevertheless, the issues of human resource management are similar due to the requirement of foreign country residence for both expatriate and international managers, and the requirement while on assignment for management practices to be adapted to the host country situation.

Defining Australian Expatriate Managers

The task of defining 'who is Australian?' is relevant to this research. Based on social identity theory (Tajfel & Turner, 1986), the definition of 'Australian' in this research is someone who identifies Australia as their home country, regardless of their country of birth. Country of birth, ethnicity, and language skills are independent variables, but do not necessarily determine whether a person identifies as an 'Australian'. Research to date continues to present Australian expatriates as most commonly being white males (Anderson, 1998; Fish & Wood, 1997; Selmer & Lee, 1994), even though there is some diversity of gender and ethnicity in Australian expatriates.

Robert Rosen's landmark study interviewing 75 CEOs from 28 countries and surveying 1200 executives world-wide (Rosen et al., 2000) identified that in terms of the 'most international companies', Australia and New Zealand as a region ranked second in terms of having international customers, international suppliers and international employees. This research, however, did not nominate exactly how many Australian and New Zealand companies were surveyed, and overall larger companies were the norm, with the average employees per company being 24 748 (Rosen et al., 2000, p.27). However, the survey does indicate that large Australian companies do rank highly against most other geographical regions in terms of having employees

overseas. Although undefined in the research, these employees are likely to be expatriates and host country nationals (HCNs) (Selmer & Lee, 1994).

Australian expatriate managers have some common characteristics that are evident from major research in the area. Examples include: Fraser & Zarkarda-Fraser (2000) finding a distinct profile of Australian managers as opposed to Singaporean managers in the retail and construction industries; Australian global managers by Rosen (2000) and Karpin (1995); and managerial leadership values from the research of 181 business executives from Australia's top 500 companies by Sarros, Densten and Santora (1999). Australian expatriate managers' unique identity, therefore, requires specific research to identify stakeholder perceptions of the relative strengths and weaknesses of their performance as *expatriate* managers. The results are relevant to those selecting, evaluating and training existing and potential Australian expatriate managers, for the self-awareness of the managers themselves, for those responsible for IHRM, and to more intelligently apply research on expatriate managers from different cultures to the Australian situation.

Australian Expatriate Managers in Asia

The Asian region has been an important destination for Australian expatriates with the 21st century labelled as the 'Asia-Pacific Century' (Karpin, 1995). The region is significant in terms of the degree of perceived cultural contrast with Australia, requiring expatriate managers skilled in intercultural management (Clegg & Gray, 2002). In 1999, 12.9% of Australian exports were to the Association of South East Asian Nations (ASEAN) group and Australia received 14% of its imports from ASEAN countries (DFAT, 2000a). A few years earlier, Australia's Foreign Minister estimated that over 100,000 Australia expatriates were working throughout Asia (Downer, 1997b), with almost 6000 in Singapore (Downer, 1997a). Developing

Australian managers to successfully manage across cultures within this region was a focus of the Karpin report (1995), commissioned by the Australian government in 1992. The research highlighted the fact that Australian managers were seen as “unwilling to adapt to cultural differences and appeared to be unaware of cultural differences between countries” (Dawkins et al., 1995, p. 37). Clearly, the performance of expatriate Australian managers is important to Australian trade and investment in this region.

Cross-Cultural Management Performance of Australian Expatriate Managers

Research examining the cross-cultural management performance of Australian expatriates is relatively scarce. As part of the Karpin report, a telephone survey conducted with 502 Asian business executives was supplemented by focus group discussions and personal interviews (Dawkins et al., 1995). The researchers conducted the survey in Singapore, Malaysia, Indonesia, and Taiwan. Respondents were asked to rank Australian managers against five key trade and investment competitors active in the region (Japan, Germany, USA, UK and Taiwan) using a framework of managerial qualities. Australian managers were rated poorly against the key competitors on all criteria (Dawkins et al., 1995). Singaporean and Indonesian focus groups reported Australian managers as ‘friendly but simple, lacking in understanding of Asians or Asian business practice’ (Dawkins et al., 1995). A major limitation of the study was that it was confined to *impressions* of Australian managers, as only 19 per cent of respondents had contact with Australian business managers more than once a month. In addition, there was no differentiation between visiting managers and expatriate managers (Dawkins et al., 1995, p.9). Until now, there appears to be no research that specifically examines Asian workers and manager’s perceptions of Australian *expatriate* managers. The current research

program will provide valuable data regarding the performance management of Australian expatriate managers in Asia. Furthermore, this research will gather actual performance data, rather than overall and non-specific impressions of expatriate CCM performance.

A major study entitled 'Australia Through the Eyes of Asia' (DFAT, 1995) was commissioned by the Australian Department of Foreign Affairs and Trade to explore the perspectives of Asian business people about Australian business and business people operating in Asia. Similar to the previous study, the majority of the sample was unable to comment on the Australian business image, as they had never encountered Australians in business. This gives a kind of 'tabular rasa' (blank slate) hope for Australian managers. However, those respondents who had encountered Australians were positive overall, referring to qualities such as honesty, trustworthiness, fairness, industriousness, friendliness, non-arrogance, non-aggressive and honouring commitments. They were unflattering, however, in relation to Australians' cross-cultural management performance. Some of the 'nice guy' image led many respondents to consider Australian business people as naïve. Similar to the Karpin report, Australian business people were described as “unfamiliar with Asian ways of doing business” (DFAT, 1995, p.19) compared with other Western and regional business people. The current research program addresses this problem through management evaluations of respondents who have had actual work contact with Australian expatriates.

The DFAT (1995) study identified four areas it termed the 'lack of familiarity' regarding Australian expatriates. These were negotiation, lack of flexibility, ignorance regarding socialisation in business, and problems with consultancy fees. Negotiation included a lack of perseverance, disregard for the aspects of 'face', and a

lack of understanding of the sometimes-elaborate negotiation process. Lack of flexibility was seen as an unwillingness to diversify and deviate from original business intentions to examining other opportunities where the parties may have an opportunity for mutual gain, a common scenario in Asian business practice (Seagrave, 1995). This gave the impression that Australian business people lacked entrepreneurial skills or attitude. Whereas the 'social' aspects of business are often regarded as discretionary in Australia, in Asia dining and entertaining business colleagues and customers is regarded as an important part of building long-term business relationships (Chu, 2000). The use of consultancy fees, facilitation expenses, or payment for intermediary services is resisted by Australians who feel the service should be 'out of goodwill' or that such a payment is a 'bribe' (Chu, 2000). The study found that Australians were particularly forthright in their objections to these Asian business practices (DFAT, 1995).

In an examination of cross-cultural management competence in Australian business enterprises in East Asia (with the largest group of respondents being expatriates in Asian assignments), Fish and Wood (1997) defined the competency areas needing attention. These were: 'developing skills in changing organisational mind-sets from ethnocentric to geocentric'; 'developing skills in managing and dealing with staff in cross-cultural business settings'; 'developing skills relevant to conveying the business image as well as the operational and strategic intent of the business enterprise in and across foreign business environments'; and more marginally, 'foreign language skills' (Fish & Wood, 1997, p. 47-48). Rosen and colleagues (2000) concur with the deficit regarding foreign language competency, discovering that Australian business executives were the least multilingual of the 16

nations surveyed, with an average of 1.4 languages spoken (p.60). This lack of foreign language skills is a possible 'weaknesses' of Australian expatriate managers.

The majority of respondents in Fish and Wood's (1997) study had experienced at least two overseas assignments, indicating that international experience alone does not develop these competencies. Similarly, Black and colleagues (1991) found that with regard to expatriates on overseas assignments, 'previous experience does not seem to facilitate the adjustment process' (J. S. Black et al., 1991, p.294). Selmer's (2002) survey of 343 Western business expatriates in Hong Kong concluded that culturally unrelated previous international experience does not significantly facilitate expatriate adjustment. However, he found that experience from the same location (Hong Kong) has a strong impact on expatriate's socio-cultural adjustment, with culturally related experience having a lesser effect on this type of adjustment.

Tung (1998) found that a new breed of cosmopolitan American expatriates were emerging whose career plan and orientation was towards developing international management expertise. These expatriates appeared to develop increasing intercultural effectiveness through overseas assignment experience. The distinguishing factor was that expatriation was part of the manager's career plan. Only a small number of Australian expatriates include an overseas posting as part of their career plan (Anderson, 1998), with technical expertise and availability being more frequently cited factors in expatriate selection. The Repatriation Taskforce consultancy surveying expatriate managers of 39 Australian companies found that only 11% of the managers surveyed were given their overseas assignments as part of a career development plan (James, 1998).

The Australian big business leaders surveyed and interviewed for the study by Rosen and colleagues (2000, p.151), nominated a perceived comparative weaknesses

of Australian business executives as a tendency to 'understand and respect their own cultural roots more than they respect the traditions of others'. This is similar to the ethnocentric biases of business competencies found in Fish and Wood's study (1997). To date, there has not been a specific assessment of Australian *expatriates'* cultural understanding of their host countries with validation from sources other than the expatriate's own self-impressions. This current research will invite Australian expatriates and host country nationals to comment on host country related cultural knowledge in Study Two and Study Three. This Chapter will outline these studies later. Rosen and colleagues (2000, p.153) concludes that a major liability for Australia in terms of global business literacy is a “lack of managers with international experience and foreign language skills”. The findings of the Karpin report (1995) concurs with this conclusion.

Karpin suggests that Australian managers have limited exposure on the global market, and that international best practice is not broadly pursued in Australian companies (Karpin, 1995). A review of the Karpin report, and an examination of language proficiency and Australian export success (R. Edwards, O'Reilly, & Schuwalow, 1997), suggest that a lack of cultural knowledge and language ability is impeding Australian business penetration of Asian markets. There are no intercultural competencies established under the Australian National Training Authority framework (ANTA, 2002) much less, widely accepted intercultural management competencies. Furthermore, the competencies established by Fish and Wood (1997) are not known to have found their way into expatriate selection or expatriate performance evaluation practices amongst Australian companies. A framework for effective evaluation of cross-cultural management, therefore, appears to be lacking.

Problem Summary

The analysis of research indicates that Australian expatriate managers in Asia experience persistent problems with cross-cultural managerial performance. One aim of this research program is to investigate why poor performance is reported so frequently when Australian companies utilise performance management systems (Nankervis & Leece, 1997). Usually, performance management systems identify and address such problems. This research argues that the problem is related to a failure to identify and utilise an effective method of cross-cultural management evaluation, and that in particular, the evaluation method has not included the perspectives of host country nationals. Thus, a major research question to be addressed is ‘how can a cross-cultural management performance framework include self-ratings and ratings by cultural others?’

According to Black and colleagues (1992), the selection process for expatriate managers would benefit from assessments on criteria such as intercultural awareness and past intercultural performance, however such assessments are rarely used worldwide, and they are used even less in expatriate manager’s performance evaluations (J. S. Black et al., 1992). Ideally, performance evaluation would provide individual feedback to expatriates to reveal problems with intercultural performance. These problems appear to be evident in research documentation such as the Karpin report and DFAT research where host country nationals provided feedback on Australian managers. Involving host country nationals in evaluation of intercultural performance, therefore, may help to provide useful feedback to improve expatriate cross-cultural management performance. The current research program attempts to redress this failure by asking host country nationals to evaluate the cross-cultural management performance of Australian (and other nationality) expatriate managers.

Research Aims

This research project will address the problems identified to date, through specific research aims outlined in the following paragraphs.

Aim One

The first aim of this research is to explore the current use of performance appraisal with expatriate managers, and develop recommendations to improve these appraisals if necessary. This general aim will be addressed by initially examining the specific context of the extent to which current performance appraisal systems address the reported problems of Australian cross-cultural managers in Asia by focussing on the specific context of Singapore. Singapore is a common destination for Australian expatriates, and there is an ostensible similarity between the business language and business practices of the two countries. Study One will contrast performance appraisals of Australian expatriates in Singapore with performance appraisals of Singaporean expatriates in Australia. This contrast will highlight any cultural differences in practice as well as providing a basis for recommendations to improve appraisals. Study One (reported in Chapter Five) addresses this aim.

Aim Two

The second aim of this research is to determine the relevant antecedents of cross-cultural management performance of cross-cultural managers. This aim relates to the conceptual problems of identifying the predictors and elements of cross-cultural management performance (see Chapter Three). Study Two addresses this aim. Study Two examines performance elements, and Study Three examines the relationships between the performance elements.

Aim Three

The third aim of this research project is to establish a method of accurately evaluating the cross-cultural management performance of cross-cultural managers. Study One (reported in Chapter Five) is an empirical study of the methods and issues of evaluation used by Australian managers in Singapore and Singaporean managers in Australia. Chapter Three will identify a number of methods of evaluating cross-cultural management performance, along with the related issues of effective rating systems, feedback in appraisal systems, and dynamic improvement of the system.

Aim Four

The final aim of this research project is to determine how to integrate relevant raters from different cultural and positional perspectives in evaluating cross-cultural management performance. Chapter Three discusses the background issues that affect this aim, including rater bias, rater competency, inadequate performance criteria, self-other ratings disagreement, and problems with use of 360-degree evaluation systems. Study Three will address aim four by integrating the perspectives of different raters about cross-cultural management performance (see Chapter Nine).

Primary Research Question

As outlined in the introduction, the primary research question for the research program is ‘how can a cross-cultural management performance framework include self-ratings and ratings by cultural others?’

Secondary Research Questions

The three secondary research questions stated below address the relevant aspects of the primary research question within the context of the three empirical studies. The

questions related to the four aims of this research will be justified further in Chapters Two and Three.

1. How is performance appraisal used in the performance management of Australian expatriate managers in Singapore and Singaporean expatriate managers in Australia?
2. How can expatriate performance appraisal be improved according to the perspectives of Australian expatriate managers in Singapore, Singaporean expatriate managers in Australia, and human resource professionals?
3. What specific management performance elements are effective in rating cross-cultural managerial performance?

Hypotheses

This current research proposes a number of hypotheses to address the research questions. These hypotheses are based on the assumption that it is possible to develop a number of suitable cross-cultural performance elements that can be combined into a framework to evaluate an individual's cross-cultural management performance. In addition, the hypotheses are based on the assumption that expatriate managers as well as host country national subordinates or colleagues can use this basic framework to evaluate the manager. These assumptions will be examined in Studies One and Two, prior to a closer examination of the hypotheses in Study Three.

H1. The derived cross-cultural management performance elements will accurately capture effective cross-cultural management across differing organisational and cultural barriers according to expatriate managers, and host country national subordinates.

H2. The integration of host country nationals' perceptions of performance during expatriate performance evaluation will reveal unique information that is relevant to cross-cultural management performance.

H3. The derived system of rating cross-cultural management performance will efficiently integrate performance elements and multiple raters in assessing cross-cultural management performance in a variety of organisational settings.

Thesis Outline

This research program will examine the problem of evaluating cross-cultural management through presenting a conceptual framework and three inter-related research studies. This chapter presented the practical problems of the performance evaluation of cross-cultural management, particularly highlighting the cross-cultural performance management problems of Australian expatriate managers in Asia.

Chapter Two will discuss current definitions and theories of cross-cultural management and will propose a new definition of cross-cultural management.

Chapter Three will examine critically the research used to define the performance elements of cross-cultural management. In addition, it will examine the theories and research about cross-cultural management evaluation, focussing on the involvement of multiple raters, the systems of rating, as well as the barriers to and organisational determinants of performance evaluation. Chapter Four presents the research methodology of the research program.

The empirical investigation of the research program topic utilises three inter-related research phases which are outlined in Table 1.2. Study One uses a mixed sample of Australian expatriates, Australian human resource management professional and Singaporean expatriates to explore the processes and uses of

performance appraisal with expatriates. Chapter Five presents the results of Study One.

Table 1.2

Outline of Research Studies

	Study One	Study Two	Study Three
Research Aim	Explore performance management practices - specifically Australian and Singaporean expatriates	Identify CCMP elements	Test performance elements and appraisal system using self-rating and other-rating
Sample	<u>51 in total</u> • 20 Australian expatriates in Singapore • 15 Singaporean expatriates in Australia • 16 HR professionals managing expatriates • (additional 56 for pilot testing)	<u>68 in total</u> • 49 cross-cultural managers • 19 subordinates/colleagues of cross-cultural managers	<u>200 in total</u> • 100 cross-cultural managers • 100 subordinates
Methodology	Qualitative	Qualitative	Quantitative
Methods	Structured interviews (questionnaires)	Semi-structured interviews and Focus group	On-line surveys and emailed surveys
Data Analysis	• Descriptive statistics • Thematic content analysis • Paired sample correlations	• Thematic content analysis • Template coding • Axial coding • ANOVAs	• Cronbach alpha • ANOVAs • Pearson correlation coefficient • Hierarchical regression analysis

Based on the issues involved in performance appraisal identified in Study One, Study Two identifies the performance management elements that define and are important in evaluating expatriate cross-cultural management. Study Two utilises interviews and a focus group to tap the experiences of an international sample of

cross-cultural managers and their subordinates in defining the elements of effective cross-cultural management. Chapter Six will present this research. Next, Chapter Seven considers the conclusions drawn from Study Two in the light of previous research and proposes a model of cross-cultural management. Study Three empirically investigates this model.

Chapter Eight presents the results of Study Three. Specifically, this chapter examines the proposed model of cross-cultural management by analysing the performance self-ratings of 100 cross-cultural managers and their 100 host country national subordinates (i.e., other-raters of the manager's performance). Chapter Nine examines the question of how to integrate cross-cultural manager self-ratings of performance and the performance ratings for expatriate managers given by raters from the host country culture. Specifically, the chapter examines in detail the differences in performance ratings provided by the managers and subordinates. Chapter Ten will discuss the results and conclusions from Studies One, Two and Three, and consider the theoretical and practical implications of this research. Chapter Ten will also present some research limitations of the project and will suggest future research avenues.

Conclusion

Chapter One introduced the research program topic of cross-cultural management performance evaluation within the research disciplinary frameworks of IHRM and cross-cultural management. The challenges of evaluating the performance of expatriate managers have been outlined, including introduction of the problems of invalid performance criteria, rater competence and rater bias. The chapter discusses the apparently poor cross-cultural management performance of Australian expatriates, and introduces the role of performance management in addressing this problem. The

research program comprises three empirical research phases to addresses the research question of ‘how can a cross-cultural management performance framework include self-ratings and ratings by cultural others?’ It is hoped that the conclusions from this research will prove useful in helping organisations improve the evaluation of the cross-cultural management performance of their international managers.

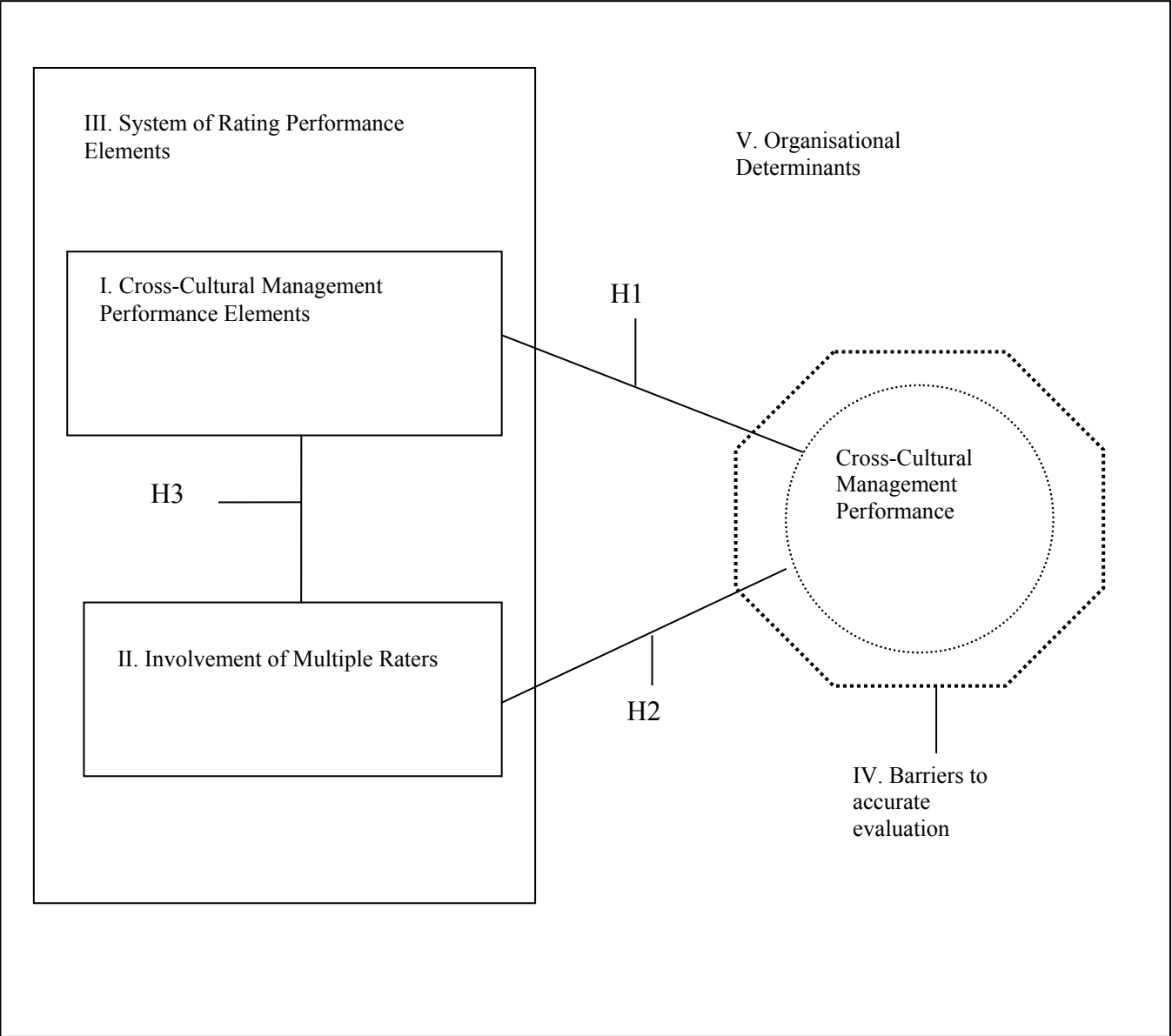
Chapter Two – A Theoretical Overview of Cross-Cultural Management Performance

Providing a more accurate and holistic definition of cross-cultural management performance (CCMP) is an important aim of this thesis. An extensive review of the CCMP literature to date shows researchers tend to focus on one of the following aspects of CCMP: the unique skills of cross-cultural management, cultural adjustment (including cultural intelligence), intercultural effectiveness (cultural literacy) (R. W. Brislin, Cushner, Cherrie, & Yong, 1986); cross-cultural interpersonal skills (social literacy) (Sue & Sue, 1990); cross-cultural team member characteristics (Earley & Gibson, 2002); cultural synergy (N. Adler, 1997); dilemma reconciliation (Trompenaars & Hampden-Turner, 2002); or productive diversity (Cope & Kalantzis, 1997). The ultimate aim of discussing and analysing the literature below is to present a new integrated definition of cross-cultural management performance to guide the three empirical studies in this research project. Overall, ideas are utilised from cross-cultural communication (R. W. Brislin et al., 1986; Ting-Toomey, 1988), cross-cultural counselling (Sue & Sue, 1990) and disparate theories of CCM (Bird & Osland, 2004; H. W. Lane, DiStefano, & Mazneveski, 2000). This Chapter also recognises that current definitions of cross-cultural management do not take into account the potential organisational, group, and individual outcomes that CCM offers.

Figure 2.1 provides a diagrammatical representation of the conceptual framework used to guide the research project and underpin Studies One to Three. The figure shows that, after fully considering the construct of CCMP, the related concepts of CCMP elements (concept I), the involvement of multiple raters (concept II), the appraisal system (concept III), barriers to accurate evaluation (concept IV) and

organisational determinants (concept V) also need to be addressed to achieve an effective appraisal system to measure expatriate CCMP. Chapter Three discusses these related concepts.

Figure 2.1
Conceptual Outline of Research



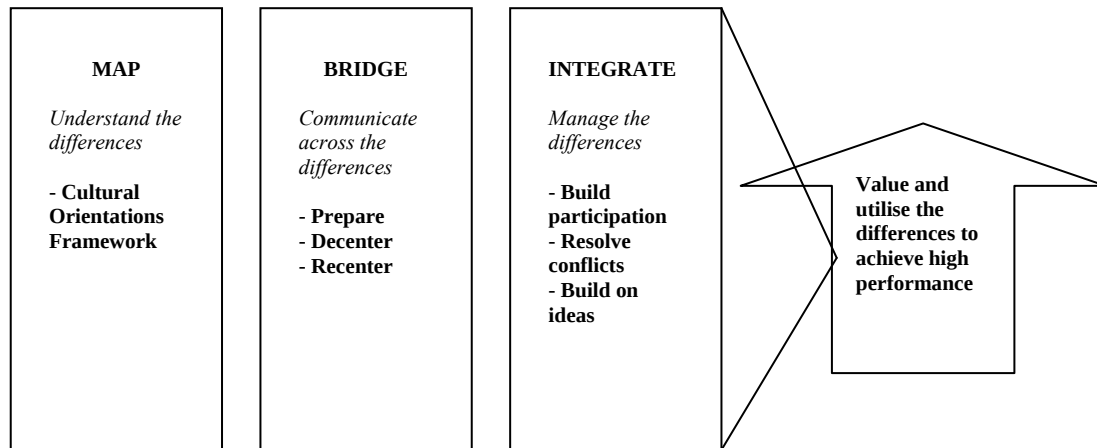
Defining Cross-Cultural Management Performance

The Unique Aspects of Cross-Cultural Management

Cross-cultural management can be conceptualised from a variety of perspectives. At one end of the continuum, the emphasis is on the cultural adjustment of pre-existing management skills. This is labelled here as the ‘adjustment approach’. The relative weaknesses of the adjustment approach to CCMP (Mol, Born, & van der Molen, 2005) are discussed in subsequent sections of this Chapter (see the section labelled ‘adaptation, adjustment and cross-cultural management performance’). At the other end of the continuum, CCM is seen as a specialisation of management involving unique skills, goals and processes (Torbiorn, 1985). At this ‘unique skills’ end of the spectrum, effective cross-cultural management is defined as being able to “value and utilise ... cultural differences to achieve high performance” (H. W. Lane et al., 2000, p.26). According to Lane and colleagues (2000) the process of reaching this goal is a three step process in the ‘MBI Model’, an acronym for the process to map, to bridge and to integrate. This process is to ‘map’ cultural differences, to ‘bridge’ communication across cultures, and to ‘integrate’ the differences through management. Figure 2.2 illustrates this process. The conceptual framework presented in Figure 2.1 supports the ‘unique skills’ approach to defining cross-cultural management. To date, little empirical research has been attempted in this area (Triandis, 2001; Yiu & Saner, 2000). The current research program attempts to rectify this deficit.

Figure 2.2

The MBI Model - From Lane, Distefano and Maznevski (2000), p.55



In examining the specifics of CCMP, Rosen and colleagues (2000) nominate global literacies, or competencies, for global business leaders that should be developed in the international context. These are (p.29): - ‘personal literacy - understanding and valuing yourself; social literacy - engaging and challenging others; business literacy - focussing and mobilising your organisation; cultural literacy - valuing and leveraging cultural difference’. While the researchers suggest these competencies for global business leaders who are not necessarily expatriates, these skills deserve further examination in relation to other definitions of effective CCMP. For instance, the competence of 'cultural literacy' aligns with the definition of CCMP advanced by Lane, DiStefano, and Maznevski (2000) where cultural differences are valued and utilised. Rosen's competencies, however, allow a broader focus to encompass hard (outcome based), soft (judgement based) and contextual (context dependent) management tasks. These competencies, therefore, provide a broad framework to examine CCMP in the current thesis. This thesis will examine both task (outcome based) and contextual (judgement based) performance criteria in Study Three.

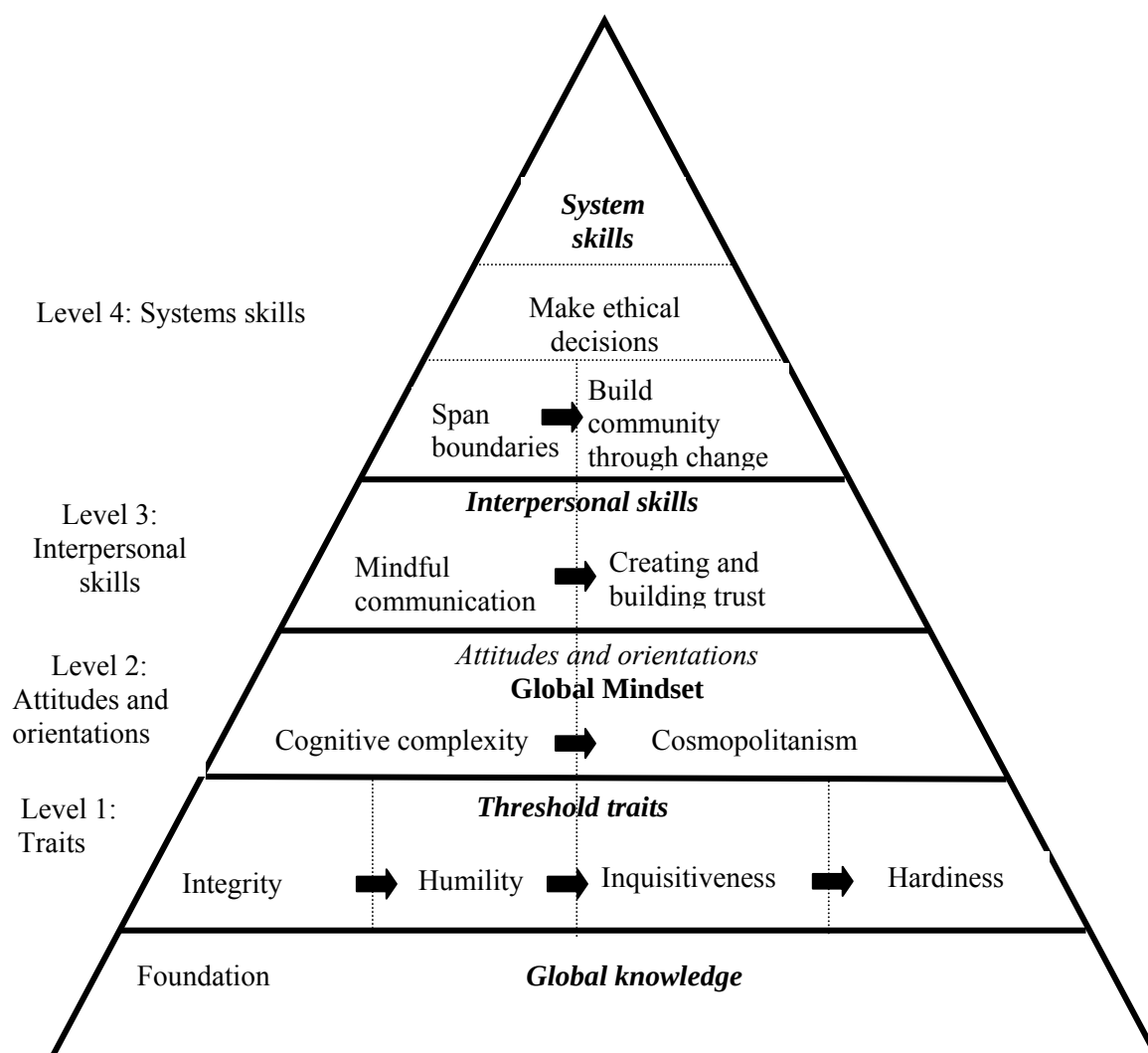
Another broad framework for understanding CCMP is provided by Bird and Osland (2004) in the ‘building blocks of global competencies’ illustrated in Figure 2.3. This framework is based on combining a broad literature search along with the co-operative efforts of the International Organisations Network (ION), a multinational network of scholars and professionals (H. W. Lane, Mazneveski, Mendenhall, & McNett, 2004). The underlying foundation of the framework is global knowledge, which is defined as a wide range and depth of acquired knowledge needed to operate globally (Bird & Osland, 2004). This framework lists four levels of competencies: traits, attitudes and orientations, interpersonal skills and systems skills. The traits of integrity, humility, inquisitiveness and hardiness when mixed with the right kind of global knowledge are presented as leading to the development of needed global attitudes and orientations (Bird & Osland, 2004).

The framework conceptualised by the ION as presented in Figure 2.3 lists the action oriented skills of mindful communication (a skill commonly associated with cross-cultural communication (Guirdham, 1999)) and creating and building trust. Chapter Three will discuss the meaning and application of these concepts further. The capstone of the framework presents the skills of managing the systems of business, and these are listed as boundary spanning (a skill often associated with international management (Dowling & Welch, 2004)), building community through change and making ethical decisions. These skills are similar to Rosen’s (2000) business literacy and cultural literacy and these concepts will be discussed in Chapter Three in terms of the performance elements of cross-cultural management. Most of the skills in the framework are not unique to cross-cultural management. However, together within a framework, they provide a picture of how the combination of the

skills, attitudes, and traits might provide a useful picture of cross-cultural management.

Figure 2.3

The Building Blocks of Global Competencies (Bird & Osland, 2004)



The ION building blocks of global competencies, the MBI model, and Rosen's outline all serve as frameworks from which to examine the unique aspects of CCMP.

The weakness of the ION framework, however, is that it does not appear to incorporate the culturally synergistic outcomes of cross-cultural management that are integral to the MBI model and Rosen's outline. The ION framework, however, focuses more on the traits, attitudes and skills of cross-cultural management, whereas

the MBI model focuses on the processes of CCM. Both areas are relevant to CCM performance, and so an integration of these concepts is relevant to the definition of CCMP.

The MBI model, the ION framework and Rosen's competences, all have a non-specific allowance for individual, group and organisational outcomes in cross-cultural management. This emphasis in the ION framework and Rosen's competencies is on the performance of the manager, whereas the MBI model focuses on the processes of CCM. A clearer definition of CCMP, would specifically incorporate these three outcome areas (individual, group, and organisational), rather than current definitions that focus more on the actions of the manager. The definition of cross-cultural management proffered at the conclusion of this Chapter (see the 'Thesis Definition of Cross-Cultural Management Performance' section) will incorporate these outcome areas.

A further problem with these theories is that empirical research has not established the validity of the ION framework and the MBI model in assessing or measuring cross-cultural management. Although Rosen and colleagues have derived their outline from empirical research, they have not tested it in subsequent research. The following discussion will propose an alternative definition of cross-cultural management by integrating relevant concepts from the literature. Chapter Three will establish a framework of performance elements relevant to this definition of cross-cultural management. Studies Two and Three will examine and test this framework through data collection and analysis.

Adaptation, Adjustment and Cross-Cultural Management Performance

The second main area of CCMP literature presented here concerns adjustment and adjustment aspects. Adjustment of the expatriate from the home country to the

host country culture is often seen as the framework for evaluating expatriate CCMP (J. S. Black et al., 1991). Cultural adjustment has been defined as the social and psychological adjustment of individuals or cultural groups to the new cultural environment in which they now reside (Adelman, 1988). More elaborate definitions include the six-factor definition encompassing acceptance of the foreign culture, knowledge of the country and culture, lifestyle adjustment, interaction with local people, intercultural communication, feelings of well-being (and positive self-concept) and job performance (Tucker, Bonial, & Lahti, 2004). A widely used definition of cross-cultural adjustment in expatriate research is the extent to which individuals are psychologically comfortable living outside their home country (J. S. Black, 1990; J. S. Black et al., 1991; Caligiuri, 2000b).

The concept of adaptation is related to adjustment as evidenced in the definition of adjustment by Earley and Ang (2003, p.97) as “a person’s adaptation and shaping of novel cultural environments so as to perform a given set of duties”. The expatriate literature tends to use the concepts of adaptation and adjustment interchangeably. Conceptually, however, cultural adaptation implies a mutual process of change between host and expatriate. Successful cultural adaptation has been defined as the mutual respect for and by the surrounding cultures (Mio, Trimble, Arrendondo, Cheatham, & Sue, 1999). Despite this conceptual definition, in expatriate research, successful adaptation has usually been measured by the feelings of the expatriate (J. S. Black, 1988). The adaptation approach, therefore, tends to focus on the individual outcomes of CCM, rather than group and organisational outcomes. The focus in expatriate management research on the adaptation of the manager rather than any focus on the adaptation of those being managed reveals the

‘one-sided’ cultural adaptation approach predominant in expatriate research (Bonache et al., 2001).

This emphasis of cultural adjustment in expatriate research as the main indicator of CCMP assumes that a manager's main focus is to transfer pre-existing expertise in task performance to the challenges of a new context (Kraimer, Wayne, & Jaworski, 2001). It could be argued that this is essentially an ethnocentric, almost colonial perspective, with a strong focus on the 'sender' rather than the 'receiver' (McCall & Hollenbeck, 2002). The 'cross' part of 'cross-cultural' is intentionally one-way, with the receiver playing the role of an incidental cultural modifier. The manager needs only to adjust, rather than find value in synergising differences and creating new strategies and new alternatives as is emphasised in the MBI model. The expatriate manager optionally hears and integrates the ‘voice’, input, and ideas of the host country national concerning management, but they are not essential in producing the desired outcome of the cultural adaptation of the expatriate manager.

The adjustment approach has been criticised over recent years by theoretical perspectives such as co-cultural theory (Orbe & Spellers, 2005). Co-cultural theory argues that good communication enables under-represented groups to define and present their own perspectives when they perceive cultural differences as salient during any interaction. This theory recognises the power structure that limits effective cultural feedback to the manager in the supervisor-subordinate relationship. How can the manager receive effective cultural feedback unless the manager hears the voice of the host culture within the context of the dominant foreign-based organisation?

In a complementary fashion, post-colonial theory argues a similar standpoint (Shin & Jackson, 2003). A post-colonial approach examines the politics of

differences (Bhabha, 1994). The approach assumes that power is exercised in a hegemonic and dominant way, so that even the identity of the cultural other is defined and fixated by the dominant group (Bhabha, 1994). The postcolonial approach attempts to “liberate the self from oppression by de-scribing the coloniser’s discourses and texts” (Shin & Jackson, 2003, p.226). In applying this to critique the adaptation approach, the interpretations by the home country culture of the host country through pre-departure cross-cultural training or through the influence of the expatriate community in the host country can further reinforce the coloniser’s presentation of the host culture.

The divergent approach to IHRM and cross-cultural management, adopted in the current thesis, would argue that the field of cross-cultural management should be 'giving voice to each and all' (Bond, Fu, & Pasa, 2001, p. 25). This ‘voice’ is relevant to utilising diversity in the organisation, to developing cross-cultural learning at the individual and organisational levels, and in creating synergistic management solutions. A model of CCMP evaluation, therefore, should capture the broader benefits of a bi-directional relationship between managers’ and cultural others, beyond the limiting confines of feedback or adjustment. This research project suggests that the dynamic nature of cross-cultural learning is an essential element of cross-cultural management, where relationships are bi-directional and more than simply feedback or adjustment. On the other hand, cultural adaptation alone is deficient as a measure of CCMP.

Adaptation Approaches

Previous research has examined adaptation from a number of perspectives. In attempting to categorise these adaptation strategies, van Oudenhoven, van der Zee and van Kooten (2001) examined the perception of multicultural effectiveness of 127

male expatriates employed by Heineken (a Dutch brewing company) in a number of countries. The researchers categorised expatriates according to their degree of allegiance to the parent or host country as being outcomes of adaptation. The categories used are: - 'free agents' who have low allegiance to both home and host companies, 'going native' expatriates who have high allegiance to the host company and little towards the home company, 'hearts at the parent' expatriates with high allegiance to home and little to host, and 'dual citizens' who have high allegiance to both companies (van Oudenhoven, van der Zee and van Kooten, 2001).

The researchers concluded that underlying these four adaptation categories were combinations of nine dimensions of multicultural effectiveness. These were - free agents (combining flexibility and adventurousness), going native (cultural empathy and extraversion), 'hearts at the parent' (high company commitment and perseverance), and dual citizens (open-mindedness and orientation to action). Emotional stability was rated highly also but had no relationship to any form of company allegiance. These dimensions and adaptation strategies illustrate the complex interplay between traits, adaptation, and perceptions in assessing CCMP. Significantly, the expatriates rated going native and acting as dual citizens as the most important approaches in being effective. This indicates that a strong orientation to the local environment is seen 'at the heart of expatriate success' (J. van Oudenhoven et al., 2001, p.478).

Some theorists have identified adaptation as a stage in developing cross-cultural management competence. Milton Bennett derived a developmental model of intercultural sensitivity (DMIS) that presents adaptation as a stage in reaching intercultural integration (M. J. Bennett, 1998). This stage is seen to 'internalise bicultural or multicultural frames of reference' and is able to maintain a definition of

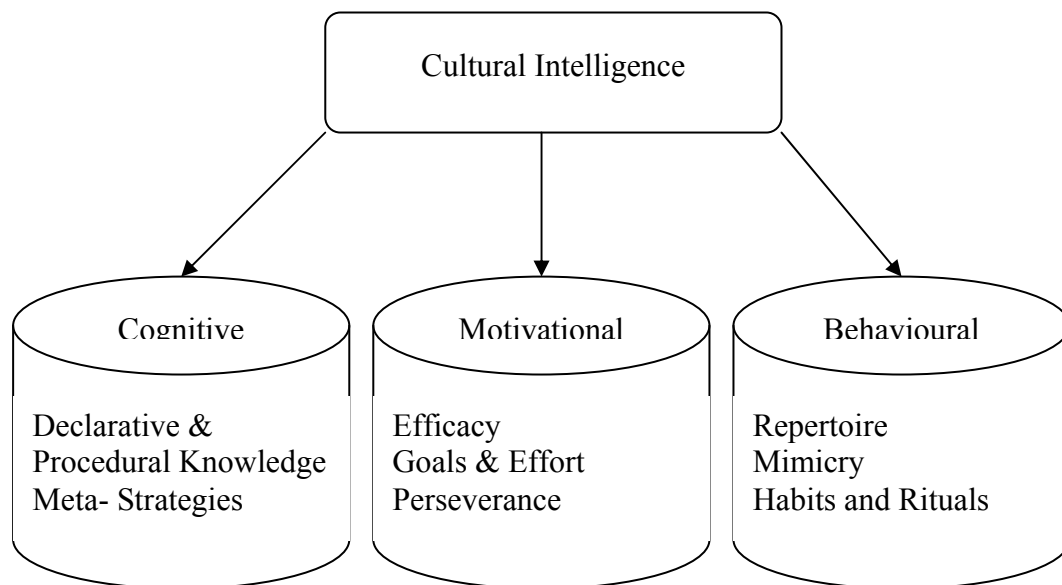
identity that is marginal to any particular culture’ (Gardenswarz, Rowe, Digh, & Bennett, 2003, p.69). Therefore, adaptation is a process that can lead to a higher level of intercultural competence rather than being a definitive end-point in cross-cultural management. This theoretical positioning of cultural adaptation complements the previously discussed MBI and global competencies approaches. This concept and positioning of cultural adaptation will be included in the definition of effective cross-cultural management.

Sophisticated Adaptation - Cultural Intelligence

Cultural intelligence has been defined as “a person’s capability to adapt effectively to new cultural contexts and it has both process and content features” (Earley, 2002, p.274). The three facets in the structure of the concept are the cognitive and meta-cognitive facet, the motivational facet and the behavioural facet as outlined in Figure 2.4. The first facet relates to Earley and Erez’s theory on explaining cultural influences on work behaviour by focusing on an individual’s self-identity as an active interpreter of a society’s norms and values (Earley & Erez, 1997). The self is understood to be a person’s mental representation of their own personality and identity formed through experience and thought (Earley, 2002). Knowing oneself, coupled with the cognitive flexibility to be able to reshape and adapt one’s cognitive self concept, is an important part of helping a person to adapt to a new setting. Within the cognitive facet, a person also needs strong reasoning skills to be able to engage in inductive reasoning to help sort out and make sense of many social and environmental clues (Earley, 2002). Metacognition or ‘thinking about thinking’ is important as it enables the newcomer to a culture to reflect on what they are thinking and then put together “patterns into a coherent picture even if one does not know what this coherent picture will look like” (Earley, 2002, p.277).

Figure 2.4

Facets of Cultural Intelligence (Earley, 2002, p.274)



A relatively unique aspect of cross-cultural adaptation presented by the cultural intelligence framework is the inclusion of a motivational facet (Earley & Mosakowski, 2004). Self efficacy is an important component of the motivational facet, as successful intercultural interactions depend on the individual's belief in their own ability to navigate social discourse in an unfamiliar setting. Coupled with this is the perseverance to re-engage despite obstacles and setbacks. The individual's goals in the new cultural environment will also play a role in the amount of effort they will be willing to expend in succeeding in cross-cultural interactions.

The model of cultural intelligence argues that knowing what to do and being motivated to persist in getting it right must be complemented by the possession of a repertoire of situation appropriate behaviours. This repertoire should include some aptitude for learning languages, as Earley (2002) argues that a person with a low aptitude for acquiring languages will have low cultural intelligence. The ability to

mimic can also help a person to copy appropriate behaviours and then learn the circumstances to which the behaviour can be applied.

The cultural intelligence model is linked to performance in arguing that individuals possessing high levels of cultural intelligence have a greater chance of success in their expatriate positions compared to those who have lower levels (Earley, 2002). This is a somewhat contentious claim, as the link between performance and cultural intelligence is yet to be tested empirically. This model is also focussed on adaptation as the outcome, rather than effective cross-cultural management that includes synergising differences and creating new strategies and new alternatives as previously discussed. Thus the expatriate's ability to synthesise local approaches and perspectives in management is not effectively incorporated in this model. The model, therefore, offers an incomplete picture of CCMP. However, it does provide relevant information on the multidimensional aspects of cross-cultural adaptation. Similar to the concept of cultural intelligence, the definition of CCMP proffered in this current research utilises a multidimensional approach in understanding CCMP. The outcomes of CCMP, however, go beyond cultural adaptation to include culturally synergistic outcomes at the individual, group and organisational levels.

Intercultural Effectiveness

A third grouping of research within the CCMP literature tends to focus on intercultural effectiveness aspects. Intercultural effectiveness appears to have three components: good personal adjustment; good interpersonal relations with hosts; and task effectiveness (R. W. Brislin et al., 1986). Good personal adjustment is marked by the guest experiencing feelings of contentment and well-being (R. W. Brislin, 1981). Good interpersonal relations with hosts is evidenced by judgement from the hosts that reflect the guest's respect for people from the other culture, collegial

relations at work, spending free time with hosts and sharing personal information with hosts (R. W. Brislin et al., 1986). Task effectiveness is marked by completion of one's work goals in the host country (Mamman, 1995a). To be interculturally effective, all three of these components should be evident. This perspective, whilst focussing on individual outcomes of CCMP only, introduces the idea that CCMP also needs to be assessed by host country nationals to be valid. This is an important perspective that is a focus of the current research, and will be explored in Chapter Three (concept II – involvement of multiple raters) and in Study Two and Study Three.

Cross-Cultural Interpersonal Skills

Another approach to conceptualising CCMP focuses on the manager's cross-cultural interpersonal skills (M. J. Bennett, 2005; R. W. Brislin et al., 1986). Rosen (2000) identifies this aspect of CCM performance in management research as 'social literacy'. Clarke and Hammer (1995) examined 11 US and 17 Japanese managers and found interpersonal skills was the most important predictor of overseas effectiveness. Cross-cultural communication theorists have expanded this 'social literacy' (Rosen et al., 2000) dimension of CCMP beyond simple communication towards effective *engagement* with cultural others (R. W. Brislin et al., 1986; Ting-Toomey, 1988). Furthermore, cross-cultural communication theorists emphasise the role of cross-cultural interpersonal skills in exercising non-coercive and non-authoritarian *influence* on host country subordinates (M. J. Bennett, 1998; Guirdham, 1999).

Through an analysis of previous research, Derald Wing Sue and David Sue (1990) have identified interpersonal competencies in cross-cultural relationships through their study of cross-cultural counselling. They identified five key skills in helping across cultures: - articulating the problem; mutual goal formation;

diminishing defensiveness; recognising resistance; developing recovery skills. These skills are useful for the cross-cultural manager, and acknowledge some important points in *effecting change* with people across cultures rather than simply *communicating* across cultures (Fuertes, Bartolomeo, & Nichols, 2001). The next paragraph outlines these important points.

The skills identified by Sue and Sue (1990) firstly illustrate that defensiveness towards the manager as a 'cultural other' may exist, especially where cultural bias and stereotyping exist in a personal, organisational or historical sense. A second point is that resistance may not only exist in the original problem formation, but also during the process of working across cultures. Resistance may exist even though the manager has 'good intentions', and the counselling perspective informs managers that good intentions could be harmful if not accompanied by good skills and good understanding of the situation (Sue & Sue, 1990). A third point is that mistakes will inevitably occur, and that managers should have within their repertoire of skills, the ability to recover from cross-cultural mistakes. This is not just from an intra-personal perspective, but also from an interpersonal and group perspective. An attitude of humility and the position of 'cultural learner' are important to the manager in utilising this skill (McCall & Hollenbeck, 2002).

These skills are useful to incorporate in evaluating CCMP as they bring a focus on subordinates (those who are managed) and other stakeholders affected by a manager's interpersonal interventions. This thesis intends to incorporate the perspective of the 'cultural other' in evaluation, a focus that has been given little attention in research to date (Bond, Fu and Pasa, 2001). An understanding of CCMP, therefore, is proposed to include these five skills identified by Sue and Sue (1990) as part of cross-cultural interpersonal skills.

Effective International Team Member Characteristics

The fourth main area the literature on CCMP focuses upon is managing teams of people from diverse cultural backgrounds (N. Adler, 2002). Multicultural teams exist from the most basic cultural configuration of a team, where the manager from a different culture is working with a group of host country nationals, to a team where all members are from different cultures. Table 2.1 presents three theory perspectives on the processes and tasks involved in managing cross-cultural teams. The following paragraphs will compare and integrate these three perspectives to present the skill of leading cross-cultural teams as part of cross-cultural management.

In Table 2.1, Adler's (2002) six step process is presented as a method of achieving cultural synergy from a culturally diverse group. Alternatively, Schneider and Barsoux (2003) divide the strategies for managing a multicultural team into task strategies and process strategies (as indicated in Table 2.1) resulting in a framework that is distinct from other theories of group development (Gersick, 1988; Tuckman, 1965). Finally, Earley and Gibson's (2002) three processes are part of a more comprehensive theory of the multinational team, where the processes join together individual elements and group elements within the context of social structure catalysts and work structure catalysts. The outcome of Earley and Gibson's model is equilibrium with a balance of differentiation and integration at the individual identity level, the team member identity level, and the team as an element of a larger social structure. The expected outcome in this theory, therefore, may be cultural synergy only if synergy helps to maintain equilibrium.

These three multicultural team theories both highlight the challenge of integrating multiple cultural perspectives and multiple 'ways of doing' into a unified process focussed on a unified goal. As helpful as the first two theories are, they still

require testing through empirical research. The concepts, however, have been derived from previous empirical research and effectiveness in managing multicultural teams are considered important in defining effective CCMP (N. Adler, 2002; Schneider & Barsoux, 2003). Gibson has affirmed the theory presented with Earley (2002) through mixed method research across a number of multinational teams, individuals, organisations and cultures over a four year period (Earley & Gibson, 2002; Gibson & Zellmer-Bruhn, 2000; Gibson, Zellmer-Bruhn, & Schwab, 2000). The following paragraph will suggest how an expanded version of Earley and Gibson's framework could incorporate aspects of the other two frameworks presented in Table 2.1.

Table 2.1

Cross Cultural Management Team Processes and Tasks

(N. Adler, 2002)	(Schneider & Barsoux, 2003)	(Earley & Gibson, 2002)
1. Describe the situation;	Creating a sense of purpose (task)	Role taking, status/ hierarchy and identity formation
2. Determine underlying cultural assumptions	Structuring the task (task)	Rituals/ habit formation and structuration
3. Assess cultural overlaps	Assigning roles and responsibilities (task)	Enactment of social contracts and the development of a shared history
4. Create culturally synergistic alternatives	Reaching decisions (task)	
5. Select an alternative	Team building (process)	
6. Implement the culturally synergistic solution.	Choosing how to communicate (process) Eliciting participation (process) Resolving conflict (process) Evaluation performance (process)	

Earley and Gibson's first stage of 'role taking, status/ hierarchy and identity formation' could include the more culturally specific aspects of Adler's framework identified as 'describing the situation; determining the underlying cultural

assumptions and assessing cultural overlaps’ and Schneider and Barsoux’s ‘creating a sense of purpose (task)’. In leading a cross-cultural project team, for example, the expatriate manager will need to identify different cultural expectations on what the purpose of the team is, and how the team will relate to the broader organisation. Earley and Gibson’s second stage of ‘rituals/ habit formation and structuration’ could include Schneider and Barsoux’s ‘structuring the task (task), assigning roles and responsibilities (task), team building (process), choosing how to communicate (process), eliciting participation (process)’. In the cross-cultural project team example, this stage would include uncovering cultural expectations on whether to choose a leader of the team and to decide on the role of that leader. Earley and Gibson’s third stage of ‘enactment of social contracts and the development of a shared history’ could include the remaining components of Adler’s and Schneider and Barsoux’s stages as listed in Table 2.1. In the project team example, this stage could include the development of alternative project timelines, exploring the cultural assumptions underlying these timelines, and developing a new timeline that incorporates different cultural perspectives within the organisational limitations. These processes in Table 2.1 together make up the components of ‘leading cross-cultural teams’ within the proposed definition of cross-cultural management.

The evaluation of an expatriate's CCMP is often difficult to differentiate from the performance of the team in which the expatriate operates. Suutari and Tahvanainen (2002) examined the performance management of 301 Finnish expatriate engineers and found that 40 percent of respondents had team goals. In fact, the concept of evaluating team rather than individual performance may be more culturally appropriate to managers from collectivist cultures (Hofstede, 1980). Whilst this is a vital point of differentiation in performance evaluation, the focus of this

thesis is on cross-cultural expatriate managers primarily from an Australian background. To provide a clear focus and because Australia has a predominantly individualistic culture (Hofstede, 1980), this thesis will evaluate the CCMP of individuals rather than team CCMP.

Cultural Synergy

As discussed above, Adler (2002) presents a model for creating cultural synergy when leading cross-cultural teams (see Table 2.1). Synergy comes from the Greek word meaning 'working together', and refers to co-operative or combined action where the objective is to increase effectiveness (Harris & Moran, 2000). Cultural synergy is the co-operative and combined action from two or more relevant cultural sources, which produces mutually acceptable and beneficial results for participants. Culturally synergistic solutions in the organisational context are productive solutions that are mutually acceptable to participants from all cultural perspectives, including the organisational culture position.

Cultural diversity as a resource could be a key concept in cross-cultural management in the model presented by Adler (2002). The steps presented in Table 2.1 are similar to the MBI model (Lane, DiStefano and Maznevski, 2000) presented in Figure 2.1 in that both processes identify, link and synthesise cultural differences. The Adler (2002) model, however, focuses on group decision making. This group decision-making perspective could complement the mainly individual decision-making perspective of the MBI model. Both perspectives, however, require the cross-cultural manager to find creative and positive ways of dealing with cultural diversity. The achievement of cultural synergy, therefore, is an important part of CCMP, and it will be included as part of the thesis definition of cross-cultural management.

Dilemma Reconciliation

Another grouping of literature regarding CCMP is the concept of dilemma reconciliation. In analysing the results of surveys of 3000 leaders and managers worldwide, and case studies of 21 international managers, Fons Trompenaars and Charles Hampden-Turner (2002) have reduced trans-cultural competence to one skill: the ability to reconcile value dilemmas. The skill includes the ability to recognise and respect cultural differences, and to reconcile differences in order to produce synergies that meet stakeholder objectives. The researchers found that trans-cultural competence correlated strongly, consistently and significantly with the degree of international assignment experience, high ratings by superiors for suitability and success in overseas postings and high positive evaluations of 360-degree evaluations of interpersonal effectiveness. Interestingly, the propensity to reconcile also correlated with bottom-line business performance (Trompenaars & Hampden-Turner, 2002). The research findings are grounded in and demonstrative of dilemma reconciliation theory (Hampden-Turner & Trompenaars, 2000). The skill of dilemma reconciliation, therefore, is an important dimension and it will be included in the thesis definition of cross-cultural management. This definition will be utilised in the empirical research studies of the current research.

Productive Diversity

‘Productive diversity’ is a company-wide approach to cross-cultural management that includes the concept of managers achieving culturally synergistic solutions. Productive diversity is concept articulated by Cope and Kalantzis (1997), and is defined as a ‘system of production that uses diversity as a resource’ (p.289). Productive diversity includes creating organisational cohesion through managing diversity and negotiating differences to find common ground or create new ground

(p.289). The effective performance of Australian expatriate managers ideally would result in ‘productive diversity’.

Rather than organisations exerting a culturally colonising effect through either dominant organisational culture, or the home office culture exercising dominance over host country culture, the productive diversity model emphasises the value of plurality in order to be relevant to both markets and labour (Cope & Kalantzis, 1997). The model encourages devolution of managerial power, rather than a hierarchical or dispersed model of management. It builds on the concept of ‘participative management’, where management and employees are partners in sharing in relevant decision making processes and engender a sense of ownership and pride in the enterprise (Cope & Kalantzis, 1997).

Organisational culture in the productive diversity model is characterised by a process of negotiation. Cultural domination is seen as destructive and counter productive, particularly in light of the assertion that “organisations trade on image, ethics and the making of moral meaning” (Cope & Kalantzis, 1997, p. 179). The expatriate and the expatriate’s organisation benefits from engagement and negotiation with host country cultures from not only an ethical perspective, but one of market relevance, culturally effective business processes, and effective employee relations.

Thesis Definition of Cross-Cultural Management Performance

The definition of cross-cultural management performance needs to include the important research findings and theoretical concepts described above. In particular, the definition must reflect individual, group, and organisational *outcomes*. The performance of the individual manager, however, facilitates these outcomes. Thus, the new definition proffered here is that cross-cultural management performance is ‘the achievement of productive diversity, intercultural effectiveness and cultural

synergy in the performance of management across cultures, through processes including successful cultural adaptation and cross-cultural social engagement, and skills including the leadership of cross-cultural teams and the resolution of culturally related value dilemmas’.

Conclusion

This chapter argued that there is a paucity of definitions regarding cross-cultural management. It also highlighted that an adequate definition of cross-cultural management does not exist that takes into account organisational, group and individual outcomes and processes. Chapter Two concluded with a definition that encompasses these various dimensions. These dimensions will be explored further in Study Three. Adaptation is often widely seen to be the main focus of CCMP. However, it is proposed that such a focus is limited, particularly regarding the integration stage presented in Bennet’s DMIS model. The end results of effective cross-cultural management should be productive diversity at the organisation level, cultural synergy at the group level and intercultural effectiveness at the interpersonal level.

This Chapter has defined cross-cultural management performance, the first part of the conceptual outline of the research (Figure 2.1). Chapter Three will further explore the conceptual outline of the research with a theoretical examination of: relevant CCM performance elements; the involvement of multiple raters; the overall system of rating the elements; the barriers to accurate evaluation; and the influence of organisational determinants.

Chapter Three – A Conceptual Outline of Cross-Cultural Management Performance Evaluation

In detailing the conceptual outline of this research, Chapter Two presented a definition of cross-cultural management performance that integrated performance at the individual manager, group, and organisational levels. This chapter will continue to discuss the conceptual framework underlying the research project. Figure 2.1 presents the conceptual framework for this research evaluating cross-cultural management that integrates five concepts. These concepts include: I) a set of relevant cross-cultural management performance elements; II) the involvement of multiple raters; III) the overall system of rating the cross-cultural management performance elements; IV) the barriers to accurate evaluation; and the V) influence of organisational determinants. This chapter will examine the literature relevant to the three hypotheses presented in Chapter One. The three research studies that make up this research project will test these hypotheses. Chapter Four will present the research methodology used to examine these hypotheses.

Concept I - Cross-Cultural Management Performance Elements

The first concept in the framework shown in Figure 2.1 concerns the elements that comprise cross-cultural management performance. This section overviews the relevant theoretical and research literature in order to construct a broad framework of the relevant performance elements of cross-cultural management. A performance element is an “underlying characteristic that results in effective performance in a job” (Fraser, 1999, p.791). “The underlying characteristic could be a body of knowledge, motive, trait, skill, self-image or social role” (Fraser, 1999, p.791). Detail within the broad framework will be identified using empirical research conducted in Study Two. The relationships between these performance elements will be examined in Study Three.

Predictor Constructs and Performance Elements in the Expatriate Context

Managerial performance elements have, for many years, been framed in terms of predictor constructs (Klimoski, 1993) or competencies (Boyatzis, 1982; Yukl, 1998) or performance elements (Fraser, 1999). Predictor constructs have been defined as “some aspect of a person which, if assessed, has relevance to predicting (or understanding) future behaviour or performance” (Klimoski, 1993, p.101). Predictor constructs are essentially personal constructs that have common meaning (Borman, 1987) and they are often categorised according to their perceived levels of permanence (Ackerman & Humphries, 1991). A personality trait, for example, is a relatively stable predictor construct, whereas cultural awareness is relatively malleable and responsive to training. The term ‘performance elements’ will be used in the current research rather than ‘predictor construct’ or ‘competency’ as this

research attempts to look more broadly at the individual and contextual aspects that influence cross-cultural management.

The performance elements related to cross-cultural management performance will be introduced here as a foundation for Study Two. Study Two specifically attempts to uncover the performance elements from the perspectives of cross-cultural managers and host-country national subordinates. Chapter Seven will consider the performance elements identified in Study Two, and their links, as a basis for Study Three.

Criteria for Selecting Cross-Cultural Performance Elements

A review of the literature has identified a number of factors to consider when selecting a list of management performance elements relevant to cross-cultural management. First, the element must be relevant to the expatriate manager's role as a cross-cultural manager. There are three common approaches to relating performance elements to cross-cultural management. The first approach relates cross-cultural management performance elements to cross-cultural adjustment (J. S. Black et al., 1999; Tucker et al., 2004). The second approach relates cross-cultural management performance elements to intercultural communication (Elashmawi & Harris, 1998; Mead, 1998). As outlined in Chapter Two, it is the contention of this research program that adjustment and cross-cultural communication are only *part* of cross-cultural management performance. The third approach presents multiple laundry lists of 'must-have' competencies of cross-cultural management (N. Adler & Bartholomew, 1992; Ronen, 1989). Some authors have been critical of the multiple 'laundry lists' of 'must-have' competencies for cross-cultural managers as the lists do not have an underlying model that links the characteristics to effective management (Bird & Osland, 2004). This research project joins with this criticism, and adds that

most of these lists are not based on empirical research connected with the management context. In fact, most of these wish lists justify the inclusion of competencies by citing other research which is also based on non-empirical wish lists of competencies (N. Adler & Bartholomew, 1992). This research project will link cross-cultural management performance elements through empirical research (Study Two) and through an examination of previous cross-cultural management research in this chapter and in Chapter Seven.

As well as being relevant to the manager's role as a cross-cultural manager, the meaning of the element must be perceived similarly by raters from different cultural and contextual backgrounds (A. Ryan, Chan, Ployhart, & Allen, 1998). Study Two will examine this through interviews with expatriates and host country nationals. Respondents will be able to explain their perceptions of what is important in cross-cultural management.

In addition to the element being relevant to the manager's role and having similar meaning to raters from different backgrounds, the element should have ideally been tested empirically in the cross-cultural context by raters from relevant cultural perspectives (Selmer, 1997). Unfortunately, this requirement is difficult to fulfil, as very little empirical research from these perspectives has been reported in the literature (Shay, 2000). Chapters Six and Seven will explore the construction of relevant elements and measures in further detail.

Distinguishing Types of Performance Criteria

The concept of individual managerial performance has been differentiated into two areas: task performance and contextual performance (Borman & Motowidlo, 1993; Campbell, McCloy, Oppler, & Sager, 1993; Motowidlo & Van Scotter, 1994; Neal & Griffin, 1999). Task performance is defined as effectiveness in meeting job

objectives and technical competence, whereas contextual performance is defined as effectiveness in performing aspects of the job that go beyond task specific issues and relate to the social, organisational or cultural context (Motowidlo & Van Scotter, 1994). Although task performance is an important part of expatriate performance evaluation, the concept of contextual performance aligns more closely to the definition of cross-cultural management performance outlined in Chapter Two.

These two components of performance, however, may not be easily distinguishable when evaluating the performance of cross-cultural expatriate managers. Table 1.1 shows how contextual factors such as host country economic and political factors may affect task performance results such as efficiency and return on investment (ROI). Yet the distinction may help to explain how an expatriate manager with excellent technical skills can still fail on assignment due to poor contextual performance.

The concepts of task and contextual performance are related to hard (outcome based), soft (subjective criteria) and contextual criteria (situational factors related to employee performance) identified by Gregersen, Hite & Black (1996). This research project believes that it is important to consider all of these criteria when examining CCM. Soft criteria are based on subjective judgements and may include relationship or trait based factors (H.B. Gregersen et al., 1996). Adler (2002) suggests that these criteria, such as cross-cultural communication effectiveness or effectiveness in creating cultural synergy, are key determinants in cross-cultural management performance. Contextual criteria look specifically at the relevant variables of the situation where the manager is performing (H.B. Gregersen et al., 1996). The unique contextual nature of cross-cultural management highlights the importance of this criterion.

Hard criteria (or outcome-based criteria) include net income, return on investment, budget adherence, sales growth, and cost reduction. These outcomes are difficult to evaluate in terms of expatriate performance for a number of reasons (see Table 1.1). Some of the reasons include reporting and control procedures from the home office that are unsuitable in the host country due to economic, business system and cultural differences (J. S. Black et al., 1992). For these reasons, therefore, hard criteria is often used to evaluate the performance of an overseas subsidiary, rather than individual managers (Borkowski, 1999) due to the complexity of factors influencing outcome based criteria. With these difficulties in mind, however, it is still reasonable that individual expatriate managers should reach relevant organisational goals measured by hard criteria (J. S. Black & Gregersen, 1999; Harrison & Shaffer, 2005).

Study One will explore how expatriates view the general relevance of hard, soft, and contextual factors to their performance appraisal. Study Two will explore the relevance of soft criteria and hard criteria in defining performance elements relevant to cross-cultural management performance. This emphasis on broader criteria is relatively rare in expatriate performance management research (Shaffer et al., 2006).

Performance Elements and the Job Context in Expatriation

Managerial performance elements have been combined to form management competency frameworks where job competencies can be generic and applicable across work situations (Boyatzis, 1982; Yukl, 1998). However, critics of the competency framework (e.g. Bramming & Larsen, 2000) suggest that knowledge, skills and abilities need to be developed in a workplace situation context. These researchers propose that the work group itself defines the relevant knowledge, skills and abilities

in groupings of “personal, functional, and social/ contextual” (Bramming & Larsen, 2000, p.83). They suggest an internal or external process consultant develops these competencies in conjunction with the work group. The organic nature of work teams might mean that this is a continuous process. Bramming & Larsen (2000) also believe the process of developing context specific competencies needs theoretical and empirical grounding. In essence, this process emphasises the importance of context based performance criteria in cross-cultural management. The process also involves establishing task-based performance criteria to evaluate expatriate's performance.

Previous research has examined the contextual influence of establishing performance criteria in the expatriate context. Suutari & Tahvanainen's (2002) research on 301 Finnish expatriate engineers, found that expatriates were typically able to set context specific task goals and subsequent performance criteria in consultation with their host country and home country managers. This contrasts with previous research (J. S. Black et al., 1992) where expatriates had little input into setting their performance criteria. These findings suggest the need for further research to establish if this trend applies to expatriates other than Finnish engineers and more specifically, if it applies to Australian cross-cultural managers. Study One will address this research need with Australian and Singaporean expatriate managers.

Organisational Performance Criteria and Task Performance in the Expatriate Context

Beyond role specific factors, organisational performance criterion as part of task performance also plays a part in individual expatriate performance evaluation. Fenwick, De Cieri & Welch (1999) suggest that little research has been done regarding the performance management of expatriates in terms of observable behaviour measurement, compared to how the expatriate's performance contributes to

organisational performance. They suggest that this is because expatriate performance management is focussed on the importance of the expatriate being an agent of head office control in their overseas posting. Fish & Wood (1997) further argue that determining the task performance criterion is extremely difficult due to the complexity of including hard, soft and contextual criteria in a fair and cohesive framework that is relevant in the cross-cultural and cross-national context.

The lack of clear task performance criterion for expatriates is widely recognised by researchers (Bonach, Brewster & Suutari, 2001). Brewster (1991) claims that appraisal based on subsidiary results is the most common means of expatriate performance appraisal. Armstrong (1994, p.93) argues that the criteria for assessing performance should be balanced between “achievements in relation to objectives, behaviour on the job as it relates to performance (competencies) and day-to-day effectiveness”. *'Day to day effectiveness'* is a difficult criterion to measure for the expatriate manager unless the rater is in contact with the manager on a daily basis (J. S. Black et al., 1999), a proposition made more feasible when multiple raters are involved due to the accumulated frequency of contact possible. Armstrong's (1994) *'achievements in relation to objectives'* relates to an expatriate manager's overall performance, and is therefore part of the expatriate manager's task performance.

Ideally, the expatriate's superior and the expatriate derive these *objectives* from the corporate mission and strategies and negotiate task performance criteria in relation to the expatriate assignment. There is little evidence, however, that this process is carried out in expatriate's organisations (J. S. Black et al., 1999; Tahvanainen, 2000). Suutari & Tahvanainen (2002) provide evidence for the use of this method in deriving and negotiating objectives based on the corporate mission in expatriate performance evaluation. They found that this practice was common

amongst most of the 301 Finnish expatriate engineers they surveyed. Study One will investigate evidence for the use of this method in performance appraisal amongst Australian and Singaporean expatriate managers. Overall, Studies One and Two will explore the role of task performance in expatriate performance evaluation.

Combining the Criteria in the Expatriate Context

In summary, therefore, an ideal measure of intercultural management effectiveness includes both task and contextual measures of performance (G. Fisher, Hartel, & Bibo, 2000), taking into account company goals and individual performance. A fair performance evaluation would include the unique contextual variables that affect the task related outcomes. Performance criteria that are mutually derived by expatriate managers and their superiors within an equitable framework may help to overcome the challenge of contextual differences (Suutari & Tahvanainen, 2002). Study One of the current research will explore the use of these processes in expatriate performance evaluation.

Bhagat & Prien (1996) list some of the influences on performance as being: individual and family attributes; job characteristics and complexity; organisational level attributes (including the expatriate and organisational goals interaction); and degree of cultural difference between home and host country. The next section will examine individual attributes as performance elements. This chapter will also examine the influence of organisational level attributes. Chapter Seven and Studies Two and Three will examine the influence of the other situational constraints on performance.

Proposed Individual Cross-Cultural Management Performance Categories

The individual attributes that affect cross-cultural management performance can be divided into six categories of managerial performance. Table 3.1 introduces the element categories as a basis for further exploration in Study Two and in Chapter Seven. The following paragraphs will consider each category in detail in order to provide a framework for examination in Study Two.

Table 3.1

Proposed Performance Element Categories

	Performance Element	Definition	Main Research
1	Personality	The relatively stable psychological and behavioural attributes that distinguish one person from another	Van der Zee and Van Oudenhoven (2000, 2001)
2	Engagement / Experience	The degree of interaction with host country nationals and length of service on international expatriate postings	Jordan and Cartwright (1998), Caligiuri (2000)
3	Attitudes	Complexes of beliefs and feelings that people have about specific ideas, situations or other people	Ajzen and Fishbein (1980)
4	Knowledge/ Awareness -	Awareness of information or understanding of particular information areas	Early and Erez (1997)
5	Skills/ Competencies	Behaviours that can be modified through training and experience	Fish and Wood (1997), Jordan and Cartwright (1998)
6	Other	Performance elements outside of the expatriates control that have an impact on cross-cultural management performance	Mamman (1995), Kraimer, Wayne and Jaworski (2001)

Personality Performance Elements

Personality is defined as the relatively stable psychological and behavioural attributes that distinguish one person from another (Caligiuri, 2000b). Research by Van Oudenhoven and Van Der Zee (2000) using the ‘Multicultural Personality Questionnaire’ has highlighted the important connection between personality and multicultural activity, international orientation and aspiration of an international

career, and expatriate adaptation and adjustment. Table 3.2 lists the definitions of the five reliable higher-level dimensions closely related to international aspirations and expatriate adjustment. Chapter Seven will explore these dimensions in depth.

Table 3.2

Multicultural Effectiveness Personality Dimensions (Van der Zee & Van Oudenhoven, 2001)

Personality Dimension	Definition
Cultural Empathy	The ability to empathise with the feelings, thoughts and behaviours of individuals from a different cultural background.
Open-mindedness	An open and unprejudiced attitude toward different groups and toward different cultural norms and values.
Emotional Stability	The tendency to remain calm in stressful situations versus a tendency to show strong emotional reactions under stressful circumstances.
Social Initiative	A tendency to approach social situations in an active way and to take initiatives.
Flexibility	A tendency to regard new and unknown situations as a challenge and to adjust one's behaviour to the demands of new and unknown situations.

These dimensions have not yet been linked to an evaluation of cross-cultural management effectiveness, although they have been linked to expatriate adaptation and adjustment (K. Van der Zee & Van Oudenhoven, 2000; J. van Oudenhoven et al., 2001; J. P. Van Oudenhoven, Mol, & Van der Zee, 2003). Study Three of the current research will address this issue. The dimensions in Table 3.2 have been derived from previous quantitative research from expatriates and their supervisors, however the dependent variable in Van der Zee and Van Oudenhoven's (2000) research and the research they used to derive the variables was not cross-cultural management effectiveness (Arthur & Bennett, 1995; McCall, 1994; Spreitzer, McCall, & Mahoney, 1997). Study Two in the current research will determine relevant dimensions using a qualitative research approach utilising open-ended questions, interviews, and a focus group. A further personality dimension termed 'tolerance of ambiguity' refers to

where the manager functions productively in uncertain situations has been identified as being relevant to cross-cultural management (Harris & Moran, 2000; Yiu & Saner, 2000). An approach where experienced expatriates and host country subordinates are asked the open-ended question what personality dimensions they consider are important in cross-cultural management would help assess the value of these dimensions to cross-cultural management performance evaluation. In Study Two, the personality dimensions discussed here may or may not emerge from this broad question.

Table 3.3

Personality and Traits In Cross-Cultural Management

Big 5 Personality Traits (Norman, 1963)	(Bird & Osland, 2004)	MPQ (K. Van der Zee & Van Oudenhoven, 2000)	(Harris & Moran, 2000)
		Flexibility	Flexibility and openness to change and others' viewpoints.
Openness to experience	Inquisitiveness	Open-mindedness	Thinking in multidimensional terms and considering different sides of issues.
Conscientiousness	Hardiness	Perseverance	Exercising patience, perseverance, and professional security.
Emotional stability		Emotional stability	Managing stress and tension well, while scheduling tasks systematically.
Agreeableness	Humility	Cultural empathy	
Extroversion	Cognitive complexity	Adventurousness	
	Integrity	High company commitment	Dealing with ambiguity, role shifts, and differences in personal and professional styles or social and political systems.

Table 3.3 attempts to compare the ‘Big 5 Personality Traits’ (Norman, 1963) with three other personality categorisations that have been derived in relation to intercultural effectiveness. The following paragraphs will compare the four different personality categorisations in order to determine which personality aspects may be relevant to cross-cultural management performance in the expatriate context. Study Two and Chapter Seven will explore and contrast relevant personality traits and personality models further.

Leiba-O’Sullivan (1999) has examined the Big 5 personality traits (Norman, 1963) of emotional stability, extraversion, agreeableness, openness to experience and conscientiousness in relation to expatriate adjustment through a literature review. She identifies these personality traits as stable cross-cultural competencies, which form the basis for developing the dynamic competencies of cultural knowledge and skills. This is in contrast to Bird and Osland’s framework (2004) presented in Chapter Two. This framework presents global knowledge as the foundation for ‘threshold’ personality traits. Global knowledge is the necessary foundation threshold personality traits to play a role in accurately perceiving and analysing cross-cultural situations (Bird & Osland, 2004). Although both models lack empirical support, it does point to the importance of personality as a relatively stable influence on cross-cultural processes, thus supporting the argument for including personality as a separate category for evaluating cross-cultural management performance.

The model presented by Bird and Osland (2004) as presented in Figure 2.2 proposes four ‘threshold traits’ as global competencies as listed in Table 3.3. The table also presents a fifth competency of cognitive complexity, as it could be more accurately categorised as a trait rather than as an attitude or orientation. Cognitive complexity has been defined as the ability to ‘see the complexity of things – markets,

management issues, technological developments, political events – and make the connections between seemingly disparate pieces’ (Boyacigiller, Beechler, Taylor, & Levy, 2004, p.83). Study Two will specifically examine the role of personality and other traits (such as cognitive complexity) in conceptions of cross-cultural management.

Experience Performance Elements

The degree of relationship development between expatriate and host nationals has been identified as an important characteristic of successful expatriates by Mendenhall and Oddou (1985). This variable is aligned with Mamman's 'intercultural experience' (Mamman, 1995b). Cross-cultural experience can come from a number of sources, including international travel, exchange programs, and cross-cultural relationships established in the home country. This variable is also closely aligned to the concept of ‘meaningful participation’ in groups with cultural others, identified by Janssens and Brett (1997). All of these influences may have some influence on cross-cultural management effectiveness.

As discussed in the Chapter One, experience alone does not indicate greater cross-cultural management competence (J. S. Black et al., 1991; Selmer, 2002). For this reason, the assessment of engagement is closely aligned with the level of openness one has to experience (Caligiuri, 2000b), cultural sensitivity (Jordan & Cartwright, 1998) and the ability to exercise interpersonal influence (Hampden-Turner & Trompenaars, 2000). For the manager relating to subordinates these factors are influenced by the degree of power distance in cultures and status attributions (Entrekin & Chung, 2001). Regardless of cultural influences and attributions, however, a manager still requires influence and status to operate effectively. However, the cross-cultural experiences of a manager may not necessarily lead to

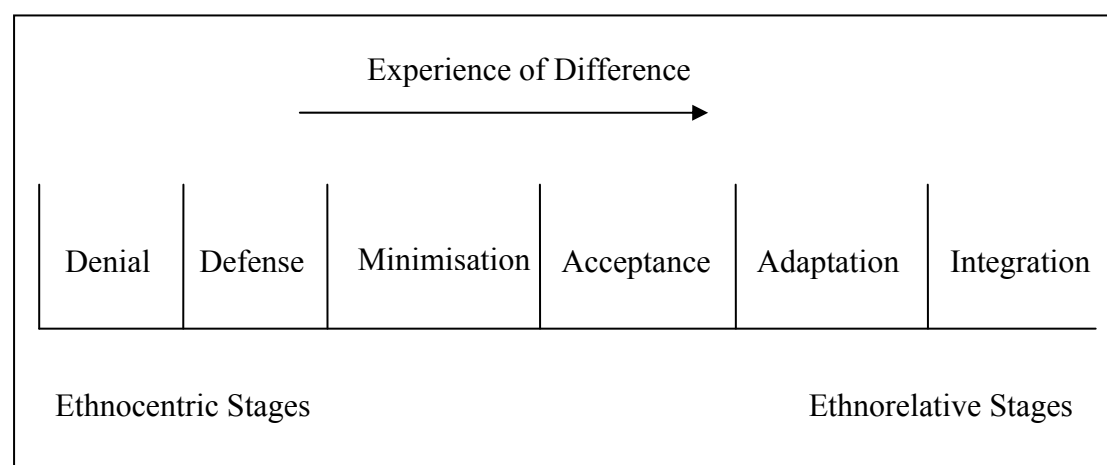
growing cross-cultural competence. As Bennett's (1998) developmental model of intercultural sensitivity illustrates, managers must be on a particular trajectory of development for experience to lead to higher levels of intercultural sensitivity. Chapters Five, Six and Seven will discuss the role of experience further. Study Three will specifically explore the role of experience in cross-cultural management.

Attitude Performance Elements

Attitudes have not been studied in relation to cross-cultural management performance very often (Ajzen & Fishbein, 1980). Attitudes refer to our overall evaluations of objects (Haddock & Maio, 2004). They are personal constructs composed of our motivations in relation to experiences, beliefs and feelings (Maio, Esses, Arnold, & Olson, 2004). Bennett's DMIS presented in Figure 3.1 proposes that changes in cognitive structure are linked to an evolution in attitude and behaviour towards cultural difference (M. J. Bennett, 1986). Attitudinal development progresses from being ethnocentric to ethnorelative. Ethnocentric refers to 'using one's own set of standards and customs to judge all people' (M. J. Bennett, 2005, p.72). Ethnorelative refers to effectively dealing with multiple standards and customs and adapting judgements to varying interpersonal settings (M. J. Bennett, 1998). Attitude towards difference, therefore, is a crucial element in this framework and is worthy of further investigation in relation to cross-cultural management performance. The attitude of openness towards dissimilarity has been found to be a moderator between cultural diversity and organisational group processes and outcomes (Fujimoto, Hartel, & Hartel, 1999), which is relevant to a manager's role in managing cross-cultural groups.

Figure 3.1

Bennett's Development Model of Intercultural Sensitivity (M. J. Bennett, 2005, p.72)



A number of attitudinal performance elements relate to cross-cultural management performance. 'Cosmopolitanism' is an attitude within the building blocks of global competencies framework represented in Figure 2.3. This attitude refers to being interested in and oriented towards the outside world and being focussed on one's profession over one's organisation (Boyacigiller et al., 2004). This element has been conceptualised as an essential part of building a global mindset, where orientation and interest leads to effective gathering and categorising of relevant cross-cultural information. This element and 'openness towards dissimilarity' are closely aligned to the personality dimension of 'openness', where the direction of the trait (openness) is towards the specific topic of global and cross-cultural information or the specific topic of dissimilarity.

Other attitude based elements include the 'willingness to communicate' dimension (Mendenhall & Oddou, 1985) and the 'willingness to acquire new patterns of behaviour and attitudes' (Ronen, 1989). Utilising multiple raters to assess these elements would help to establish the observable performance of these attitudes rather than recording the attitudinal intentions of managers. This necessarily involves the *judgement* of raters, and along with personality, are quite subjective categories of

performance elements. Ideally, attitude performance elements are assessed through observable behaviours. Study Three, presented in Chapter Eight, will explore the role of attitudes in cross-cultural management performance.

Knowledge Performance Elements

Knowledge/ awareness performance elements align with the self-awareness performance elements identified by Early and Erez (1997) and the cultural awareness dimensions and cultural mapping process proposed by Lane (2000), Mendenhall and Oddou (1985) and Adler (1997). The definition of knowledge presented here is awareness of information or understanding of particular information areas. Leiba-O'Sullivan (1999) has divided the knowledge relevant to expatriate adjustment into factual cultural knowledge (related to managing oneself), conceptual cultural knowledge (related to developing cross-cultural relationships) and attributional cultural knowledge (related to cross-cultural perceptions). The theory of cultural intelligence divides the knowledge relevant to cross-cultural adjustment as being universal (processes and conceptions needed for human interaction), mediate (culture-specific knowledge) and setting-specific (knowledge tied to specific contexts, people and timing) (Earley, 2002). Knowledge performance elements that have been found to be strong predictors of cross-cultural management competence include self-awareness by Early and Erez (1997) and cultural awareness dimensions and cultural mapping proposed by Adler (2002), Lane, DiStefano & Mazneveski (2000) and Mendenhall & Oddou (1985).

Knowledge of the host culture is also a strong predictor of intercultural adaptation. Although this depends on an individual's attributional confidence and level of anxiety (Hullett & Witte, 2001). The research of Hullett & Witte (2001) modified Gudykunst and Hammer's (1988) theory of anxiety/uncertainty reduction to

demonstrate that responses can be maladaptive where anxiety control rather than uncertainty control predominates in intercultural interactions. Knowledge of a culture, and the subsequent ability to make cultural attributions, can help to reduce anxiety. However, it is possible that if the predominant response of a person in interactions is one of high anxiety, that person may retreat further into cultural isolation rather than adaptation (Hullett & Witte, 2001). Therefore, cultural awareness without confidence can be maladaptive in cross-cultural situations.

The importance of cultural self-awareness has been equated with the cultural awareness of subordinate host national employees by a number of researchers (N. Adler, 1997; Earley & Erez, 1997; Rosen et al., 2000). Surprisingly, Fish and Wood (1997) deleted this competency after factor analysis of their data. However, due to the importance attached to this factor by previous research, it warrants further exploration as a performance element in the data collection in Study Two.

Skills Performance Elements

The common conception of skills is abilities and competencies. Competencies have been defined as “a dimension of overt, manifest behaviour that allows a person to perform competently” (Woodruffe, 1992, p.17). Table 3.4 presents the interpersonal skills identified as important to cross-cultural management. These skills include effective cross-cultural communication (Gudykunst & Ting-Toomey, 1988; Harris & Moran, 2000), the ability to accurately identify and successfully negotiate cross-cultural conflicts (Sue & Sue, 1990; Trompenaars & Hampden-Turner, 2002), foreign language ability (Caligiuri, 2000b; Fish & Wood, 1997; Kraimer et al., 2001; Mamman, 1995b), creating and building trust (Whitener & Stahl, 2004) and the ability to adapt management style to divergent situations (Fish & Wood, 1997; Rosen et al., 2000). The ION framework presented in Figure 2.3 extends the concept of

cross-cultural communication to 'mindful communication'. Mindful communication involves being attuned to one's own inner processes while communicating and being aware of the assumptions, cognitions and emotions of the other party (Guirdham, 1999; Langer, 1989; Thomas & Osland, 2004).

The ION framework (Figure 2.3) divides the skill set of global managers into interpersonal skills and systems skills. Systems skills include the concept of 'boundary spanning'. Boundary spanning involves the 'creating of linkages that integrate and coordinate across organisational boundaries' (Beechler, Sondergaard, Miller, & Bird, 2004, p.122). Another systems skill is the ability to resolve cross-cultural value dilemmas as outlined in a previous section of this Chapter (Fish & Wood, 1997; Trompenaars & Hampden-Turner, 2002). Another important skill in the expatriate context is the ability to play the role of 'cultural and organisation interpreter', facilitating understanding between host country, organisation and home office (J. S. Black et al., 1999; Fenwick et al., 1999; Fish & Wood, 1997). Other systems skills include building community through change (Osland, 2004) and making ethical decisions (McNett & Sondergaard, 2004) within a culturally relative context.

Table 3.4

Cross Cultural Management Performance Skills

(Harris & Moran, 2000)	(Sue & Sue, 1990)	Other
Cross-cultural communication and demonstrating sensitivity for language problems among colleagues.	Articulating the problem	Language ability (Caligiuri, 2000b; Fish & Wood, 1997; Kraimer et al., 2001; Mamman, 1995b)
Anticipating consequences of one's own behaviour.	Mutual goal formation	Mindful communication (Thomas & Osland, 2004)
Dealing with unfamiliar situations and life-style changes.	Diminishing defensiveness	Creating and building trust (Whitener & Stahl, 2004)
Dealing well with different organisational structures and policies.	Recognising resistance	Boundary spanning (Beechler et al., 2004)
Gathering useful information related to future projects.	Developing recovery skills	Building community through change (Osland, 2004) Making ethical decisions (McNett & Sondergaard, 2004)

A landmark study (Fish & Wood, 1997) examined the opinions held by Australian human resources planners (n=36), Australian expatriates (n=53) and Australian repatriates (n=33) regarding the cross-cultural management skills required by Australian managers to undertake their business responsibilities effectively in the East Asian business region. The research was conducted using questionnaires, interviews and focus groups and provides a useful list of critical cross-cultural management competencies derived from previous research (N. Adler & Bartholomew, 1992; Boyatzis, 1982; Lobel, 1991). Factor analysis and focus groups of expatriates and consultants later refined this research. Table 3.5 lists the competencies grouped into four categories. All the competencies are ability or skills based, except for one based on 'understanding' and another based on 'knowing'.

Table 3.5

Cross-Cultural Management Competencies - Source - (Fish & Wood, 1997)

A. Transformational Management Skills	B. Interactional Management Skills	C. Transactional Management Communication Skills	D. Foreign Language Skill
Ability to be receptive to new business attitudes and ideas Ability to adapt new behaviour Ability to understand new norms Ability to work within the local/ national politics Ability to recognise how an organisation's business practices are perceived Ability to change business practices that are inappropriate Ability to recognise and deal with ethical requirements Ability to recognise whether business practices are transferable Ability to comprehend the international agenda of an organisation	Ability to motivate staff in establishing business objectives Ability to establish close working relationships Ability to generate enthusiasm for organisational goals Ability to respond to staff developmental needs Ability to resolve business and personal conflict Ability to display emotional resilience Ability to understand the motivation of staff	Ability to provide clear information to staff on goals Understand where to obtain information and assistance Ability to set clear, agreed to objectives Ability to encourage and foster close business associations Knows technical nature of role	Ability to speak and comprehend unfamiliar languages

Although Fish & Wood's (1997) competencies present a standard for Australian expatriate managers, their application in expatriate cross-cultural management performance evaluation is limited in a few ways. The evaluation of the relevant importance of these competencies is limited to Australians only. Cross-cultural management competencies are necessarily of concern to the expatriate's subordinates of other cultures. Their perspective would be considered vital in establishing such competencies (Selmer, 1997). An evaluation of competencies using

raters from another culture would allow alternative cultural opinions and would help to test their applicability across cultures.

Furthermore, the competencies proposed by Fish & Wood (1997) were examined only in terms of judgements or opinions on what competencies are necessary. The competencies are yet to be tested in evaluating expatriate manager performance or any aspect of human resource management such as staff selection and training. It would be useful to further refine some of these competencies by utilising them in performance evaluation of expatriate managers, comparing them with more recent research (H. W. Lane et al., 2000; Tahvanainen, 2000), and evaluating their relative importance from the perspective of relevant stakeholders and alternative cultural views. Study Two of the current research will develop a set of performance elements utilising the perspectives of relevant stakeholders and from alternative cultural perspectives. Study Three will then examine these performance elements in the expatriate context.

Other Variables of Expatriates' Cross-Cultural Effectiveness

Australian research on the variables influencing expatriate's intercultural effectiveness includes that conducted by Mamman (1995b). The researcher conducted a literature search to elucidate key components. Table 3.6 presents these components. Mammam (1995b), did not directly examine expatriate effectiveness nor was a common measure of expatriate effectiveness used. The variables, however, might have the potential to influence expatriate intercultural effectiveness. Indeed, some of these variables have been explored in relation to expatriate adjustment (Caligiuri, 2000b; Kraimer et al., 2001) and their role in cross-cultural management performance in the expatriate context deserves further exploration.

Mamman's (1995b) 'cultural setting' variable is proposed as having three elements. These are the cultural toughness of the host country (after J. S. Black et al., 1991), the ethnocentrism of both host and sending country nationals, and the heterogeneity of the host's culture. The 'ethnic background of the expatriate' variable includes the ethnic stereotypes held by host country nationals, the prejudice of host country nationals, and the expatriate's perception of their own ethnic identity as influenced by how the host nationals perceive their ethnic identity and by the expatriate's own ethnocentricity.

Table 3.6

Other factors in cross-cultural management in the expatriate context

(Mamman, 1995b)	(Caligiuri, Jacobs, & Farr, 2000)	(Kraimer et al., 2001) - adjustment
Cultural Setting	Country difficulty	Cultural novelty
Ethnic Background of the Expatriate	Cross-cultural adjustment	Expatriate adjustment
Gender	Family adjustment	Spousal support
Nationality		Perceived organisational support
Religious Background		Leader-member exchange
Age		
Educational Qualifications and Intercultural Experience		
Role		Role novelty

With the exception of linguistic ability, educational qualifications and intercultural experience (which should be listed as separate variables), the variables suggested such as gender, age and nationality are largely outside of the expatriate manager's control. The variable may play a role as tempering influences on the appraisals of expatriate managers. If they are tempering influences, however, then they are worthy of consideration in performance appraisal. The importance of these variables related to performance of the expatriate manager is worthy of further

investigation. These aspects may emerge from Study Two as potentially tempering influences on expatriate cross-cultural management performance.

Cross-Cultural Management Performance Elements Summary

This section has explored the constituent elements of cross-cultural management performance at the individual manager level. The performance elements of cross-cultural management performance should include both task and contextual performance. Where relevant, the performance elements should be uniquely tailored and be relevant to the expatriate context and to the expatriate's organisational context. The performance elements should also: - have a similar meaning to raters from different cultural and contextual backgrounds; have been tested empirically in the cross-cultural context by raters from relevant cultural perspectives; and where possible, relevant elements should be behaviourally anchored or able to be translated to behaviourally anchored terms. To adequately assess cross-cultural management performance at the individual manager level, the criteria should include aspects of personality, experience, attitudes, knowledge and skills.

Concept II - Involvement of Multiple Raters

The manager's immediate superior has traditionally performed performance appraisal with the ratee being invited to comment and respond to ratings (Stone, 2002). The involvement of multiple raters is a relatively recent phenomenon, becoming a common business practice only during the 1990s (Stone, 2002). There are, however, problems with the rating of performance of international managers as outlined in Chapter One. These problems include rater competence, rater bias, and the involvement of multiple raters and self vs. subordinate rating issues. The following section further explores these issues.

Rater Competence

The problem of overseas raters being too out of touch with expatriates (both contextually and in frequency of contact) to assess their performance has often been reported (J. S. Black et al., 1999; Dowling et al., 1999). Rater competence is often questioned where there is disagreement between one's own self-rating of performance and ratings made by other people, typically supervisors. In a detailed analysis of this phenomenon, Cheung (1999) suggests that disagreement may be related to a conceptual disagreement on how constructs underlying ratings are perceived (including invalid performance criteria) and disagreement on the psychometric properties of measurement scales used. This phenomenon has received little research attention for the expatriate context, and so deserves further investigation (Entrekin & Chung, 2001).

Rater Bias

One of the more common aspects of rater bias is the tendency for expatriates to rate their performance more highly than do their subordinates or immediate supervisors (Shay, 2000). A 1997 study of 21 Australian expatriates in 6 major Australian firms in the food manufacturing and mining industries by mail survey (Mowbray, 1997), found that whereas employers agreed that expatriates were *effective managers* in the host country, the expatriates rated themselves as higher in performance. This, however, was assessed only by an overall impression, and behaviourally anchored rating scales (BARS) were not used.

Bias in rating women managers has been established in studies such as Chung (2001). In Chung's (2001) study, regardless of sex, a significant majority of 57 raters evaluated successful female managers more harshly than male successful managers when evaluating performance in a case study. In the study, the researcher presented

participants with case studies of unsuccessful male and female managers. Both male and female raters gave the successful female managers a harsher rating. This research would suggest that ratees are subject to stereotypes, and this has been shown to extend to ethnic and racial stereotypes also (Ilgen, Barnes-Farrell, & McKellin, 1993).

The problems of rater bias, rater competence and inadequate performance criteria have the potential to disadvantage expatriates in performance appraisals (J. S. Black & Gregersen, 1999). Research relating to the Australian expatriate's experience of these aspects is rare (Clegg & Gray, 2002) and further research exploring the nature and direction of rater bias may help to overcome the expatriate's potential disadvantage in receiving fair and accurate performance evaluations. Study Three will explore these issues, and Chapter Nine will include a detailed examination of self-rater disagreement.

Subordinate vs. Self Performance Rating of Expatriate Managers

The common differences between expatriate manager performance self-ratings and performance ratings by subordinates are particularly relevant to evaluating the efficacy and relevance of involving multiple raters in performance evaluation. One research project compared host country subordinate performance ratings with the self rating of 132 expatriate managers from 10 multinational hotel companies assigned to 50 host cultures (Shay, 1999). The performance criteria used, however, related to the manager's overall effectiveness, rather than specifically to the manager's cross-cultural performance. The research found that there was a small correlation ($r = .4$, $p = .05$) between self-ratings and subordinate ratings of manager effectiveness.

Although the author argues that his research supports the notion that management behaviour taxonomies are universally applicable, 'divergent' management research such as Bass (Bass, 1997) discount this argument based on differing cultural

constructs of management concepts. Furthermore, Shay (1999) asked subordinate raters from a variety of cultural backgrounds to rate the expatriate manager on the given criteria. The research did not attempt to test the rater's understanding of the criteria, the perceived importance of the criteria to the manager's role, or the accuracy of the criteria in evaluating the manager's performance. Added to this, all of the taxonomies of managerial performance were developed in the United States (Yukl, 1998), with no evidence of intercultural collaboration in their development. Study Two attempts to address these issues through interview research where managers and subordinates explain their understanding of the criteria, their perceptions of the importance of the criteria, and where their collected responses form a framework of performance criteria. Study Three tests the accuracy and relevance of the criteria in assessing expatriate performance with a sample of cross-cultural managers and their host country national subordinates.

Shay's (1999) findings supported the cultural universality of management performance taxonomies by showing correlations between local and expatriate subordinate assessments of the same manager. The study did not mention other possible confounding factors such as mutual training regarding performance evaluation and the strength of organisational culture. In addition, the expatriate managers selected the raters, creating a potential self-selection bias in the sample. This potential bias, is difficult to overcome in expatriate research, as obtaining any expatriate sample is often difficult (Usunier, 1998). Fraser's research of Australian and Singaporean construction managers (2001) managed to overcome this problem to some extent through a sampling strategy that specifically aimed to include possible low management performers.

In researching 240 middle managers in Hong Kong who had experience with both local Chinese bosses and expatriate bosses from a wide spectrum of Western and Asian countries, Selmer (1997) found that self-ratings of expatriate bosses were higher on average on all dimensions of leadership behaviour as compared to self-ratings of local bosses. Selmer (1997) suggests that this may be related to the Western bias of the instrument used (modified Leadership Behaviour Description Questionnaire after Stogdill, (1959)). The two major differences found were that the expatriate bosses were perceived to allow followers more scope for initiative, decision and action ('tolerance of freedom'), and they were also perceived to have more regard for the comfort, well being, status and contributions of followers ('consideration') (Selmer, 1997). The researcher suggests, however, that 'concern and consideration can be demonstrated in different ways in different cultures' (Selmer, 1997, p.18), and so further research is needed using different measures and covering more areas of management, rather than just leadership behaviours.

Rater Disagreement in Performance Evaluation

Previous research has examined between rater disagreement in performance evaluation from two main perspectives. I have labelled these perspectives as measurement equivalence and the ecological approach. Each of these approaches will now be examined in relation to the thesis research question of 'how can a cross-cultural management performance framework include self ratings and ratings by cultural others' presented in Chapter One.

The measurement equivalence approach focuses on the measurement instrument as a possible reason for rating disagreement, and thus attempts to find more accurate ways of measuring the underlying characteristics of a measurement scale (Maurer, Raju, & Collins, 1998). The approach often uses an item response

theory framework and confirmatory factor analysis to explore ways of improving measurement equivalence (Woehr, Sheehan, & Bennett, 2005). The use of different languages has been shown to have an impact on measurement equivalence (Harzing, 2002), however the empirical studies proposed for this research will only use English for data collection. Cultural impacts on measurement equivalence have been demonstrated (Usunier, 1998), however the strategy of pilot testing the instrument with cross-cultural raters has been suggested to help overcome this (Mattl, 1999). The studies proposed for this research will pilot test survey instruments with cross-cultural raters and adjust them according to the feedback provided.

The ‘ecological perspective’ of rating source effects (Lance & Woehr, 1989) indicates that the source effects may be postulated to represent valid, systematic sources of performance information (Woehr et al., 2005). The standardised differences between the self and subordinate ratings of expatriate’s cross-cultural performance are believed to provide valid and useful information regarding differing cultural perspectives of management (Neelankavil, Mathur, & Zhang, 2000), individual differences (Ostroff, Atwater, & Feinberg, 2004) or something about the relationship between the subordinate and manager (Tepper et al., 2006). The differences, therefore, include but are not directly attributable to cultural differences.

This ‘ecological’ perspective suggests that differences in ratings are not necessarily due to problems with the performance measure, but rather is an important source of performance information (Woehr et al., 2005). Woehr, Sheehan and Bennett (2005) examined the self, peer and supervisor ratings of 1029 US airmen from seven different Air Force job categories. They found that the effect of the performance dimension used was greater than the effect of the rater source on differences in ratings given to individuals. However, they also suggested that the

differences in the ratings given by different sources were a reflection of how those different sources had the opportunity to observe unique aspects of performance. They suggested that incorporating more rating sources would help to provide a clearer, more rounded view of the person's performance. Incorporating subordinate raters from the host culture along with expatriate self-ratings of performance addresses the main research question of this thesis. This research will adopt the ecological approach, as it incorporates standardised rater variance and seeks to explore rater variance as performance information.

There are a number of methods that can be used to integrate raters in performance evaluation. The rater consistency approach integrates raters through inter-rater correlations with the purpose of adding incremental validity to self ratings of performance. Overall, higher correlations between raters are equated with better performance (Shay, 1999). A related approach is to assess the extent of rater difference using the absolute difference scores between raters, where lower scores are regarded as indicators of better performance (Atwater, Ostroff, Yammarino, & Fleenor, 1998; J. R. Edwards, 1994). In line with the ecological validity approach, it is envisaged that this latter approach will be adopted to integrate the ratings of subordinates and supervisors ratings of CCMP in Study Three.

Concept II Summary

In relation to expatriate managers, there are many unresolved issues concerning rater competence, rater bias, the 360-degree method of evaluation, and integration of subordinate, and self-ratings of performance. This research project aims to determine how to integrate relevant raters from different cultural and positional perspectives in evaluating cross-cultural management performance. These issues relate to the primary research question of how multiple raters from diverse

cultural perspectives can be integrated into an effective system of cross-cultural management performance in the expatriate context. A hypothesis related to the ecological approach outlined above is ‘that the integration of host country nationals in expatriate performance evaluation reveals unique information that is relevant to cross-cultural management performance’. Chapter Four will present a research framework to address this and other questions.

Concept III - System of Rating Performance Elements

The conceptual framework outlined in Chapter Two (Figure 2.1) presents the system of rating performance elements as the integration in practice of concepts of the cross-cultural management performance elements and the involvement of multiple raters. There is an abundance of research that has examined differing systems of rating performance elements (Ilgen et al., 1993). The brief examination presented here highlights current issues that are particularly relevant to evaluating the cross-cultural management performance of expatriates. The issues are effective rating systems; use of scales; the 360-degree method; feedback in appraisal systems; and dynamic improvement of the system. These issues particularly relate to the specific research question presented in the ‘involvement of multiple raters’ section above.

Effective Rating Systems

DeNisi, Cafferty, and Meglino (1984) conceptualised a three-step performance rating process: 1) acquiring information about the person being evaluated; 2) organising and storing this information in memory; and 3) retrieving and integrating the information into an appraisal. Variables that influence this process include the extent to which the evaluation is systematic, conscious and subject to

predispositions (Ilgen et al., 1993). This process involves both observed behaviour and performance judgement (Hempel, 2001).

An effective system of rating performance elements is characterised by: a systematic process; a clear and conscious transfer of the standards of performance elements expected before and during performance (usually by training); a process of revealing and accounting for predispositions that may influence the process; a distinction between observed behaviour and judgement of that behaviour; and a consideration of the effect of memory on the evaluation (timeliness) (Hempel, 2001; Ilgen et al., 1993). The system itself must be flexible in its implementation, allowing for adaptation to contextual variables (L. Lane, 1994). Study One will examine these issues in the context of the use of performance appraisal with expatriates. This will assist in presenting the organisational context that is relevant to the practice of performance evaluation of expatriates' cross-cultural management.

Use of Scales

The debate on whether to use behaviourally observed rating scales (BORS) or behaviourally anchored rating scales (BARS) has focussed on the role of judgement in evaluation. An example of BARS would be 'offers ideas and suggestions in team meetings'. An example of BORS would be a rating of 'works well as a team member' on a 5-point likert type scale from '1-almost never' to '5-almost always'. Proponents of BARS argue that raters cannot help but be evaluative in reports, regardless of whether they are asked to observe or evaluate (Ilgen et al., 1993). While behaviourally anchored scales help to focus evaluations on observations, they cannot eliminate possible rater bias, problems with recall, and the organisation and integration of evaluations (Ilgen et al., 1993).

Proponents of BORS or BOS (behaviour observation scales) argue that ratee's satisfaction with performance appraisal tends to be higher when BOS are used due to its more specific orientation (Tziner, Joanis, & Murphy, 2000). However, Tziner et al's (2000) also argue that manager's role is less specific, in behavioural terms, compared to police officers (Yukl, 1998). Criteria other than observed behaviour, therefore, needs to be included in the evaluation of a manager's performance due to the complex nature of management, and in particular cross-cultural management. In reviewing research on the use of scales, Marshall and Wood (2000) conclude that there is no one type of rating scale that is universally superior in terms of accuracy. Furthermore, the appropriateness of various types of scales depends on the purposes for which they are used. Therefore, the types of scales that may be useful in multiple rater evaluation of expatriate's cross-cultural management performance needs further investigation.

Feedback in Appraisal Systems

The role of feedback in performance management is important in expatriate performance appraisals (Lindholm, 2000). A survey of the attitudes towards performance management amongst 1,849 host-country employees from a European Multinational Corporation (MNC) with subsidiaries in China, Thailand, India, the United Kingdom, Germany and the US, found that fair performance evaluations and frequent performance feedback were important predictors of job satisfaction at these workplaces (Lindholm, 2000). The research also found that evaluation and performance feedback is likely to be adapted to the host culture. The performance feedback, for example, was adapted in terms of the directness of language used, whether its delivery was in public or in private, and whether the feedback should balance praise and rebuke.

In analysing the results of semi-structured interviews with 10 supervisors and 10 subordinates in Australian government organisations, Bradley & Ashkanasy (2001) found that participants saw performance appraisal interviews as an opportunity for feedback. They found, however, that participants perceived that the process did not have a positive effect on their work behaviour, and that the relationship between participants influenced the objectivity of the interview. This research indicates that appraisal interviews, as a 'stand alone' method of performance appraisal, have little utility other than the opportunity for feedback. Study One will examine the role of feedback and the usefulness and frequency of use of performance appraisal methods in expatriation.

360-Degree Performance Appraisal as a System

The 360 degree performance appraisal process invites cultural others (host country nationals) to consult in assessing the expatriate manager's performance. The complexity of this process illustrates perceived *effectiveness* of management and not just perceptions of rater bias (Entrekin & Chung, 2001; Selmer, 1997). The complexity extends to determining the nature of 'satisfactory' performance on behaviourally based criteria from varying cultural perspectives.

Performance management using a 360-degree perspective presents a subtle adjustment in power relations in cross-cultural interactions. It also presents new dilemmas in divergent and crossvergent management practices (Entrekin & Chung, 2001). These dilemmas include differing cognitive models of management performance, language barriers, and cultural barriers in the use of rating scales and in attitudes towards rating work superiors, subordinates, and colleagues. Concept V section of this Chapter will discuss these dilemmas further.

The effective operation of a 360-degree performance evaluation system has been refined to a model proposed by Bracken, Timmreck, Fleenor and Summers (2001). The model is summarised in Tables 3.7 and 3.8. The validity factors in Table 3.7 highlight important issues including accuracy, timeliness, reliability, and clarity. These issues could determine the success or failure of the system's implementation.

In the recommendations listed in Table 3.7, training in the use of the system is emphasised. This factor is also emphasised in the broad examination of performance appraisal by Ilgen, Barnes-Farrell and McKellin (1993). The recommendations of the model also contain dynamic features related to adaptation to different organisational factors and the involvement of relevant raters. The model provides a clear framework for the implementation of a 360-degree performance feedback system, and provides a framework to evaluate the effective implementation of the system. This framework serves as a reference point for the effective use of the 360-evaluation method when examining its relevance to expatriate performance appraisal in Study One.

Table 3.7

360 Feedback Validity Factors and Associated Design Features (Adapted from Bracken, Timmreck, Fleenor and Summers (2001, p.7))

Validity Factors	Design Features	Recommendations
Alignment	• Instrument Design • Report Format • Feedback to Raters • Integration with HR Systems	• Custom design content • Use internal norms • Require meeting with raters • Common content with appraisal
Accuracy	• Processing Resources • Quality Control	• Ability to do high volume, secure reporting • Process to ensure zero errors
Clarity	• Instrument Design • Rater Training	• Precode with important information • Clear instructions/readability • Training sessions to give instructions
Co-operation	• Pilot Administration • Instrument Design • Rater Selection • Rater Training	• Test understanding of participants • Keep length to 40-60 items • Limit demands on rater (number of forms) • Communicate need for rater co-operation
Timeliness	• Administration Process • Administration Process • Rater Training • Integration with HR Systems	• Do on company time • Do as frequently as is needed • Train raters against recency error • Schedule to coincide with system needs • Deliver results as soon as possible
Reliability	• Ratee Training • Item Writing • Instrument Design • Rating Scale • Rater Selection	• Clear, behavioural, actionable • Conduct statistical analyses • Use clearly defined anchors • Select raters with opportunity to observe • Report rater groups separately
Insight	• Rater Training • Instrument Design • Report Formats • Report Content • Feedback to Raters	• Train on proper use of scale • Use item ratings (not categories) • Provide as much information as possible • Report verbatim write-in comments • Require meeting with raters

The integration of relevant scales, performance feedback, and the 360-degree method into a system to evaluate cross-cultural management in the expatriate context clearly requires further research. Performance scales need to include both behavioural

and judgement aspects to capture the full impact of cross-cultural management. Frequent performance feedback is part of job satisfaction. It also needs adaptation according to host culture norms. The 360-degree method may be useful in evaluating cross-cultural management, although its usefulness depends on careful integration with an overall performance management system. These issues relate to the research aims that explore the use of performance appraisal in the expatriate context and the integration of multiple raters into an effective system of cross-cultural management performance appraisal. Chapter Four will outline these aims further.

Concept IV - Barriers to Accurate Evaluation

The accurate evaluation of managerial performance is difficult due to perceptual barriers of stakeholders that may ultimately distort overall assessment. Returning again to the definition of performance being “the cumulative stakeholder perceptions of attainment level on specific behaviours and actions that capture the full spectrum of job activities” (Fraser, 2001, p.3), consideration must be given to how these perceptions could be affected by culture, language and other factors.

Culture and Cognitive Models

There has been widespread discussion in the literature regarding the issue of appraisers comparing the performance of staff with a mental or cognitive model of ideal performance (DeNisi et al., 1984; Ilgen et al., 1993). These cognitive structures have been categorised into ‘schemata (cognitive structures that allow us to categorise people and events), implicit personality theories (a type of schema that we hold with regard to other people), and prototypes (mental models that capture the essential features of a category, as in the case of a ‘good worker’) (Klimoski, 1993, p.103). Some researchers (Hempel, 2001; Milliman et al., 1998) have shown these models of

ideal performance are influenced by values that are specific to national cultures (Hofstede, 1999).

It is possible to differentiate collective performance appraisal results according to national culture. Hempel (2001) surveyed 34 Chinese police chief inspectors from Hong Kong and 37 UK police chief inspectors. The researcher found that Chinese rated communication skills, personality attributions, and obedient and dependent subordinates more highly than their UK counterparts. These differences were attributed to Chinese culture as high context (communication skills) influenced by Confucian values of morality (obedient and dependent subordinates), and fatalism (importance of personality attributions with little ability to influence performance appraisal outcomes). Redding and Hsiao (1990) examined these values further in the managerial context. The researchers employed self-administered questionnaires rather than semi-structured interviews to explore the value constructs, and so it is possible only to infer the link between these aspects and culture.

Hempel (2001) showed that the culture of the rater affects managerial performance appraisal. Similarly, Milliman and colleagues (1998) argued that Hofstede's (1980) national cultural dimensions inform the effect of culture on rater bias. This current research will consider these dimensions in relation to raters from different cultures when analysing performance appraisal results. Nevertheless, the applicability of Hempel's (Hempel, 2001) and Redding and Hsiao's (Redding & Hsiao, 1990) findings to the Singapore context is unclear. Research including Paik, Vance & Stage (2000), and Pearson & Entreakin (2001) have demonstrated that value homogeneity assumptions amongst Chinese managers from different countries is untenable. Through interviews, Study One will examine differences between Australian and predominantly Chinese Singaporean perspectives on performance

appraisal. Study Two will explore cognitive conceptions of cross-cultural management, with a particular emphasis on Australian conceptions of cross-cultural management.

Culture and Subordinate Evaluations

Entrekin & Chung's (2001) survey of 209 Chinese managers in Hong Kong found that while the use of multi-source evaluation was supported, there was concern overall with the use of subordinate evaluations. Although the research results indicate that these managers felt subordinates provided accurate and fair evaluations, the researchers suggested that involving subordinates may conflict with Chinese values such as a paternalistic respect for authority (Redding & Hsiao, 1990). This research suggests that Chinese cultural factors may affect the use and acceptance of multiple raters in the performance evaluation of managers. This is relevant to predominantly Chinese Singapore. This research project, will explore the broad picture of possible subordinate rater bias.

Rater and Ratee Perceptions

Hempel's (2001) research with Chinese and UK police chief inspectors affirmed that cognitive models of performance affected both the rater and ratee's approach to performance appraisal. In summarising research on these issues in the 1980's, Ilgen, Barnes-Farrell and McKellin (1993) affirm that internal cognitive models of performance significantly affect the self-perceptions of the ratee. Hempel (2001) has suggested the need for further research to ascertain cultural comparisons in the mental models of both rater and ratee. He has also recommended research on how these models relate to observed behaviour, performance judgement and the role of feedback. The current research aims to explore these issues, particularly using semi-

structured interviews in Study Two. Study Two explores how experienced managers and subordinates assess and perceive effective cross-cultural management while Study Three examines how a system of performance evaluation can address different perceptions of effective performance.

Concept V. - Organisational Determinants

The last concept considered in the proposed conceptual framework in Figure 2.1 is organisational and environmental aspects. Researchers such as Marshall & Wood (2000) argue that aspects of the organisation, as well as the motivations of managers in performance appraisal, are the key determinants of appraisal effectiveness. Their model identifies the key context variables as management concern, management accountability for effective appraisals, instrument adequacy and clarity of appraisal purpose (Marshall & Wood, 2000).

Bracken, Timmreck, Fleenor & Summers (2001) argue that any evaluation of the effectiveness of a 360-degree system of performance appraisal must take into account organisational factors necessary for effective organisational implementation (see Table 3.8). The grouping of validity factors expand on Marshall and Wood's (2000) concept of management accountability to include ratee, as well as rater accountability. Since the design features and recommendations relating to ratee and rater accountability are framed in terms of organisational responsibilities, the concepts are complementary. Bracken, Timmreck, Fleenor & Summers' (2001) factors of 'acceptance' and 'commitment', integrate well with Marshall and Wood's (2000) 'clarity of appraisal purpose' organisational factor. This is particularly so in terms of recommendations about the use of results, and linking content to strategy and goals. Marshall and Wood's 'management concern' concept appears closely related to the

factor of 'commitment' described in Table 3.8. Study One will explore the potential of using 360 degree performance evaluation in the expatriate context.

Table 3.8

Organisational Factors Associated with Effective 360 Feedback Implementation

(Adapted from Bracken, Timmreck, Fleenor and Summers, 2001, p.8)

Validity Factors	Design Features	Recommendations
Ratee and Rater Accountability	• Ratee and Rater Training	• Communicate expectations for ratees and raters
	• Integration with HR Systems	• Set consequences for non-compliance
	• Feedback to Raters	• Require meeting with raters
	• Rater Feedback systems	• Online systems to give real time feedback
Commitment	• Administration Process	• Administer on company time
	• Participation of Management	• Visible participation of top management
	• Developmental Resources	• Provide access to internal/external training
	• Integration with HR Systems	• Use results in decision making
Acceptance	• Participation	• Require ratee participation
	• Rater Selection	• Ratee selects raters, concurred by manager
	• Administration Process	• Administer consistently across unit
	• Integration with HR Systems	• Treat process as a business priority
	• Instrument Design	• Content clearly tied to strategy, goals
	• Ratee Training	• Train on how to use results
	• Developmental Resources	• Provide support (workshops, coaches)

Purpose of Performance Appraisals

The purpose of performance appraisals may influence appraisal outcomes beyond the concept of 'clarity' of purpose (Marshall and Wood, 2000). The debate about the influence of the purpose of appraisals on rater bias has been largely inconclusive (Ilgen, Barnes-Farrell and McKellin, 1993). In arguing from a social cognitive perspective, Marshall and Wood (2000) have argued that the purpose of the appraisal in the organisation affects the accuracy of rating behaviour and the appraisal's overall effectiveness. Milliman, Nason, Zhu & DeCieri's (2002) survey of the purpose of performance appraisals in ten countries, found that appraisals were

used for various purposes including documentation, development, administrative (pay and promotions), and subordinate expression. Further, the purpose of performance appraisal varied according to type of organisation, and there is evidence of national bias towards appraisal purpose (Scheider, 1988). For example, in some countries the purpose of appraisal was to provide feedback for performance improvement, whereas in other countries, the purpose of appraisal was to categorise some low performers and then dismiss them. The purpose of appraisal appears to be a significant factor in the evaluation of appraisal effectiveness and is worthy of further investigation. Study One will examine this issue.

The purpose of expatriation as an organisational factor has a significant influence on the performance criteria used in performance evaluation. Harzing (2001b) in reviewing relevant literature and researching 3000 observations of staffing practices in foreign subsidiaries, concludes that expatriates are utilised for reasons including: when an existing overseas position needs to be filled; to develop managers in terms of global awareness/ experience; and also in the role of organisational development. Harzing (2001b) defines organisational development in this context as as either the control and co-ordination function or to create and improve communication channels within the organisation. As previously mentioned, Fenwick, De Cieri and Welch (1999) in researching Australian companies, support the assertion that parent company control is a major reason for posting expatriate managers. Harzing (2001c) found that there was a difference in importance of the three reasons in subsidiaries depending on the MNC's headquarter country, thus revealing that national culture can influence organisational reasons for expatriation. She also suggested that any consideration of performance appraisal criteria must include the

influence of the particular reason for the individual manager's expatriation (Harzing, 2001c).

Whatever the reasons for expatriation, companies expect their managers to perform effectively in their positions in the cross-cultural context, and evaluating this performance is important overall in facilitating individual and firm performance (Richard & Johnson, 2001). Through open-ended questions, Study One will explore the role of the purpose of expatriation in choosing performance criteria in performance appraisals.

Organisation Structure

The major issue of organisational structure and performance appraisal relates to the nature of parent company and host country subsidiaries. Lindholm (2000) has examined this issue in relation to the job satisfaction of employees in the previously described study of 1,849 employees. Lindholm (2000) found that communication of subsidiary goals, the setting of job objectives, and the personal development aspects of performance management were important processes in increasing the job satisfaction of host-country MNC employees. However, the challenge of assessing the influence of organisational factors relating to parent and foreign subsidiaries during 360-degree performance requires further research.

Suutari and Tahvanainen (2002) examined the influence of organisational factors on expatriate performance appraisal amongst 301 Finnish engineers. They found that a "company's level of internationalisation, its size, the position of the expatriate in the organisation's hierarchy, his or her task type, the location of the host unit and the structure of the organisation influence performance management practices" (Suutari & Tahvanainen, 2002, p.55). These factors, therefore, must be included in research concerned with evaluating the use of 360-degree evaluation of expatriate's cross-

cultural management performance.

Studies One and Three will examine the organisational and environmental factors relevant to the evaluation of cross-cultural management performance. In particular, Study One will explore the current use of performance appraisal in the expatriate context. In relation to the specific context of Australian and Singaporean expatriation outlined in Chapter One, a relevant secondary research question is ‘how is performance appraisal used in the performance management of Australian expatriate managers in Singapore and Singaporean expatriate managers in Australia?’ Study Three will examine the influence of organisational factors on the rating of cross-cultural management performance.

Conclusion

This chapter has detailed the conceptual outline for evaluating cross-cultural management performance presented in Figure 2.1. The conceptual outline takes into account cross-cultural management performance elements, the involvement of multiple raters, the system of rating performance elements, the barriers to accurate evaluation, environmental and organisational determinants. Research, theory, and debates on each concept have been analysed and synthesised in order to explore the relevant dimensions regarding the current research project.

This chapter has also discussed the relevance of the three hypotheses in Figure 2.1 in the evaluation of expatriate cross-cultural management. The hypothesised relationships include how CCM performance elements can effectively capture cross-cultural management, how multiple raters can be involved in assessing CCM, and how multiple raters can be efficiently integrated in evaluating CCM performance elements. Investigating these relationships is relevant to address the main research question of this thesis, which is ‘how can a cross-cultural management performance

framework include self-ratings and ratings by cultural others?’ Chapter Four will present a precise research methodology to enable further investigation of the issues presented here.

Chapter Four – Research Methodology

Chapter One established a research gap related to the conceptualisation and evaluation of expatriate cross-cultural management performance. It also illustrated the apparent poor cross-cultural management performance (CCMP) of Australian expatriates from the perspective of host country nationals. The second chapter explored the concept of CCMP, suggesting that existing definitions were inadequate, particularly when adaptation is the end-point of cross-cultural management (CCM) rather than a process within CCM. The chapter then proposed a new definition of cross-cultural management, based on the unique goals and processes of CCM. The third chapter proposed a conceptual outline of the research for examining the evaluation of CCMP. Specifically, the conceptual outline examined CCMP in relation to performance elements, multiple raters, the system of rating performance elements, barriers to accurate evaluation and organisational determinants. This chapter proposes a research program to explore the three hypotheses identified in the conceptual outline of the research.

Philosophy of Inquiry

Constructivist Research Paradigm

The philosophy of research inquiry has been expanded in recent times as qualitative research inquiry has challenged and provided an alternative to the underlying philosophical values of quantitative research (Denzin & Lincoln, 1998). This section will define the core concepts of research paradigms, ontology, epistemology, methodology, and social constructionism. Guba (1990) defines a research paradigm as being a guide to inquiry that defines ontological, epistemological, and methodological issues. Thus, research paradigms have been developed to attempt to present coherent research philosophies (Guba & Lincoln, 1998). Ontology is the understanding of the nature of reality (Guba & Lincoln, 1998). Epistemology is the theory of knowledge, particularly in relation to its methods and validation (Moore, 1997). Methodology is the “blueprint for researcher activity” (J. A. Black & Champion, 1976, p.110).

The research paradigm for this current research is the qualitative paradigm called 'social constructionism' (Guba & Lincoln, 1998). Table 4.1 contrasts social constructionism with the positivist perspective. Positivist research aims to identify universal laws of human behaviour so that we can control or predict events (Cavana, Delahaye, & Sekaran, 2001). In contrast, social constructionist research aims to understand phenomena, through social reconstructions coalescing around consensus (Guba & Lincoln, 1998). This research design is considered appropriate in the present research program because the area of expatriate performance management and CCM research has yet to comprehensively define CCMP elements where the manager

has been evaluated from the perspective of cultural others (Bonache et al., 2001). This paradigm is also appropriate for a number of reasons that include consistency with the chosen definition of performance and the complex and multifaceted nature of expatriate CCMP. The following section explains these reasons and others.

Table 4.1

Social Constructionism Contrasted with the Positivist Perspective, adapted from Lincoln & Guba (2000)

Item	Positivism	Constructionism
Ontology	Naïve realism – “real” reality but apprehendable	Relativism – local and specific constructed realities
Epistemology	Dualist/ objectivist; findings true	Transactional/ subjectivist/ created findings
Methodology	Experimental/ manipulative; verification of hypothesis; chiefly quantitative methods	Hermeneutical/ dialectical
Inquiry Aim	Explanation: prediction and control	Understanding; reconstruction
Nature of knowledge	Verified hypothesis established as facts or laws	Individual reconstructions coalescing around consensus
Knowledge accumulation	Accretion- “building blocks” adding to “edifice of knowledge”; generalisations and cause-effect linkages	More informed and sophisticated reconstructions; vicarious experience
Goodness or quality criteria	Conventional benchmarks of “rigour”: internal and external validity, reliability and objectivity	Trustworthiness and authenticity
Values	Excluded - influence denied	Included – formative
Ethics	Extrinsic: tilt towards deception	Intrinsic: process tilt toward revelation; special problems
Voice	“Disinterested scientist” as informer of decision makers, policy makers and change agents	“Passionate participant” as facilitator of multi-voice reconstruction

Ontology

The ontology or form of reality that research can access in the constructivist approach is relative (see Table 4.1), where reality is constructed locally and specifically (Guba & Lincoln, 1998). This aligns with the chosen definition of performance being 'the cumulative stakeholder perceptions of attainment level on specific behaviours and actions that capture the full spectrum of job activities' (See Chapter One based on Fraser, 2001). Performance is, therefore, a constructed reality

that is unique to situations, and must take into account the differing cultural perspectives of the stakeholders affected by the manager's performance. This research proposes that certain performance elements are significant in effective CCM in most situations. These performance elements, however, are constructed in different ways according to the participants and situations.

The constructivist approach to reality is regarded as being at odds with the positivist view that research can access an 'external', 'out there' reality (Guba, 1990) as described in Table 4.1. The two different ontologies are regarded as the basis of different approaches to research methodologies, with constructivist approaches being linked to qualitative research and positivist being linked to quantitative research (Guba, 1990). Qualitative research has found support in recent years from proponents of chaos or complexity theory (Byrne, 1998), where "qualitative methods will increase in importance when studying potentially chaotic systems" (H.B.. Gregersen & Sailer, 1993, p.777). The current research, for example, would struggle to capture all of the specifics of CCMP in the vastly different organisational contexts for cross-cultural managers. This is due to other dynamic, unpredictable features besides organisational differences such as the processes of organisational change, stages of managerial succession, political factors in manager evaluation, negotiation processes and environmental change (H.B.. Gregersen & Sailer, 1993). A reasonable research aim is to *understand* the processes as listed in the inquiry aim row of Table 4.1. To *control* the processes is not considered feasible in complex or chaotic social systems (Byrne, 1998; H.B.. Gregersen & Sailer, 1993). Although some effort has been made at control in terms of limiting the sample to Australian expatriates in Singapore, the sample was broadened to include expatriate managers from a variety of national backgrounds posted to a variety of countries in order to obtain a sufficient number of

research participants. Nevertheless, this research focuses primarily on performance *evaluation* and understanding the perceptions of cross-cultural management, rather than emphasising the control of cross-cultural management.

Epistemology

The epistemology (or relationship between knower and would-be knower) of choice could be labelled under the term 'social constructionism' (Schwandt, 1998). Social constructionism focuses on not so much the “meaning-making activity of the *individual* mind but on the *collective* generation of meaning as shaped by conventions of language and other social processes” (Schwandt, 1998, p.240). Through this research process, the collective ideas of research participants, the researchers and previous research will shape the understanding of how performance elements and culturally diverse multiple raters can evaluate CCMP. The conclusions of this research, therefore, will be a step in defining important aspects of CCM and in developing CCM theory. This will be of relevance to expatriate and other cross-cultural managers, HR practitioners, organisations employing expatriates and cross-cultural managers, interested academics, the research participants and the author’s own social and teaching sphere of influence.

The epistemology of social constructionism does not always require hypotheses in research design (Schwandt, 2000). There are hypotheses to test in the current research, however the inductive nature of the social constructivist approach to epistemology presents these hypotheses as starting or midpoints rather than ending points (Schwandt, 2000). Each study of the research is dependent on the preceding study to construct its content. The research protocols in this current research, therefore, represent outlines and points of focus, rather than prescriptions. Essentially, the collective perspectives of the research participants in Study One and

Two of the current research will construct the details of Study Three, thus the knowledge is constructed socially. The results of the hypotheses of Study One and Two of the current research will determine the content of Study Three.

Methodology

The methodology of constructivist research could be labelled as hermeneutical and dialectical (Guba & Lincoln, 1998). A hermeneutic methodology is a qualitative approach that attempts to analyse and interpret data sources, rather than just report the data at face value (Ticehurst & Veal, 1999; van Manen, 1990). The predominant data collection technique of a hermeneutical methodology would be the interview, where participants can clarify meanings and the interviewer can probe further to capture meaning (Fontana & Frey, 2000). Interviews are the main data collection technique for both Study One and Study Two of the current research (see Table 4.2). Questions in all Studies of the research enquire as to the relative importance of and reasons for responses.

The dialectical approach to methodology recognises the two-way relationship between the observers and observed in creating a constructed reality (Guba & Lincoln, 1989). This is in contrast to the "controlling and manipulative (experimental) approach that characterises science" (Guba & Lincoln, 1989, p.44). This research project recognises the dialectical, two-way relationship of research by asking participants to define performance elements in Study Two of the research as the basis for Study Three. Participants can change the categories of performance elements in the Study Two data collection by suggesting different performance categories in the interview (an inductive process). The interview schedule specifically seeks this information from participants.

The research will search for how participants define CCMP elements and how culturally diverse raters can be involved, and how important these aspects are to the manager's overall perceived performance. The use of interviews and the exploratory nature of Study One are directed towards participants setting the agenda of the research by inviting them to nominate the areas of concern they have in expatriate performance appraisal. It is rare in international human resource research to aim to hear the voices of 'the cultural other', however the current research attempts this through all three studies (Bond et al., 2001; Clark et al., 2000). Further to this, these voices help construct the content of the research through a dialectical methodology.

In considering the primary research question in relation to overall methodology, the conceptual outline presented in Chapter Three requires further development of concepts and relationships between them to develop into a useful basis for theoretical investigation (Dubin, 1978). The relationships and components lack clarity, and so a qualitative methodology will assist in defining the constructs and relationships (Wildemuth, 1990). This approach is considered justified due to absence of empirically tested models for assessing CCMP from multiple-rater perspectives (Bonache et al., 2001).

In considering overall research methodology, the qualitative social constructivist research *paradigm* allows for the use of both quantitative and qualitative *methodologies* (Lincoln & Guba, 2000). In the case of the current research, for example, the constructs are built in Studies One and Two primarily by using qualitative methods and the relationships between them are tested in Study Three where quantitative methods are used primarily (see Table 4.2). Researchers such as Bednarz (1985) and Kuhn (1970) have argued that integrated qualitative and quantitative research is not possible due to conflicting ontologies and different

perceptions of validity and reliability. These perspectives may be valid when the terms 'paradigms' and 'methodologies' are synonymous and the particular uses and attributes of qualitative and quantitative methods are indistinguishable. The current research, however, has defined methodology as a subset of an overall paradigm (Brannen, 1992). The social constructivist paradigm will govern the use of chosen methods and techniques of data collection, analysis, and interpretation in this current research (see Table 4.2). Thus, the paradigm with its own ontology and perspectives on validity and reliability provide the framework and govern the use of research methods, not vice versa (Greene & Caracelli, 1997).

Trustworthiness (Validity)

Credibility or internal validity is addressed in each of the three Studies of the current research design. The content validity of Study One of the research will be addressed by identifying questions from the literature, testing the questionnaire with a panel of experts, and pilot testing the structured interview with 40 managers, ensuring that the intended meaning is accurately conveyed by the questions asked. The content validity of the current performance elements will be tested against their alignment with performance elements identified in the literature and from the judgement of a focus group of managers in Study Two of the research (Cavana et al., 2001). Study Two will ask expatriate managers and relevant stakeholders to nominate, assess the relevance, importance and their perceived meaning of the performance elements. Relevant stakeholders will also apply the performance elements to the expatriate manager through assessments in Study Three of the research.

Table 4.2

Integration of Research Studies

	Study One	Study Two	Study Three
Research Aim	Explore current performance appraisal practices of Australian and Singaporean expatriates	Construct CCMP elements	Test performance elements and relationships using multiple cross-cultural raters
Sample	<u>51 in total</u> • 20 Australian expatriates in Singapore • 15 Singaporean expatriates in Australia • 16 HR professionals managing expatriates • (additional 58 for pilot testing)	<u>68 in total</u> • 49 cross-cultural managers • 19 subordinates/colleagues of cross-cultural managers	<u>200 in total</u> • 100 cross-cultural managers • 100 subordinates
Sampling Method	<u>Quota sampling</u> • Contacts from the Singapore-Australia Business Council (Qld) • Singapore companies in Brisbane identified from the telephone book • Contacts from the Singapore-Australia Chamber of Commerce (Singapore) • Contacts from the Australian Human Resources Institute (AHRI)	<u>Quota sampling</u> Same method as Study One (different participants) plus • Postgraduate international student groups at GU and UQ where students have worked with expatriates • Expatriate managers contacted through GU School of Hotel and Tourism Management contact list	<u>Stratified random sampling</u> • Singapore-Australia Chamber of Commerce email contact list • Manager nominated selection of subordinate or colleagues
Primary Methodology Methods	Qualitative • Structured interviews (questionnaires)	Qualitative • Semi-structured interviews • Focus group	Quantitative • On-line surveys • E-mailed surveys
Data Analysis	• Descriptive statistics • Thematic content analysis • Paired sample correlations	• Thematic content analysis • Open coding • Axial coding • Selective coding • ANOVAs	• Cronbach alpha • ANOVAs • Pearson correlation coefficient • Regression analysis • t-tests

Dependability (Reliability)

This research project defines reliability as the internal consistency and stability over time of the measuring instrument (Cavana et al., 2001). Studies One and Two are interview based, and so do not use quantitative measuring instruments. Each interview uses the same interview questions with each participant (according to the participant category), and these questions are recorded in the appendices section of this thesis.

In Study Three of the research, the reliability of the performance elements after data collection will be tested using the Cronbach (1970) coefficient alpha test of internal consistency. Overall, the "coefficient alpha is the preferred statistic for obtaining an estimate of internal consistency reliability" (R. Cohen & Swerdlik, 1999, p.158).

Confirmability or objectivity is achieved through the establishment of research aims, questions and hypothesis. It also concerns the development of research instruments with reference to established theoretical constructs and validated measures where they exist. The constructivist paradigm is adopted in this research as there is a scarcity of validated cross-cultural management measures available (Bonache et al., 2001). Therefore, an approach of keeping results and findings grounded to the experiences of cross-cultural managers will be used in developing theoretical constructs (Patton, 1990). This inductive process is considered consistent with the current research paradigm (Denzin & Lincoln, 1998).

Authenticity

Guba and Lincoln (1989) have defined the issues of authenticity as being fairness, ontological authenticity, educative authenticity, catalytic authenticity and

tactical authenticity. These issues are important in placing the research in a useful context and they are as described below.

Fairness of the research is more a matter of ethics, however in this context it is that the standards set are maintained consistently and with active consideration for all the stakeholders involved. Issues of confidentiality, informed consent, accurate representation of views and feedback are important in maintaining fairness in the research. These issues will be discussed further in the ethics section.

Ontological authenticity is where the research enlarges personal constructions. The current research aims to build on the constructs of expatriate managers and the stakeholders affected by their performance, to define what the dimensions and processes of effective CCM are. Through participation in the research, participants may have an enlarged view of their personal constructs, through the systematic presentation of performance elements in Study Three, and discussion of the elements in Study Two.

Educative authenticity is where the research leads to an improved understanding of the constructions of others. As the research is from a social constructivist perspective, the framing of performance elements and relevant managerial processes is aimed at being intelligible cross-culturally. The focus group experience of some participants in Study Two may improve understanding of the constructions of others (Delbecq, Van de Ven, & Gustafson, 1975). As part of participation, all participants have access to the research results on request.

Catalytic authenticity is where the research stimulates one to action. Through participation and feedback from the research, the research participants may be motivated to seek a performance appraisal system, which adequately reflects the

challenges of CCM. The results will be posted to the Singapore-Australia Chamber of Commerce web-site at their request (Amman, 2002).

Tactical authenticity is where the research empowers action. The long-term action desired from the current research is that through publication and conference presentations of findings, that the performance management of expatriate managers will become fairer and more accurate. The research helps define CCMP elements and an effective CCM evaluation process that is comprehensible to expatriates and the stakeholders affected by their management. In 2004, the results of Study Two were presented to the International Federation of Scholarly Academies of Management (IFSAM) and to the Queensland International Human Resource Managers group.

Sampling

The sampling issues of the current research require examination due to the complexity of issues involved, as does most research in international human resource management (Brewster et al., 2000). As a qualitative research paradigm will be used, the focus of sampling is to ensure that participants “provide information that is representative of the target population” (Cavana et al., 2001, p.137). Non-probability methods of sampling, therefore, are more commonly used in qualitative research (Patton, 1990), as the focus is on participants who will provide rich information. The sampling method of choice for Studies One and Two is quota sampling. Table 4.2 provides the specific details of the sample and sources. The aim of Study One is primarily exploration, so the problem of lack of generalisability inherent in quota sampling (J. A. Black & Champion, 1976) is not considered restrictive. Study Two is aimed primarily at constructions, and so rich data is more important than generalisability in this study.

The quantitative approach in the final study, however, requires a sampling method that provides some generalisability. A random sample stratified according to rater categories is proposed (see Table 4.2). The current research will focus primarily on Australian expatriate managers in Singapore. In this study the sample is extended to include the manager's subordinate or colleague. The expatriate manager will nominate the rater from the host culture, and the researcher will then contact them to invite them to participate in the research. This method does carry the risk that the manager will only nominate those who will give a favourable report, however the voluntary and multi-organisational nature of the research makes such a risk almost unavoidable. This sampling method of finding raters of managers, however, was successfully tested by Fraser (1999), with no particular evidence of positive rater bias.

As previously stated, Downer (1997a) estimates almost 6000 Australian expatriates are in Singapore. It is unknown how many of these expatriates are managers, as this information is not recorded by the Singapore-Australia Chamber of Commerce or the Australian High Commission in Singapore (Reily, 2001). The majority of Australian expatriates in Singapore, however, are members of the Singapore-Australia Chamber of Commerce and most utilise email communication extensively (Amman, 2002). Email invitations were extended to 30% of all members of the Chamber in Study Three. Selected participants must meet the defined criteria of being Australian expatriate managers who can nominate a cross-cultural subordinate or colleague rater.

Analysis

Table 4.2 presented the major tools of data analysis and the methodology section of later chapters discusses these tools further. Study One will utilise descriptive statistics, thematic content analysis, and paired sample correlations. Study Two will

use thematic content analysis, open coding, axial coding, selective coding, and ANOVAs. Study Three will integrate Cronbach alpha, ANOVAs, Pearson correlation coefficients, hierarchical and simple regression analysis, and t-tests.

There are issues that may confound data and a summary of these are presented in Table 4.3. The issues of ‘halo effect’ and ‘recency error’ are addressed by instrument design. ‘Gender error’ can be addressed by comparing results with previously published research. ‘Groupthink’ in Study Two should be addressed through the use of the nominal group technique (Delbecq et al., 1975). Confidentiality of the results is important in obtaining accurate evaluations of performance. Construct error is addressed through use of existing instruments where available, pilot testing and Cronbach alpha analysis (Cronbach, 1970).

Table 4.3

Issues That May Confound Data

Issues that may confound data	Some methods to help overcome issues
'Halo effect' of assessment on a few items spreading to other items.	Use of behaviourally anchored rating scales (BARS) where possible.
'Recency error' where the employees most recent performance is most easily recalled and therefore rated.	Use of parallel-reliability questions and correlations within testing procedures.
'Gender error' where assessment is affected by racial or gender bias, stereotyping or discrimination.	Compare data with previously published assessments of gender biases in the populations being examined.
'Groupthink' in focus groups.	Utilise the nominal group technique (Delbecq et.al., 1975) to involve individual and group perspectives in Study Two.
Fear of performance appraisal being used to affect manager's career.	Ensure confidentiality and provide feedback to the participant only.
Construct error	• Use existing instruments where possible • Pilot testing of instruments • Use of the Cronbach (Cronbach, 1970) coefficient alpha test of internal consistency as a measure of reliability of performance elements.

Equivalence Issues

Each of the three studies will involve participants from a variety of cultures. The culture of the respondents unavoidably affects the way the instrument is perceived and responded to (Lindholm, 2000; A. Ryan et al., 1998). Usunier (1998) examined these issues of CCM research in some detail and Table 4.4 outlines these issues as applied to the current research. Specifically, Mattl (1999) has examined the complexities of methodologies in international human resource management, and has recommended mixed quantitative and qualitative method approaches, along with thorough cross-cultural pilot testing of instruments as ways to overcome cultural bias. The current research design incorporates these strategies.

Table 4.4

Categories of Cross-Cultural Equivalence (Adapted from (Usunier, 1998), p.106)

Category	Issues of Current Research
A Conceptual equivalence	• The concept of performance evaluation is broadly understood in both Singapore and Australia, with HRM education in this area being very similar (Lee, 2000) • 360 degree evaluation is familiar in both Singapore and Australia (Fraser & Zarkada-Fraser, 2000)
B Translation equivalence	• The use of English in Singapore and Australia is affected by local slang, but the differences as relevant to questionnaire design are not considered to be significant. • Considering the education level of all likely respondents in the management environment of Australia and Singapore, language at the Australian year 10 level and Singapore 'O' level will be used.
C Sampling equivalence	• Respondents will be selected through expatriate lists and directories in both Singapore and Australia. This should provide a relatively random selection to the particular group being studied.
D Functional equivalence	• Performance evaluation may be linked to different consequences in Singapore and Australia and so have a different function. This is discussed in Chapter 5.
E Measure equivalence	• Perceptual equivalence may be an issue in terms of rater's reluctance to criticise superiors (Singapore) or peers (Australia) (O'Connor, 1995; Stening & Ngan, 1997). This will need consideration in data analysis, to determine correlations between ethnicity of the rater and rater's reluctance to criticise superiors.
F Data collection equivalence	• Reasons for responding may vary between nations, with an individual decision being more likely from Australians, and a response to an authority figure being more likely from Singaporeans (O'Connor, 1995; Stening & Ngan, 1997). The reasons for participating, however, may not have a significant impact on ratings where anonymity and use of the ratings for research only will limit the personal consequences of the rating.

Ethics

Values

The constructivist research paradigm acknowledges that no research is ever value free (Schwandt, 2000). The values that underpin this research include the value of cultural pluralism and equifinality, where 'our way is not the only way.' The constructivist ontology has already been discussed, and this perspective aligns with the value of personal and social construction as opposed to externalised views of reality (Guba, 1990).

Ethical Considerations

Griffith University's Human Research Ethics Committee approved all stages of the research. Research participants signed 'informed consent' forms that provided the details of the research project in summary form and informed them of their rights (see appendices). Information sheets were provided to participants for their records. The information sheet described the purpose of the study, the procedures involved, the rights of participants, the measures taken to ensure confidentiality of records and researcher contact information. Research participants received copies of the research on request.

Confidentiality is an issue of consideration. Identifying case data was removed and kept separate from survey, performance appraisal and interview data. Research subjects were identified through case numbers and not by name, and careful procedures to ensure anonymity of research subjects were followed. Potential participants received guarantees of anonymity, as the data collected could be sensitive and could affect the participant's career.

Conclusion

The development of a performance appraisal process for expatriate managers in the area of CCM is long overdue. A more informed performance management approach for Australian expatriate managers is needed to build the highly skilled Australian workforce in this era of globalisation.

The present research aims to make a theoretical and practical contribution for Australian expatriate managers in Singapore, and perhaps, cross-cultural managers in general. The research design is a qualitative, integrated approach, where no one research study can determine the hypotheses. The analysis and discussion of the research from the literature search phase to the development of a conceptual model, to the three Studies of data collection will address the hypotheses collectively. The research design attempts to allow the voice of the ‘cultural other’ to be heard, giving the opportunity for CCM to escape the ‘straightjacket of cultural myopia’.

The cross-cultural performance of Australian expatriate managers in Asia has been questioned (Dawkins et al., 1995) so the current research will help to provide a practical way to assess the performance of managers abroad. The results of the current research, therefore, may have the potential to bring Australian expatriate managers one step closer towards more effective CCM.

Chapter Five - Performance Appraisal Systems of Expatriate Managers¹

Chapter One discussed how expatriate performance management is an area of research that has received little attention to date. As a result, there does not seem to be an effective appraisal strategy that accounts for the cross-cultural challenges of management in the expatriate context. The study presented in this chapter partly addresses this issue by examining the performance appraisal methods experienced by a very small sample of 51 expatriate managers. Twenty of the expatriates are Australians in Singapore, 15 are Singaporean expatriates in Australia, and 16 are Australian human resource professionals. The research details their perceptions of the fairness and accuracy of evaluation methods. In particular, the research focuses on their critical evaluation of the 360-degree appraisal method. The findings from this research will provide important directions for the development of quality international human resource management practices. This includes the involvement of host country nationals in performance evaluation and the importance of including cross-cultural management performance (CCMP) elements in performance evaluation. To recap, a performance element is an “underlying characteristic that results in effective performance in a job” (Fraser, 1999, p.791) and “the underlying characteristic could be a body of knowledge, motive, trait, skill, self-image or social role” (Fraser, 1999, p.791).

¹ Portions of this chapter have been published as - Woods, P.R. (2003). 'Performance Management of Australian and Singaporean Expatriates', *International Journal of Manpower*, 24(5), 517-534.

Research Background

As outlined in Chapter One, Black, Gregersen and Mendenhall's (J. S. Black et al., 1992) landmark work on expatriating and repatriating international managers, identified performance appraisal for international managers as an area of human resource management that has received little attention from researchers. They identified three common challenges faced when designing international performance appraisal systems: invalid performance criteria; rater competence and rater bias. Problems appear to exist when the head offices of organisations evaluate distant expatriate managers with little regard for contextual differences, or the unique cross-cultural and cross-national challenges that an expatriate manager may face.

Study One focuses on the methods and use of performance appraisal for expatriate managers, the criteria used for evaluation, and the identification of any problems with performance appraisal raters. To examine these issues within a practice context, the focus will be on Australian expatriates in Singapore, and Singaporean expatriates in Australia. The study will address the first aim of the current research, which is 'to explore the current use of performance appraisal with both Australian expatriate managers in Singapore and Singaporean expatriate managers in Australia, and develop recommendations to improve these appraisals.'

Singapore is Australia's largest trade and investment partner in ASEAN, and the sixth largest trading partner overall (DFAT, 2000c). The level of Australian investment in Singapore is A\$5 billion (June 1999), and the total Singaporean investment in Australia is recorded at A\$17.5 billion (June, 1999 (DFAT, 2000c)). Australia's Foreign Minister estimated in 1997 that there are almost 6000 Australian expatriates (not specifically managers) in Singapore (Downer, 1997a). These trade figures, coupled with number of Australian expatriate managers in Singapore,

strongly suggest the worth of research conducted to examine the use and effectiveness of performance management systems in this region. Estimates of Singaporean expatriates in Australia are difficult to obtain, with Singaporean business associations and the Singapore High Commission being unable to nominate a figure. Clearly, the numbers are much less than 6000. Nevertheless, it is expected that an examination of this cohort in terms of their perceptions of performance management systems in Australia would further contribute to our understanding of performance appraisals in a cross-cultural context.

Australian Expatriate Managers

Chapter One outlined the generally negative impressions of Australian managers in terms of their cross-cultural management performance in Asia. The international experience of Australian expatriate managers in relation to acquiring cross-cultural management (CCM) expertise may also be relevant in assessing CCM competence. Research on 137 Australian expatriate managers in Hong Kong, determined that just over half of the managers (56%) were on their first overseas assignment, with the average assignment being between three and four years (Selmer & Lee, 1994). The research found a total of 87% of Australian expatriates on subsequent overseas assignments were assigned to the same region (Selmer & Lee, 1994). This indicates the potential for organisations to develop a knowledge base of culture and country specific information on cross-cultural management. The returned expatriate could be regarded as a source of CCM expertise (Anderson, 1998), however such information is not always tapped (Clegg & Gray, 2002; Grosseholz, 1999). The expertise is largely lost to the organisation if managers leave the organisation after repatriation (James, 1998). Unfortunately, many Australian expatriates do leave their organisations after repatriation (James, 1998), and so the

input of experience to identify and improve cross-cultural management competence does appear limited. The present study attempts to capture this expertise by collecting the Australian expatriate managers' viewpoints regarding the role of performance appraisal in improving cross-cultural management in the context of international and intercultural experience.

Singaporean Expatriate Managers

The development of effective Singaporean expatriates has been a priority of the Singapore government, along with the drive to establish internationally based Singaporean companies. The focus of research to date has been mainly on Singaporean expatriates in China (Wang, Wee & Koh, 1998), with findings reflecting the view of Minister Mentor Lee Kuan Yew that cross-cultural challenges exist for the Singaporean expatriate in China despite ethnic links between Singaporean Chinese and Mainland China. There has been relatively little research focus on expatriates elsewhere; however Chew's (1997) research into the performance management of Singaporean expatriates through surveys and interviews with expatriates from 29 Singaporean companies is relevant. Overall, Chew (1997) affirms the lack of objective criteria in assessing expatriate's performance. Chew also found that consistent standards of performance appraisal of Singaporean expatriates were not apparent. However, frequent contact with the head office was a major focus for Singaporean managers. Whereas Australian expatriates often experience the 'out of sight, out of mind' treatment by their head office (Grosseholz 1999), Singaporean expatriates experienced close contact and support from their head offices overall.

Research Questions

Chapter One identified the secondary research questions relevant to Study One, and these are listed below.

1. How is performance appraisal used in the performance management of Australian expatriate managers in Singapore and Singaporean expatriate managers in Australia?
2. How can expatriate performance appraisal be improved according to the perspectives of Australian expatriate managers in Singapore, Singaporean expatriate managers in Australia, and human resource professionals?

Furthermore, Study One will begin to examine two assumptions underlying the research hypotheses outlined in Chapter One. These assumptions are that it is possible to develop a number of suitable cross-cultural performance elements that can be combined into a framework to evaluate an individual's cross-cultural management performance and the assumption that expatriate managers as well as host country national subordinates or colleagues can use this basic framework to evaluate the manager.

Method

Sample

A contact list of potential participants was derived from the web-site of the Australian-Singapore Chamber of Commerce, contacts provided by the President of the Singapore Business Association of Queensland, foreign companies in Brisbane via the Yellow Pages, relevant HRM professionals identified on the Australian Human Resources Institute website, responses to advertisements made on Singapore expatriate bulletin boards, searches on the web for Australian expatriates and

Australian companies in Singapore, and primary and secondary responses to public announcements made by the researcher via email and through Griffith University contacts. Contact was initially made by telephone, email, fax, or face-to-face interview. The questionnaire and cover letter was sent to the participant after they agreed to participate. In most cases, the questionnaire was sent by email, with a few by fax or through personal contact. A difference was noted in the preferred method of completing the survey. Australian expatriates preferred email responses (74%), Singaporean expatriates preferred telephone interview (80%), and HR professionals preferred to respond by fax (64%).

Out of 70 potential respondents contacted, 60 usable questionnaires were returned. This represents a response rate of 86%. The sample was then narrowed to decrease the number of contextual variables. Specifically, expatriates in Australia who were not Singaporeans were excluded. In addition, Australian expatriates who were not posted to Singapore were also excluded. The excluded expatriates in Australia were from a number of countries including Japan and Korea, and the Australian expatriates were posted to countries such as Malaysia and Fiji. All of the HR professionals were based in Australia. This left 51 usable responses, with an eventual response rate of 73%. Table 5.1 presents details of the final sample.

Table 5.1

Respondent Sample Details

Variable	Category	Respondent Category			Total n = 51	Percentage n = 51
		Australian expatriate in Singapore n = 20	Singaporean expatriate in Australia n = 15	Aust. HR Professional n = 16		
Gender	Male	16	8	11	35	69%
	Female	4	7	5	16	31%
Fluent in Language Other Than English?	Yes	5	14	6	25	49%
	No	15	1	10	26	51%
Time of Posting	Less Than Six Months	1	0	1	2	4%
	6 To 12 Months	2	6	1	9	18%
	1 to 2 years	3	6	6	15	29%
	2 to 5 years	6	2	8	16	31%
	over five years	8	1	0	9	18%

Instrument

A questionnaire was developed to assess the respondents' perceived experience and opinions on expatriate manager performance appraisal. A panel of performance appraisal, expatriate, and methodological experts reviewed the questionnaire. The instrument's question structure, format, and question focus was modified according to expert feedback. The instrument was pilot tested with 56 Australian workers in a variety of industries and at a variety of management levels. Respondents were asked to comment on the survey after participating. The feedback from the pilot participants was that there were too many questions in the survey, making them reluctant to participate. The number of questions, other than demographic information, was reduced to the nine questions most relevant to the research question following advice from the expert panel and from participants in the pilot study.

The final questionnaire examined the experiences of expatriate managers concerning performance appraisal, and their suggestions on how to improve their

performance appraisal. Appendix 5.1 contains the questionnaire. A slightly modified version of the questionnaire was sent to Human Resource professionals, who were asked their impressions of the types of performance appraisal used with expatriate managers (see Appendix 5.2).

First, respondents were asked to indicate whether they were current or former Australian expatriates Singaporean expatriates, or HR professionals. Next, the participants were asked what methods their company used to evaluate the performance of expatriate managers. They were provided with fifteen possible responses to this question (categories), based on the literature discussed in Chapter Three. The fifteen categories were: rating of specific work behaviours or competencies (e.g. satisfactory performance in carrying out orders); measures of actual work output (e.g. number of new contracts); performance against set indicators (e.g. relates well to subordinates); ranking against other staff; set and evaluate personal goals; activity log; listing of important achievements; record of training undertaken; 360 degree evaluation (an evaluation of performance by a number of stakeholders); management by objectives (measures of performance are decided co-operatively, based on agreed upon organisational objectives); team performance; informal discussion with superior; identification of critical/ key incidents illustrating performance; essay on worker's performance completed by superior; I am unaware of any performance evaluation method in my company; other - please specify. Participants were able to indicate more than one response in answer to the question. They responded to each of these questions indicating 0 for not applicable and 1 for applicable.

Following this assessment of the types of performance appraisal methods used, research participants were asked four questions in relation to the performance criteria

used during expatriate performance appraisal. In the first question, participants were asked to provide one response to the question, ‘how are the criteria on which you are appraised chosen?’ The seven categories available for their choice were: a set form for all employees of the organisation; a set form for employees in my position or in my section; by mutual agreement with superiors; self selected; there is no set criteria; other - please specify; not applicable.

The second question regarding expatriate performance criteria was in two parts and asked respondents to rate how satisfied they were with the criteria used in appraising their performance concerning a) fairness and b) accuracy. Participants were asked to indicate their responses for these questions by choosing one of five categories. These categories were: 1=very unsatisfied, 2=unsatisfied; 3=satisfied; 4=very satisfied; 5=not applicable. Optionally, participants were able to provide reasons (open-ended) for their satisfaction or dissatisfaction.

The final two-part question regarding performance appraisal criteria asked respondents to list any criteria they strongly believed a) should or b) should not be included in evaluating their performance. This open-ended question was optional for participants to answer.

The questionnaire also asked participants to indicate the extent performance appraisal affected eleven job areas, based on previous research discussed in Chapter Three. The areas of impact were: pay for performance; promotion; further training; transfer; termination of employment; demotion; alteration of job responsibilities; increased non-pay benefits; alteration in work resources; no consequences; other (please nominate). For each of these eleven areas, participants were asked to rate the impact on a 5-point likert type scale (1=not at all, 5=always). An additional question (question 10 as listed in Appendix 5.1) had two parts that asked participants to rate the

importance of performance appraisal to career development and their satisfaction rating with the current system of performance appraisal in their company. There were five responses categories for the question relating to importance (1 = very unimportant, 2 = unimportant, 3 = important, 4 = very important, 0 = not applicable). In rating satisfaction with the current system of performance appraisal in their company, participants were asked to indicate their responses for these questions by choosing one of five categories. These categories were: 1=very unsatisfied, 2=unsatisfied; 3=satisfied; 4=very satisfied; 5=not applicable.

The questionnaire also asked three questions regarding the involvement of raters in the respondents' performance appraisal. The first question asked participant expatriate managers to indicate the extent to which their subordinates, colleagues, stakeholders, clientele, immediate superior, manager, regional supervisor, head office superior and others were included in the process of their performance appraisal. The second question asked the managers to indicate how important they thought the input of the above sources was in the process of their performance appraisal. For both of these questions, participants were asked to indicate their response on a five point likert-type scale from 1=not at all to 5=extensively for each of the rater sources mentioned. A sixth 'not applicable' response was also available. A third (optional) question asked participants the open-ended question 'please give any reasons why you believe certain positions should or should not be involved in the performance appraisal'. The interviewer or participant wrote their reasons next to one or more of the nine rater categories used in the previous two questions (see Appendix 5.1).

In the final section of the questionnaire, expatriate managers were asked for a range of demographic and job information. Questions covered items on respondents' gender, birthplace, their fluency in languages other than English, the industry in

which they were serving their expatriation, the total length of their expatriation, and the number of previous postings they have had.

Results

Table 5.2 summarises the results obtained for the question ‘what methods does your company use to evaluate the performance of expatriate managers?’ The most common method of performance evaluation reported by the sample in general and for Singaporean expatriates in particular, was ‘performance against set indicators’. For Australian expatriates, the most common method of performance evaluation was to ‘set and evaluate personal goals’. According to Australian HR professionals, ‘management by objectives’ is the most common method of expatriate performance evaluation. It is also apparent that Australian expatriates have nominated many methods of performance evaluation, whereas Singaporeans and HR professionals nominated fewer categories.

Table 5.2

Methods of Performance Evaluation Used By Respondent Category

Method of Performance Evaluation	Australian Expatriate in Singapore n = 20		Singaporean Expatriate in Australia n = 15		HR Professional n = 16		% of Total n = 51	
Performance Against Set Indicators	17	75	13	86.7%	10	62.5%	37	74.5%
Rating of Specific Competencies	16	80%	8	53.3%	11	68.8%	34	68.6%
Set and Evaluate Personal Goals	18	90%	4	26.7%	11	68.8%	33	64.7%
Management By Objectives	14	70%	4	26.7%	15	93.8%	33	64.7%
Measures of Work Output	13	65%	7	46.7%	9	56.3%	29	56.9%
Listing of Important Achievements	15	75%	7	46.7%	5	31.3%	27	52.9%
Identification of Critical Incidents	13	65%	5	33.3%	7	43.8%	25	49%
Team Performance	10	50%	7	46.7%	7	43.8%	24	47.1%
Informal Discussion With Superior	12	60%	3	20%	6	37.5%	21	41.2%
Record of Training Undertaken	10	50%	3	20%	7	43.8%	20	39.2%
360 Degree Evaluation	8	40%	2	13.3%	6	37.5%	16	31.4%
Activity Log	6	30%	6	40%	3	18.8%	15	29.4%

Essay By Superior	7	35%	3	20%	3	18.8%	13	25.5%
Ranking Against Other Staff	6	30%	0		3	12.5%	9	17.6%
Unaware of Any Use of PA	1	5%	0		0		1	2%

Table 5.3 outlines responses to the question about ‘how expatriate performance criteria were chosen’, with answers broken down into the three participant categories and a summary of overall responses. Table 5.3 shows that there is a difference between Singaporean and Australian expatriates concerning how performance criteria are chosen. Whereas 60% of the Singaporean expatriates used a set form of appraisal for all employees, the Australian expatriates gave equal top ranking to mutual agreement (30%), together with a set form for all employees (30%). Similarly, HR professionals indicated that a set form for all employees (31.3%) and mutual agreement (31.3%) were the most common methods of choosing expatriate performance criteria. For the overall sample, a set form for all employees (39.2%) was the most common method of choosing expatriate performance criteria.

Table 5.3

How Performance Criteria is Chosen

Response Category	Australian Expatriate in Singapore n = 20		Singaporean Expatriate in Australia n = 15		HR Professional n = 16		Overall % n = 51	
Set form for all employees	6	30%	9	60%	5	31.3%	18	39.2%
Mutual Agreement	6	30%	2	13.3%	5	31.3%	13	25.5%
Set form for employees in my position or section	5	25%	3	20%	4	25%	12	23.5%
No set criteria	2	10%	0	0	1	6.3%	3	5.9%
Self selected	1	5%	0	0	0	0	1	2%
Other	0	0	1	6.7%	0	0	1	2%
Not applicable	0	0	0	0	1	6.3%	1	2%

Table 5.4 displays expatriates satisfaction with the fairness, accuracy, and current system of performance appraisal by percentage of all respondents. The responses for the three questions were compared across Australian expatriates, Singaporean expatriates, and HR professionals using a series of one-way ANOVAs.

Group means were compared on the ratings for each question. No differences were found between the groups for fairness ($F(2, 48) = 1.88, p = .17$); accuracy ($F(2, 48) = .88, p = .42$) or overall satisfaction ($F(2, 48) = .65, p = .53$). ANOVAs, therefore, indicate there was no significant intra-group variation in the total sample.

Table 5.4

Satisfaction Level of Aspects of Performance Appraisal of All Respondents

Question	Response Rating	Australian Expatriate in Singapore n = 20		Singaporean Expatriate in Australia n = 15		HR Professional n = 16		Overall % n = 51	
		n	%	n	%	n	%	n	%
Fairness of Appraisal Criteria	V. Satisfied	4	7.8	0	0	1	2	5	9.8
	Satisfied	12	23.5	9	17.6	10	19.6	31	60.8
	Unsatisfied	4	7.8	6	11.8	4	7.8	14	27.5
	V. Unsatisfied	0	0	0	0	0	0	0	0
	Not applicable	0	0	0	0	1	2	1	2
Accuracy of Appraisal Criteria	V. Satisfied	3	5.9	0	0	1	2	4	7.8
	Satisfied	10	19.6	6	11.8	9	17.6	25	49
	Unsatisfied	5	9.8	8	15.7	5	9.8	18	35.3
	V. Unsatisfied	2	3.9	0	0	1	2	3	5.9
	Not applicable	0	0	0	0	1	2	1	2
Satisfaction with Current System of Performance Appraisal	V. Satisfied	5	9.8	0	0	3	5.9	8	15.7
	Satisfied	8	15.7	6	11.8	6	11.8	20	39.2
	Unsatisfied	4	7.8	9	17.6	6	11.8	19	29.2
	V. Unsatisfied	3	5.9	0	0	0	0	3	5.9
	Not applicable	0	0	0	0	1	2	1	2

For those who expressed reasons for their dissatisfaction with the fairness and accuracy of performance criteria, responses included “no account given for adaptation to country's ways”, “mobility and multi-country expertise is not considered,” and “other social, economic or personal barriers faced by an expatriate are not appreciated”. When asked specifically about what should or should not be included in evaluating expatriate manager performance, eight respondents expanded the reasons for dissatisfaction further by detailing the unique challenges that an expatriate faces

that they felt should be included or considered in the evaluation. These included issues of adaptation and ability to manage and interact with host country nationals.

Table 5.5 lists the responses given to the question ‘please list any criteria you strongly believe should or should not be included in evaluating your performance’. As can be seen in Table 5.5, ‘the unique challenges of expatriation’ was the most frequently suggested response by participants. ‘Results of worker output’ was the most frequent response to what should not be included in expatriate manager performance appraisal. Participants were divided on this point, however, as ‘worker output’ was the second most frequent response on what criteria *should* be included in expatriate manager performance appraisal.

Table 5.5

Top Ranked Responses by Frequency to Optional Question on What Criteria Should or Should Not Be Included in Expatriate Manager Performance Appraisal

Criteria Which Should Be Included in Expatriate Manager Performance Appraisal	Freq.	Criteria Which Should Not Be Included in Expatriate Manager Performance Appraisal	Freq.
The Unique Challenges Of Expatriation	8	Results Of Worker Output	6
Worker Output	5	Perceived Organisational Commitment	3
Work Skills/ Competencies	5	Criteria Related To The Home Country	2
Progress In Performance	4	Past Incidents	1
The Team/ Teamwork	3		
Multiple Rater Perspectives	3		
Goals And Objectives (Company & Personal)	2		
Totals	31		12

The interview also asked participants ‘to what extent does performance appraisal impact on the following issues’, followed by a listing of eleven possible areas of impact. A summary of responses in Table 5.6 demonstrates that performance appraisal has a major impact on expatriate employee conditions. In terms of the mean rating of extent of performance appraisal impact, the top two impacts were ‘pay for performance’ ($\bar{x} = 3.92$) and ‘promotion’ ($\bar{x} = 3.84$). An additional question asked

participants to rate the importance of performance appraisal to career development.

The result was that 91.2% of respondents rated it as either very important or important.

Table 5.6

Extent of Performance Appraisal Impact on Employment Conditions

Employment Conditions	Mean	Standard Deviation
	1 = not at all	
	5 = always	
Extent of PA Impact on Pay for Performance	3.92	1.23
Extent of PA Impact on Promotion	3.84	1.07
Extent of PA on Termination	2.88	1.28
Extent of PA on Alteration of Job Responsibilities	2.73	1.23
Extent of PA on Transfer	2.39	1.36
Extent of PA on Further Training	2.31	1.17
Extent of PA on Demotion	2.22	1.35
Extent of PA on Alteration in Work Resources	1.92	1.16
Extent of PA on Increasing Non-Pay Benefits	1.73	1.22
No Consequences	.63	1.11

Table 5.7 presents the means for the extent of rater input in performance appraisal. The table indicates that the manager's immediate superior has the most input into performance appraisal with a mean of 4.04 on a scale of 1 to 5 (with 1 being not involved at all, and 5 being involved extensively). The next most extensively involved rater is workplace manager with a mean of 3.16 in the same scale. The least involved rater appears to be external stakeholders ($\bar{X}=1.6$), followed by subordinates ($\bar{X}=1.76$).

Table 5.7 also lists paired sample correlations to indicate the strength of the relationship between the sample's opinion of the existing extent and importance of rater involvement in performance appraisal and involvement and paired difference means to indicate the direction of the relationship. The paired sample correlations and paired difference means for the 'extent of current rater input into performance

appraisal’ and the extent to which participants felt raters ‘should be included in performance appraisal’ is listed in Table 5.7. It is important to remember that these items were measured on 5-point rating scale from 1 (no input) to 5 (extensive input). A negative paired difference mean indicates that participants feel that there should be more involvement of the particular type of rater than is the current practice. Table 5.7 shows negative means emerged for the rater categories of: subordinates ($\bar{X} = -1.12$); colleagues ($\bar{X} = -.67$); external stakeholders ($\bar{X} = -.8$); clientele ($\bar{X} = -.63$); workplace manager ($\bar{X} = -.05$); and head office superior ($\bar{X} = -.24$). A positive paired difference mean indicates the participant opinion that the particular rater currently has more involvement in performance appraisal than they should have. Table 5.7 indicates that this applies to immediate supervisors ($\bar{X} = .12$) and regional supervisors ($\bar{X} = .24$).

Table 5.7 also indicates the paired correlations between the ‘extent of current rater input into performance appraisal’ and whom participants feel ‘should be included in performance appraisal’. A positive and significant correlation indicates a close match between the extent of actual rater input and who expatriates felt should have input. A positive and significant relationship is evident with regard to: colleagues; external stakeholders; clientele; immediate superior; workplace manager; regional supervisor; head office supervisor. The results in Table 5.7 indicate that there is no significant correlation between the current practice of subordinate rater involvement and the perceived importance of subordinate rater involvement in expatriate performance appraisal. In summary, this set of correlations suggest that expatriates felt there was an adequate match between actual and perceived need for input for colleagues, stakeholders, clientele, and superiors; but not for subordinate involvement.

Table 5.7

Paired Sample Correlations on the Extent and Importance of Rater Involvement in Performance Appraisal

Variable Means & Paired Variables	Mean	SD	Paired Difference Mean	Correlation
Pair 1 Extent of Input of Subordinates in PA & Importance of Input of Subordinates in PA	1.76 2.9	.89 1.11	-1.12	.14
Pair 2 Extent of Input of Colleagues in PA & Importance of Input of Colleagues in PA	2 2.68	1.02 1.16	-.67	.44**
Pair 3 Extent of Input of External Stakeholders in PA & Importance of Input of External Stakeholders in PA	1.6 2.42	1.22 1.30	-.8	.34**
Pair 4 Extent of Input of Clientele in PA & Importance of Input of Clientele in PA	2.66 3.3	1.34 1.14	-.63	.36**
Pair 5 Extent of Input of Immediate Superior in PA & Importance of Input of Immediate Superior in PA	4.06 3.92	1.23 1.16	.12	.48**
Pair 6 Extent of Input of Workplace Manager in PA & Importance of Input of Workplace Manager in PA	3.16 3.24	1.70 1.45	-.05	.65**
Pair 7 Extent of Input of Regional Superior in PA & Importance of Input of Regional Superior in PA	2.36 2.12	1.68 1.73	.24	.73**
Pair 8 Extent of Input of Head Office Superior in PA & Importance of Input of Head Office Superior in PA	2.12 2.36	1.58 1.51	-.24	.68**

** p < 0.01

Participants provided responses to the open-ended question of why certain raters should or should not be included in expatriate performance appraisal. Based on the importance of subordinate involvement as reported in Table 5.7, the following section will examine relevant participant responses to this question. Responses from Australian expatriates as to why subordinates should be included in expatriate performance appraisal include: “they should be the ones who know most about your performance”; “shows your understanding of their culture”; and “subordinates evaluation would be valuable feedback on the management or leadership skills.” Singaporean expatriates explained that subordinates should be involved in performance appraisal as the expatriate “needs to know where to improve.” Alternatively, two Singaporean expatriates felt that subordinates were “not qualified”

to evaluate their manager. An Australian expatriate felt that the involvement of subordinates was “not relevant,” and a HR professional felt that subordinates being involved was a “conflict of (subordinate) interest.” However, overall, HR professionals thought that subordinates should be included in expatriate performance appraisal for reasons including: “they are part of the work”; “the 360 degree approach is needed for fairness”; and “their attitude eventually affects company performance.”

Discussion

The first research question addressed in this study was ‘how is performance appraisal used in the performance management of Australian expatriate managers in Singapore and Singaporean expatriate managers in Australia?’ To answer this question, the discussion will consider the results obtained in relation to the use of appraisals in expatriate management, the type of performance criteria employed, the methods of choosing performance criteria, who rates the performance of expatriates, and how performance appraisal relates to cross-cultural management.

The second research question addressed in this study was ‘how can expatriate performance appraisal be improved according to Australian expatriate managers in Singapore, Singaporean managers in Australia and human resource professionals?’ In response to this, the discussion will examine the results in relation to satisfaction with the accuracy and fairness of the performance appraisal systems. The discussion will also consider expatriates suggestions for improving performance appraisal in the areas of performance criteria and the involvement of multiple raters.

In relation to the research hypotheses, Study One examined the assumptions that it is possible to develop a number of suitable cross-cultural performance elements that can be combined into a framework to evaluate an individual’s cross-cultural management performance and the assumption that expatriate managers as well as host

country national subordinates or colleagues can use this basic framework to evaluate the manager.

The results from this study support Gregersen, Hite and Black's (1996) finding that organisations rarely provide performance appraisal unique to the expatriate situation. Clearly, the most common method used to select the criteria for expatriates is an appraisee template that is used for all employees of the organisation (39.2%, see Table 5.3), regardless of their location in the home country or overseas. It appears that many expatriates receive no specific consideration in terms of alternative or extra criteria for the challenges of an overseas assignment. The second most common method of selecting performance criteria is through mutual agreement with superiors (25.5%). This could reflect a growing trend found in the research by Armstrong (1998) that performance appraisal is becoming a more mutual and individualised process. However, further research could help to determine if this trend applies also to expatriate managers.

The combination of methods regarding the selection of criteria by a set form for employees of the position or section (23.5%), mutual agreement with superiors (25.5%), and self-selected criteria (2%) indicates that the performance appraisal for only about half of the sample (51%) *could* allow for specific criteria reflecting the challenges of their overseas assignment. As Table 5.4 lists, a majority of the total sample were satisfied or very satisfied that the criteria used to appraise expatriate managers was fair (70.6%), and felt that it was accurate (56.8%). Yet perhaps more telling is the finding that approximately one third of the expatriates were dissatisfied with the fairness and accuracy of the criteria used to appraise their performance. Clearly, further research exploration of appropriate and effective performance criteria is required.

The most common reason for expatriate dissatisfaction with the fairness and accuracy of performance criteria regarded the failure of existing performance appraisal systems to include unique aspects of expatriate management (see Table 5.5). In considering this point however, a majority of responses nominated issues of concern with performance appraisal criteria that are not necessarily unique to expatriation such a failure to recognise worker output or to address teamwork issues. In summary, this study found that there is concern amongst Australian expatriates in Singapore, Singaporean expatriates in Australia and relevant HR professionals with the accuracy, fairness and validity of performance appraisal criteria, and the inclusion of expatriate specific criteria is a notable concern. This finding provides evidence for the concerns outlined in Chapter One that expatriate performance appraisal does not take into account the unique aspects and context specific issues of expatriation.

The overall level of satisfaction with the current state of performance appraisal for expatriate managers (54.9%), as indicated in Table 5.4, indicates just over half of respondents were satisfied with their current system. A significant minority of 43.1% were unsatisfied or very unsatisfied with their system of performance appraisal. As mentioned, 41.2% of the sample were unhappy with the accuracy of their performance criteria, and 27.5% were unhappy with the fairness of their performance criteria. The overall process may need further examination along the lines of the performance appraisal ‘benchmarks’ outlined by Bracken and colleagues (Bracken et al., 2001) that were discussed in Chapter Three. It is acknowledged that dissatisfaction with the system might be related to a variety of reasons including variations in employee’s intrinsic work motivation, affective commitment and turnover intention (Kuvaas, 2006), rather than problems with the system itself.

The research results, however, highlight performance criteria as a reason for dissatisfaction. The level of dissatisfaction is in the context of a performance appraisal process that does not take into account the unique issues of expatriation. Therefore, it seems reasonable to consider further how to include expatriate specific criteria in the performance process. This relates to the assumption underlying the research hypotheses that it is possible to develop a number of suitable cross-cultural performance elements that can be combined into a framework to evaluate an individual's cross-cultural management performance. Study Two and Study Three will examine this issue further. The sampling method used for this study is also provides a context for considering this finding. This study did not specifically seek out expatriates who were not performing well in their work role, unlike the sampling method of Fraser (1999). Including specific criteria that takes into account the unique challenges of expatriation would seem to be a reasonable place to start in improving satisfaction with expatriate performance appraisal.

The research finding outlined in Table 5.7 indicate that the majority of the sample felt subordinates should be included as raters in performance evaluation to a greater extent than is the current practice. However, the sample expressed mixed opinions on this topic with some Singaporean expatriates expressing concern that subordinates may not be qualified to comment on managerial performance. Others felt that subordinates might have a conflict of interest in commenting on their managerial superior. These opinions reflect the previous research discussed in Chapter Three (J. S. Black & Gregersen, 1999; Entekin & Chung, 2001), where there was concern regarding rater competence and rater bias. Nevertheless, the majority of Singaporean expatriates, as well as Australian expatriates and HR professionals felt that subordinates could provide valuable feedback regarding the manager's

performance, an insight into the manager's understanding of the local culture, and as a reflection of the subordinate's attitude which may affect overall company performance. These comments are more representative of the research sample, with the low paired-sample correlation between current and preferred performance appraisal practice and the difference between the sample means supporting greater subordinate involvement in expatriate performance appraisal.

The suggestion from this sample that expatriate manager performance appraisal could be improved by the involvement of subordinates is further supported by findings related to the involvement of other raters. An examination of the means (where a mean above 2.5 is regarded as support) as to who *should* be involved in expatriate manager performance appraisal and at a greater level than is the current practice, reveals that overall the sample supports the involvement of subordinates, colleagues and the public or clientele served. Additionally, the sample supports the involvement of the expatriate manager's workplace manager and immediate superior, with the sample indicating that the involvement of the immediate superior may be slightly more than what *should* be the ideal practice. In relation to the involvement of multiple raters, however, only (31.3%) of respondents indicate that 360-degree evaluation is currently being used as a performance appraisal method affecting them. Previous research reported in Chapter Three indicates that 360 degree evaluation is practised minimally in Australia (Nankervis & Leece, 1997), but it is practiced more widely in Singapore (Lee, 2000). In fact, this research finds that 360 evaluation amongst Singaporean expatriates (13.3%) is used less than it is in Singapore's domestic environment (over 60%) (Lee, 2000). The present research appears to support the importance of introducing multiple raters to performance appraisal of expatriate managers, particularly the involvement of subordinates. This in turn

supports the assumption underlying the research hypotheses that expatriate managers as well as host country national subordinates can evaluate the manager.

With the majority (90.2%) of respondents indicating that performance appraisal was either important (27.5%) or very important (62.7%) to their career development, the issue is one of real concern to the management of expatriate managers. This is further illustrated in Table 5.6 by the extensive perceived impact of performance appraisal on issues such as pay for performance ($\bar{X} = 3.92$) which is in contrast with previous Australian research (Milliman et al., 2002) that found that performance appraisal was used less often to determine pay ($\bar{X} = 2.86$ on a 5 point likert scale similar to the current research). The current research found that performance appraisal is important in promotion ($\bar{X} = 3.84$), and termination ($\bar{X} = 2.88$). These findings support other research that has found that Australian performance appraisal is very important in career development and promotion (Milliman et al., 2002). It is clear that effective performance appraisal is of great concern to the expatriate managers. The high response rate (86%) to requests to complete the survey is further indication that this is an important issue for expatriate managers.

The question remains, therefore, why other research (Dawkins et al., 1995, p. 37) has found that Australian expatriate managers in South East Asia were seen as performing poorly from a cross-cultural perspective when assessed by regional business people. It is perhaps significant that the raters whose input was most sought in performance appraisal were superiors (assumed to be predominantly from the home culture), with little involvement of either clients/ customers or subordinates (assumed to be primarily from the host culture). Over one-third of the sample in this study did not think that their appraisal criteria were accurate. Furthermore, the most common

method used to select appraisal criteria was a set form for all employees of the organisation, which is unlikely to contain an evaluation of a manager's cross-cultural management performance. In the context of expatriate performance appraisal presented by this sample, it would appear that identifying problems with cross-cultural performance is neither a targeted nor an intentional process. The research supports the idea suggested in Chapter One that expatriate cross-cultural management performance is not seen as a priority in Australian expatriate performance appraisal, despite the cross-cultural challenges in Australia's multicultural workforce both at home and abroad.

Conclusion

The current use of performance appraisal with this sample of Australian expatriate managers in Singapore, and Singaporean expatriate managers in Australia, appears characterised by some concern with the fairness and accuracy of performance criteria, and with a greater desire for the input of subordinates in the appraisal process. The most common methods of appraisal are performance against set indicators (75% of sample), rating of specific competencies (69%), management by objectives (64.7%) and set and evaluate personal goals (33%). For almost half of the respondents, however, an expatriate performance appraisal criterion does not include special provisions or criteria for the challenges of cross-cultural management. While there is some degree of satisfaction with the current state of performance appraisal (54.9%), a significant minority are not satisfied with it (43.1%). In essence, expatriates and HR professionals see the performance appraisal process as important, and the process especially has an impact on pay for performance (96% of respondents reporting some impact).

Further research gaining cross-cultural perspectives is needed to ascertain why the cross-cultural competence of Australian managers is seen as poor by Asian business people in the region (Dawkins et al., 1995), and why commonly these issues are not nominated to be included in expatriate performance management by Australian expatriates in Singapore. Performance appraisal of expatriate managers from multiple rater (cross-cultural) perspectives may illuminate this question. This study supports the assumption that expatriate managers as well as host country subordinates or colleagues can evaluate the manager. Studies Two and Three will explore these issues further by focussing on a broader sample of expatriate managers and host country nationals from Australian, Singapore and other countries. The broader cultural context will allow for a more generalised examination of the evaluation of cross-cultural management performance, the topic of the primary question addressed by this research. The extent of inclusion of performance criteria that assesses the expatriate manager's cross-cultural management competence in current appraisal practice also requires further research; however, this is beyond the scope of the current research.

Chapter Six – The Development of Cross-Cultural Management Performance Elements ²

Study One found there were concerns amongst expatriates regarding the criteria used to evaluate their performance in performance appraisals, particularly regarding the lack of focus on their cross-cultural management performance (CCMP). In response, Study Two aims to determine the relevant antecedents of cross-cultural management performance of cross-cultural managers in the expatriate context. This study broadly addresses the secondary research question of ‘what specific management performance elements are effective in rating cross-cultural managerial performance?’ The study also addresses the assumption underlying the hypothesis that it is possible to develop a number of suitable cross-cultural performance elements that can be combined into a framework to evaluate an individual’s cross-cultural management performance. The study concludes by developing a framework for cross-cultural management performance evaluation that is both grounded in relevant literature and derived from the results of a focus group and semi-structured interviews with 68 expatriate managers and host country national subordinates from 24 countries (Arthur & Bennett, 1995; Kraimer et al., 2001; Rosen et al., 2000; J. van Oudenhoven et al., 2001). It is proposed that an expatriate’s cross-cultural management performance should be assessed through rating specific elements in a framework derived from the core categories of personality, experience, attitudes, knowledge,

² Portions of this chapter have been published as - Woods, P.R. (2004) ‘A Framework for Evaluating Cross-Cultural Management Performance’ presented at the International Federation of Academies of Management (IFSAM) VII World Congress, Goteborg, Sweden, 5-7 July.

skills and other variables (PEAKSO). The relationships between elements in the framework will be explored using relevant theory and research in Chapter Seven.

Overview of Study Two

Cross-cultural management (CCM) research has expanded significantly in the new millennium in an attempt to equip managers with competencies in global and multicultural contexts (Audia & Tams, 2002). Researchers have moved beyond simple bicultural analysis of differences to hybrid forms of research that search for general principles and models that apply across cultural and organisational systems (Earley & Singh, 2000). In the past, international human resource management (IHRM) research has been characterised by descriptive, quantitative studies (Brewster et al., 2000), rather than studies that use a qualitative, theory building approach (Gergen & Gergen, 2000; Mattl, 1999). As discussed in Chapter Two, a concurrent trend in cross-cultural management research is to derive multiple conceptual frameworks from the literature, however most of these frameworks are based on lists generated by ‘experts’ rather than originating in the impressions or observations from cross-cultural managers ‘in the field’. Such frameworks include the building blocks of global competencies (Bird & Osland, 2004), the MBI model (H. W. Lane et al., 2000), the cultural synergy model (N. Adler, 2002), and the global competency cube (Engle, Mendenhall, Powers, & Stedham, 2001).

Existing research has also been criticised for being too ethnocentric, in that Western frameworks of evaluation are merely adapted to suit local conditions (Bond et al., 2001; Earley & Singh, 2000; Mattl, 1999). Similarly, frameworks of evaluation have also been criticised for not paying sufficient attention to organisational dimensions (Holden, 2002). The present study will attempt to address the inadequacies identified in previous related research through collecting data from

practitioners in the field, utilising the impressions of host country nationals, and including organisational aspects in the proposed framework.

Arthur and Bennet (1995) provide an exception to the literature derived frameworks in cross-cultural management research through their exploration into the factors relevant to international assignment success by surveying 338 international assignees from 45 companies who were working in 20 different countries. The survey asked participants to rate the relative importance of factors for international assignment success based on factors derived from a literature search by Ronen (1989). Ronen (1989) developed his list from previous research. Arthur and Bennett (1995) identified the factors that are important to international assignment success in descending order as: family situation; flexibility/ adaptability; job knowledge and motivation; relational skills; and extra-cultural openness.

In contrast to Arthur and Bennet (1995) and Ronen's (1989) studies, the present research uses a more inductive approach (Orton, 1997; Strauss & Corbin, 1998), where cross-cultural management performance elements are developed from the answers to mainly open-ended questions from the practitioner perspective, rather than asking expatriates to rate the relative importance of elements derived from previous research. Issues identified in previous research have not focussed on cross-cultural management with Arthur and Bennet (1995) and Ronen (1989) focussing on factors contributing to overall expatriate success. The current research specifically asks participants to identify the factors relevant to 'managing successfully across cultures' (see Appendix 6.1), which is a relatively unique question and process in expatriate management research (Bonache et al., 2001).

First, this research establishes a framework of broad performance categories (not specific elements) from the research literature to guide the open-ended and close-

ended interview questions (McCallin, 2003; Orton, 1997). The categories are a guide and do not form a part of the final framework. Following the framework outline, an interview schedule is developed where participants are asked to nominate the factors for cross-cultural management effectiveness, rather than the broader question of international assignment success. Interviews using a semi-structured format (Fontana & Frey, 2000) and a focus group using the nominal group method (Delbecq et al., 1975) are conducted with 68 individuals who are either experienced expatriate managers or subordinates of expatriate managers. Semi-structured interviews allow for the systematic gathering of data through the use of consistent questions, however the method also allows participants to nominate their own frames of reference along with relevant information to fill those frames (Fontana & Frey, 2000). Focus groups using the nominal group method (Delbecq et al., 1975) allow the collection of data where participants build on each other's ideas in order to arrive at a group perspective, as well as recording individual perspectives. Interviews and a focus group are used as a form of data triangulation (Janesick, 1994; Mattl, 1999).

Following the data collection, the interview and focus group transcripts are analysed into thematic categories using a three step coding process (Strauss, 1987). The categories that are most important to effective cross-cultural management are determined using importance scores nominated by research participants. This chapter concludes with the establishment of a framework of CCM evaluation based on the analysis of categories and their relative importance. Chapter Seven will develop a model of cross-cultural management performance by analysing the framework in terms of relevant theory and research. Study Three (Chapter Eight) will empirically examine the derived framework with a different sample of expatriates and subordinates.

Research Background of the Performance Framework

Taxonomies of competencies in human resource management have often followed the KSAO categorisation referring to knowledge, skills, abilities and other (including both interests and personality constructs) (Tannenbaum & Yukl, 1992). Whilst this taxonomy is useful, the research by van Oudenhoven, van der Zee and van Kooten (2001) indicates that personality is an identifiable and significant category influencing CCMP, and so deserves its own category. In addition to personality variables, research by Triandis (1971), Ajzen and Fishbein (1980) and Nesdale (2000) emphasises the role of attitudes in cross-cultural interactions. Based on an analysis of the literature presented here and in Chapter Three, it is proposed that six categories of managerial performance elements be examined: personality; experience; attitudes; knowledge; skills; and other elements ('PEAKSO' see Table 3.1 in Chapter Three).

Within this 'PEAKSO' categorisation, the 'other' category in the taxonomy is consistent with the inductive process of this research, where relevant aspects may be defined by the research participants as data is collected (Strauss & Corbin, 1998). One of the 'other' elements additional to the five specific elements is 'awareness of one's own cultural identity and biases'. This has been identified as equally important as awareness of cultural others to CCMP in previous research (N. Adler, 1997; Earley & Erez, 1997; Rosen et al., 2000). A specific question about the importance of self-awareness to CCMP is included in the interview schedule (see Appendix 6.1 and 6.3). Kraimer, Wayne and Jaworski (2001) examined the role of support from the employing organisation, supervisor and spouse in expatriate adjustment and also in task and contextual performance. Their research found that only perceived organisational support had an influence on both adjustment and performance, whereas supervisor support affected adjustment only. Although they confined their research to

213 US expatriate-supervisor dyads, it does provide some evidence that factors outside of the PEAKS (Personality, Experience, Attitudes, Knowledge, Skills) categories suggested in Chapter Three affect individual expatriate performance and adjustment.

The emphasis of Kraimer, Wayne and Jaworski (2001) on both task and contextual performance, however, is worthy of consideration in constructing a framework of CCMP. As discussed in Chapter Three, this bipartite focus on performance helps to emphasise the broader effects of cross-cultural management on the organisation, employees and performance output. Task performance is defined as effectiveness in meeting job objectives and technical competence (usually hard criteria), whereas contextual performance is defined as effectiveness in performing aspects of the job that go beyond task specific issues and relate to the social, organisational or cultural context (usually soft criteria) (Motowidlo & Van Scotter, 1994). Study Two will explore the relevance of a number of criteria including soft criteria and hard criteria in defining CCMP elements. Study Two addresses the secondary research question, ‘what specific management performance elements are effective in rating cross-cultural managerial performance?’ As explained in Chapter Three, this emphasis on broader criteria is relatively rare in expatriate performance management research (Shaffer et al., 2006).

Method

Participants

The participants in this study were expatriate cross-cultural managers (according to the definitions provided in Chapter One) and ‘cultural others’ (of a different cultural background to the manager) who had worked with the expatriate manager,

usually in a subordinate role. A contact list of potential participants was derived from the web-site of the Australian-Singapore Chamber of Commerce, the industry contact list of the Griffith University School of Tourism & Hotel Management, international students enrolled in an international business course of the Griffith University School of Tourism and Hotel Management who had experienced being managed by expatriates, and experienced expatriates known to the author. Of those contacted, 75 were eligible to participate, 68 were interviewed, and five Australian expatriates working in Singapore participated in a focus group. It was difficult to gain participation from expatriates in a focus group, as the expatriates in this study were located in a number of different countries and so bringing them together was difficult. Despite these difficulties, a focus group was conducted in Singapore with Australian expatriates. All five expatriates in the focus group were members of the Australian-Singapore Chamber of Commerce and had a minimal level of professional contact through this organisation.

Overall, there was a response rate of 91% from the 75 eligible participants for the interview. Forty-nine (72.1%) of these were expatriates and 19 (27.9%) were colleagues or subordinates of the expatriate. The focus group was conducted in Singapore, and all of the participants were Australian born expatriates based in Singapore (four males and one female), with an average length of posting of five years. Table 6.1 presents selected characteristics of the interview sample.

Table 6.1

Sample Characteristics

Variable	Category	Number N = 68	Percentage
Gender	Male	47	69.1%
	Female	21	30.9%
Respondent Category	Expatriate	49	72.1%
	Colleague/ subordinate of an expatriate	19	27.9%
Expatriate Country of Birth	Australia	20	29.4%
	UK, Thailand	6 each	8.8% ea.
	Japan	5	7.4%
	Hong Kong, USA	4 each	5.9% ea.
	France, Brazil, Philippines, Malaysia	2 each	2.9% ea.
	Singapore, China, Sri Lanka, Germany, Egypt, Zimbabwe, Austria, India, New Zealand, Indonesia, Kuwait, Sweden, Pakistan, Iran, PNG.	1 each	1.5% ea.
Expatriate's Length of Posting	Less than 6 months	2	2.9%
	6 – 12 months	3	4.4%
	1 – 2 years	12	17.6%
	2 – 5 years	19	27.9%
	Over 5 years	22	32.4%
	Not applicable	10	14.7%

Measures

Expatriate participants in the focus group and interviews were asked eight open-ended questions and fifteen close-ended questions (see Appendix 6.1).

Subordinates and colleagues of expatriates were asked slightly modified versions of the same questions (see Appendix 6.3). Five of the fifteen close-ended questions sought demographic information about the respondent's gender, country of birth, length of current expatriate posting, their number of previous postings as an expatriate manager, and their fluency in a language other than English. The interview schedule also asked two close-ended questions on how important it is for expatriate managers to relate well to host country nationals and how important it is for the expatriate to be aware of their own culture in order to manage successfully across cultures.

Importance ratings for these two close-ended questions and six of the open-ended questions were made on a 4 point Likert-type scale (1= very unimportant, 2 =

unimportant, 3 = important, 4 = very important). An additional category of ‘5 = depends (please list conditions)’ was available. These eight close-ended questions formed the remainder of the fifteen close-ended questions.

As mentioned above, the interview schedule contained eight open-ended questions. One of the open-ended questions asked participants to ‘describe the successful expatriate manager’ and another asked, ‘how can you tell if an expatriate manager is relating well to host country nationals?’ The remaining six open-ended questions asked in turn: ‘what are the aspects of personality/ experience/ attitudes/ knowledge/ skills/ ‘other aspects’ (those apart from the four categories mentioned) that are needed by expatriates to effectively manage across cultures?’ Appendix 6.1 and Appendix 6.3 list all of the questions. After each of the six open-ended questions, participants were asked in turn to rate the importance of each nomination they provided according to 4-point Likert type scale listed above. An additional category of ‘5 = depends (please list conditions)’ was also available. Data from the close-ended questions were entered into SPSS (v.11.5) for analysis.

Procedures

Interview participants were invited to participate in a 30-minute semi-structured interview, examining the cross-cultural performance elements of cross-cultural managers. Although the option for alternative interview formats was available, all interviews were conducted face-to-face with participants. Responses to all questions and importance ratings were recorded on the interview schedule. Sixty-five of the 68 interviews were tape recorded and transcribed. Three interviews were not tape-recorded, as some interviewers did not follow the prescribed procedure; however notes transcribed on the interview schedule were available for these three interviews.

The focus group utilised the nominal group method (Delbecq et al., 1975), where participants recorded their own responses to the questions in the interview schedule, before a brainstorming and group voting procedure determined group responses to the questions. The focus group was tape recorded and transcribed for further analysis. The focus group data was used as a form of data triangulation (Janesick, 1994; Mattl, 1999) in order to gain a more in-depth understanding of cross-cultural management in the expatriate context. The focus group provided more refined group responses that were developed through interactions between experienced expatriates. The group responses proved to be similar to the collective individual responses. As a result, one group was considered adequate in this situation especially given the difficulty of gaining expatriate group research participation.

Overall, the participant responses for both focus group and interviews were recorded and thematically coded into categories (G. Ryan & Bernard, 2000; Smith, 1992) into the QSR Nudist program (Version 6) using a three step process. The first step used a modified open coding method (Strauss, 1987). Chapter Three defined the core categories (PEAKSO) based on a literature analysis, and the interview schedule was structured around these core categories (see Appendix 6.1 and 6.3). The interview structure and process provided participants with definitions of the core categories of personality and attitudes, but not for other core categories (Appendix 6.3). The interview transcripts were coded using the 'constant comparison' method to achieve a “point of theoretical saturation where additional analysis no longer contributes to discovering anything new about a category” (Strauss, 1987, p.21). The second step used an axial coding method (Strauss, 1987) to link sub-categories to core categories, and to collapse some sub-categories into the core categories. The third step of selective coding (Strauss, 1987) involved reducing the categories using

importance scores derived from participant responses and the frequency of mention of the category. The following sections will explore these steps in detail.

In the first coding step (open coding), specific points that a participant gave in relation to a question were coded as ‘participant responses’. Each mention of a particular point was coded as a response, so that a participant could make a number of responses to each question. For example, a participant may have mentioned that an expatriate should be ‘open-minded’ in answer to the question ‘describe the ‘successful expatriate manager’ and also in response to the question ‘what aspects of personality are needed by expatriates to effectively manage across cultures.’ One participant, therefore, may have mentioned ‘open-minded’ twice in the interview, while another may have mentioned ‘open-minded’ three times, while another may not have mentioned ‘open-minded’ at all. In collating the data regarding ‘open-minded’ for all three participants, the ‘frequency of response’ for the sub-category of ‘open-minded’ would be five in this example. Thus for the 68 participants in the study, the ‘frequency of response’ for ‘open-minded’ could be 100, even though there were only 68 participants in the study.

The researcher used a procedure to test inter-rater reliability as part of the first coding step. Another rater also coded the same interview and focus group data from the transcripts into the sub-categories created by the first coder (the researcher). This rater was a male University post-graduate psychology student with one year’s experience in interview coding. The second rater created an additional sub-category if he deemed that a response did not match any of the existing categories. In total, this process created 227 sub-categories. Inter-rater agreement was found to be 67% across these sub-categories. The sub-categories were compared, and redundant sub-categories were collapsed into other sub-categories that were, at face value,

considered similar by both the researcher and the second coder. An example of a redundant sub-category would be ‘experience of life’ when compared to ‘life experience’. This reduced the number of sub-categories to 199. After sorting, 48 sub-categories were related to the core category of ‘Personality’, 29 to ‘Experiences’, 30 to ‘Attitudes’, 26 to ‘Knowledge’, 28 to ‘Skills’, with 38 sub-categories being considered independent and classed as ‘Other’. The data from both coders was entered into SPSS and comparing the frequencies of coded items in each node tested inter-rater reliability. The overall correlations for rating into categories were determined using the Phi 4-point correlation as a binary analogue of the Pearson correlation coefficient. This was calculated at the highly significant level of $r = 0.86$ ($p < 0.01$), indicating strong inter-rater reliability.

The second coding step of axial coding (Strauss, 1987) involved both coders. Some sub-categories were coded into other sub-categories based on the fuller explanations of responses evident in interview and focus group transcripts. An example of this would be ‘openness to new experience’ and ‘open-minded’ being combined to ‘open-mindedness’ in the personality category. Another basis for collapsing sub-categories was analysis of the semantics of categories provided by the ‘The Australian Concise Oxford Dictionary of Current English’ (Moore, 1997). An example of this is collapsing ‘friendly’ and ‘approachable’ into the one sub-category of ‘friendly’ in the ‘attitude’ category.

As part of the axial coding process, by agreement, both coders re-categorised some sub-categories into core categories according to accepted theoretical definitions. An example of this would be the re-categorisation of ‘patience’ from ‘attitude’ to ‘personality’. This is based on the understanding that patience could be regarded as a relatively stable attribute and the definition of patience as a tendency to allow things

to unfold in their own time (Bishop et al., 2004). Research participants were provided with definitions of personality and attitudes (see Appendix 6.3) provided in Chapter Three and the re-categorisations were consistent with these definitions. Axial coding reduced the number of sub-categories to 112 (see Appendix 6.2). After sorting, 13 sub-categories were related to Personality, 25 to Experiences, 34 to Attitudes, 16 to Knowledge, 16 to Skills, and 8 sub-categories were considered independent and classed as 'Other'.

The third and final step of coding was selective coding (Strauss, 1987) based on the importance scores provided by participants and the number of times that participants mentioned items coded in sub-categories in response to the six-open ended questions of the core categories (PEAKSO). An importance score for each of the frequently coded categories was determined by first assigning a value to each of the participant responses given for the six open-ended questions of 'what are the aspects of personality/ experience/ attitudes/ knowledge/ skills/ 'other aspects' that are needed by expatriates to effectively manage across cultures?' These participant response values were those nominated by participants using the assigned scale value from 'very unimportant' (value of 1) to 'very important' (value of 4). Owing to the response 'depends' (response 5) not being part of the scale, all 'depends' responses were coded as zero for the analyses of importance ratings. The importance scored was determined by adding these importance scores together for each of the frequently coded categories. For example, if participants nominated 'patience' seventy times (with some participants nominating patience twice or more in response to different open-ended questions) with an importance rating of four for each response, then patience would have an importance score of 280. The Results section below describes the results of the selective coding.

Results

Defining the Successful Expatriate Manager

When responding to the question “how would you define the successful expatriate manager?” a number of important themes emerged. Almost one-third of respondents mentioned the ability to adapt one’s management style to the local environment, and the focus group of Australian expatriate managers in Singapore rated this as the most important ability. The focus group rated the ability to be effective in business as the next most important aspect, whereas the interviewees cited cultural awareness more often. Focus group participants and interview respondents linked managerial effectiveness with being able to lead and extract high performance from subordinates as the next most frequent aspect. Communication skills were cited at least 17 times in interviews, with comments such as the following from an expatriate manager: - “The manager should be capable of relaying and implementing company headquarters policy to host country nationals in order to achieve goals assigned.” Overall, interview respondents mentioned personality aspects such as adaptability, flexibility, patience, and being open-minded more frequently than any other category when answering the question about the important aspects of personality in managing effectively across cultures. Participants were not asked to rate the importance of their responses when answering this question.

Evidence of Successful Host Country Relationships

Participants were asked the close-ended question ‘How important is it for a ‘successful expatriate manager’ to relate well to host country nationals?’ 93.2% of participants responded that it was either important or very important for the successful expatriate manager to relate well to host country nationals. To explore further

behavioural evidence for successful management of host country nationals, participants were asked: ‘How can you tell if an expatriate manager is relating well to host country nationals?’ The focus group reported that the most important indication is that “host country nationals accept and show respect to the manager.” This also rated highly with one third of the interview participants. A typical response regarding respect was: “Manager will be liked, respected, and held in high esteem by his colleagues and subordinates.” The most frequent response from interview participants (35%), however, was that “there is effective communication between the expatriate and locals both within and outside of the workplace.” This was the next most popular response from the focus group, and participants defined this further as “host nationals are comfortable to raise issues and concerns with the manager.”

For the next most frequent response from interviews, the focus shifted from host country nationals to expatriates, with “the manager understands and accepts locals and their culture.” Interview respondents also frequently mentioned that local staff would give good performance as a sign that the manager is relating well to host country nationals (31% of sample). Participants were not asked to rate the importance of their responses when answering this question.

PEAKSO Categories

Table 6.2 presents the overall means and standard deviations for the means and standard deviations of the importance ratings for items coded into the core categories (PEAKSO). This indicates how important these performance aspects were in relation to effective cross-cultural management according to the participants (1=very unimportant and 4=very important). As the table indicates, participants rated personality aspects ($\bar{x} = 3.62$) as being of most importance in effective CCM.

Table 6.2

Overall Means and Standard Deviations for Importance Ratings for PEAKSO Core Categories

Category	Importance Rating Mean	Importance Rating SD
Personality (overall)	3.62	.36
Experience (overall)	3.52	.41
Attitudes (overall)	3.59	.44
Knowledge (overall)	3.51	.48
Skills (overall)	3.40	.66
Other (overall)	3.34	.66

Personality

This research found that the most frequently mentioned aspects of personality in response to all eight open-ended questions include open-mindedness, adaptability, patience, extroversion, emotional stability, a sense of humour and conscientiousness (Table 6.3). The concept of openness embraces adventurousness and an openness to learn new ways of doing things. An Australian expatriate expressed this, as “You have to be open to learn and manage in different ways, ways that you might not necessarily think are best, but may well be more effective in a different country.” After the second coding step (axial coding), flexibility was coded with adaptability, a combination that was suggested by the focus group. Interview participants often combined the concepts, with a Chinese male expatriate commenting that it is very important that the expatriate should be “adjustable and flexible to cultural change.” Patience emerged as a strong personality aspect for both the focus group and interview participants. Participants sometimes linked patience to overcoming language barriers, with a female expatriate from New Zealand specifying “patience to allow for language barriers.”

Table 6.3

Top Personality Aspects by Frequency and Importance Score

Personality Aspect	Frequency of Response	Importance Rating
Open-minded	100	359
Flexibility/ Adaptability	74	268
Patience	54	206
Extroversion	42	151
Emotional Stability	26	96
Sense of humour	25	84
Conscientiousness	24	86

Experience/ Engagement

According to the sample, the kinds of experience that help an expatriate manager to manage successfully across cultures when answering all eight open-ended questions include mixing socially with people from other cultures, working with people from other cultures, relevant work experience, international travel and life experience (Table 6.4). Interview participants explained that the kinds of experiences that were beneficial in mixing socially with cultural others included studying abroad, international exchange programs, living abroad and being educated in a multicultural environment. Participants usually distinguished social and successful work related interaction with cultural others. For example, a male expatriate from the US expressed this as “experience working successfully with people from other cultures.” Both the focus group and interview participants considered that work experience related to the technical aspects of the managerial role was important. One male Australian expatriate based in Singapore stated, “Technically you need to be strong to command respect.”

Table 6.4

Top Experience Aspects by Frequency and Importance Score

Experience Aspect	Frequency of Response	Importance Rating
Mixing Socially With Cultural Others	58	194
Working With People From Other Cultures	55	194
Relevant Work Experience	39	140
International Travel	36	121
Life Experience	30	104

Attitudes

When answering all eight open-ended questions, the respondents indicated that the attitudes towards people of other cultures that an expatriate manager needs to have included: respect for locals and their culture; being caring and kind towards locals; fairness towards locals; empathy towards locals; tolerant toward differences; willingness to mix with locals and interest in the host country (Table 6.5). A male Thai expatriate expressed the most frequent response in this category as “respect to the host culture, traditions, religions does not always necessarily mean to obey them, but rather to display respectful actions.” In being caring and kind towards locals, a male Australian expatriate expressed this as “caring of other people and interested in who they are and what they think.” Being fair towards locals encompassed comments relating to avoiding being discriminatory, patronising, or judgemental, with a British male expatriate commenting that one “cannot afford to demonstrate any 'racist' attitudes.” In having an attitude of empathy with locals, a Japanese male expatriate commented that one needs to be able to “read the minds of local nationals” to be able to “see things in their perspective.”

Table 6.5

Top Attitude Aspects by Frequency and Importance Score

Attitude Aspect	Frequency of Response	Importance Rating
Manager Respects Locals and Their Culture	68	254
Caring and Kind Towards Locals	45	154
Fairness Towards Locals	33	115
Empathy Towards Locals	29	105
Tolerant Towards Differences	24	86
Willing to Mix With Locals	24	83
Interest in the Host Country	20	73

Knowledge/ Awareness

The important areas of knowledge for a cross-cultural manager identified by this sample when answering all eight open-ended questions include cultural awareness, knowledge of the local business environment, knowledge of the locals and their motivations, knowledge of the host country society and to have education relevant to the manager's role (Table 6.6). Cultural awareness was rated as the most important performance element overall. An Australian male expatriate in Singapore expressed this as "genuine awareness of real cultural differences (not clichéd cultural differences)." The focus group rated this as the most important aspect of knowledge and expressed this as "an understanding of work related culture along with knowledge of business and social etiquette." Knowledge of the local business environment combined specific mentions of host country law, government, management styles, and the history of the expatriates' employing firm in the host country. Knowledge of the host country society brought together comments on the importance of knowing the host country's religions and history, as well as general country awareness.

Table 6.6

Top Knowledge Aspects by Frequency and Importance Score

Knowledge Aspect	Frequency of Response	Importance Rating
Cultural Awareness	104	376
Knowledge of Local Business Environment	65	254
Manager Understands Locals and Their Motivations	54	193
Knowledge of Host Country Society	40	137
Education Relevant to the Managerial Role	39	137

Interview respondents were asked a separate question on “how important is awareness of one’s own culture for an expatriate manager to manage successfully across cultures?” Interestingly, 83.8% of the sample responded that cultural self-awareness was either important or very important to cross-cultural management success.

Skills/ Capabilities

Analysis of the eight open-ended questions revealed the most commonly mentioned skills needed by an expatriate manager to manage successfully across cultures include: language skills; communication skills; cross-cultural skills; leadership skills; expertise in the manager’s relevant work area; interpersonal skills; and the ability to adapt management practices across cultures (Table 6.7). Although participants rated language skills as important, a number of interview participants pointed out that this depended on whether the expatriate’s first language was spoken widely in the host country. Most interview participants rated communication skills as very important because they were integral to the management role. Cross-cultural skills encompassed the specifics of being effective in cross-cultural communication, resolving cross-cultural conflicts, solving cross-cultural dilemmas, and being effective

in cross-cultural negotiation. Leadership skills included specific comments on the ability to solve problems, being able to motivate staff, and comments such as the need to demonstrate “strong leadership but not with an autocratic style.” The focus group emphasised the ability to be able to manage the expectations between the head office and the local branch, however this did not emerge as a major issue amongst interview participants.

Table 6.7

Top Skills by Frequency and Importance Score

Skills	Frequency of Response	Importance Rating
Language Skills	69	214
Communication Skills	55	203
Cross-Cultural Skills	51	184
Leadership Skills	40	150
Expertise in Their Work Area	38	131
Interpersonal Skills	36	126
Able to Adapt Management Practices Across Cultures	35	116

Other Categories

Age was mentioned by 17 (25%) of the sample as important factor for expatriates managing across cultures. This response emerged strongly from the non-Australian participants, with 25% (n = 12) of non-Australians as opposed to 10% (n = 2) of Australians mentioning this factor. Strong family support also emerged as an important issue, with (12) 21% of the sample stating that this is important for an expatriate manager to manage successfully across cultures.

Comparisons between Core Categories (PEAKSO)

The responses on the PEAKSO categories were compared across different groups using a series of ANOVAs. The groups were expatriates and subordinates, Australians and non-Australians, and males and females. Group means were compared on the frequency of responses within each category and the rated

importance of each category. Significant differences were found in relation to expatriates' attitude, with subordinates ($\bar{X} = 3.3$) making more responses regarding attitudes compared to expatriates ($\bar{X} = 2.4$) ($F(1, 64) = 7.70, p = .01$). Compared with Australians ($\bar{X} = 2.1$), respondents from other countries ($\bar{X} = 3.1$) stated knowledge ($F(1, 64) = 5.03, p = .03$), more frequently as a characteristic of cross-cultural management success. Respondents from other countries also stated skills ($\bar{X} = 3.3$) more frequently than Australians ($\bar{X} = 2.5$) as a characteristic of cross-cultural management success ($F(1, 64) = 4.49, p = .04$). In contrast, Australians ($\bar{X} = 3.8$) rated personality characteristics of the expatriate as more important for CCM success than did non-Australians ($\bar{X} = 3.55$), $F(1, 62) = 5.41, p = .02$, although there was no significant difference between the two categories in terms of frequency. No significant differences were found for gender.

Relationship between PEAKSO Core Categories

Two repeated measures ANOVAs were used to test for differences between a) the importance ratings and b) frequency of responses between all of the PEAKSO categories. No significant differences were found for importance ratings, but significant differences were found for frequency of responses (using Greenhouse-Geisser adjustment): $F(4.15, 277.93) = 41.05, p < .001$. Post hoc comparisons found significant differences between the frequency of responses for both 'personality' and 'other' and all the other categories (see Table 6.8 for details). Participants mentioned 'personality' more frequently compared to all other categories, and they mentioned 'other' aspects much less frequently compared to other categories.

Table 6.8

Results of Significant Post Hoc Comparisons for Frequency of Responses within PEAKSO Categories

Categories	Means	SDs	t	df	p
Personality and Experience	5.13 2.97	2.22 1.77	7.25	67	.000
Personality and Attitude	5.13 2.63	2.22 1.68	7.89	67	.000
Personality and Knowledge	5.13 2.77	2.22 1.52	7.33	67	.000
Personality and Skill	5.13 3.00	2.22 1.48	7.13	67	.000
Personality and Other	5.13 1.49	2.22 1.53	12.47	67	.000
Other and Experience	1.49 2.97	1.53 1.77	7.07	67	.000
Other and Attitude	1.49 2.63	1.53 1.68	4.61	67	.000
Other and Knowledge	1.49 2.77	1.53 1.52	6.08	67	.000
Other and Skill	1.49 3.00	1.53 1.48	6.43	67	.000

Discussion

Study Two broadly addressed the secondary research question, ‘what specific management performance elements are effective in rating cross-cultural managerial performance?’ A proposed framework of relevant performance elements outlined in Figure 6.1 attempts to answer this question. The performance elements in the framework were chosen based on the importance scores derived from the results of the interviews and a focus group. Before outlining the framework in detail, the following sections will discuss the relevant elements of the PEAKSO core categories in relation to the Study Two results and relevant literature.

Personality

The personality dimensions identified in Study Two (Table 6.3) are similar to the dimensions identified by van Oudenhoven, van der Zee and van Kooten (2001) in the Multicultural Personality Questionnaire (MPQ) framework. The Study Two dimensions that are similar to the MPQ dimensions are: open-mindedness, adaptability and flexibility, extroversion and social initiative and emotional stability. In contrast, 'patience' and 'sense of humour' are not part of the multicultural personality framework. This research, therefore, supports the multicultural personality dimensions suggested by van Oudenhoven and colleagues (2001) may be related to cross-cultural management. As such, the Multicultural Personality Questionnaire (K. Van der Zee & Van Oudenhoven, 2000), or parts of it, may be a tool that could be used to help assess the cross-cultural management performance of expatriates .

Surprisingly, patience was rated highly by this sample, a characteristic that seems to be missing from most North American and European research into cross-cultural management. This may be a reflection of the predominance of Asian (N = 25) and Australian (N=20) participants in the sample. Interestingly, 45% of Australians rated patience as important, while 52% of Asians rated patience as important. The focus group of Australian expatriates in Singapore also rated this dimension highly. Although patience is not included in the proposed framework, this aspect may be an area for further research. The high rating given to a sense of humour is also a relatively unique finding. Australian managers are known to value humour as a way to cope with stressful situations and to build rapport with other people (Ashkanasy, Trevor-Roberts, & Kennedy, 2004; Lewis, 1996). In the present study, the sub-category 'a sense of humour' was nominated as important more

frequently by subordinates (47.3%) compared with expatriates (26.5%). Although not included in the proposed framework, the importance of a sense of humour to effective cross-cultural management is an area that needs further research investigation.

The ‘sense of humour’ ‘patience’ variables have not been included in the proposed framework in order to keep the number of variables to be tested in Study Three to a level consistent with the Study Three sample size and number of variables. These issues will be explained further in ‘the framework’ section of this discussion. Both of these variables, however, are worthy of inclusion in future research aimed at examining the factors relevant to Asian and Australian effective cross-cultural management.

Engagement/ Experience

This results supported the role of experience and engagement with cultural others in defining successful expatriate management performance. This would extend the contact hypothesis (Amir, 1969) to embrace the idea that the more positive social and work based experiences that the manager has with cultural others, the more positively their cross-cultural management performance is perceived. Caliguiri’s (2000) research with 143 mainly US expatriates adds a note of caution to this, however, with the personality variables of openness and sociability playing a mediating role between extent of social contact with host country nationals and cross-cultural adaptation. The contact hypothesis has been critiqued by Nesdale and Todd (1998) who found that the effect of cross-cultural contact was likely to be diminished where group members were in a social context where they were members of a cultural majority. In some expatriate offices, for example, the expatriates may outnumber the host country nationals, thus potentially diminishing the positive effects of cross-cultural contact.

Attitude

The category of ‘attitude’ was found to be an important factor in effective cross-cultural management. The importance of attitudes appears to have been overlooked in research to date on expatriate CCMP. Attitudes have often been confused with personality, and the distinction is important when defining the variables that may be relevant to evaluating CCMP. Leiba-O’Sullivan (1999) did not consider attitudes in her examination of dynamic cross-cultural competencies. However, the results from the present study seem to indicate that both expatriates and those who work with them identify the important role that attitudes play in expatriate performance. Attitudes have been shown to be easier to modify through training and through positive experiences (Ajzen & Fishbein, 1980). Thus, the findings presented here have important implications for the design of CCM training programs. The identification of relevant attitudes that may be either conducive or harmful to effective cross-cultural management may be an important starting point for improving CCM.

This research has also highlighted the importance of including subordinate host country nationals in performance evaluation, as their inclusion has emphasised the importance of attitudes in cross-cultural management. Participants in this research identified attitudes such as ‘manager respects locals and their culture’ and ‘caring and kind towards locals’ as important in effective CCM. These findings have implications for the important role of feedback from host country nationals in identifying attitudes that are relevant to the performance evaluation of the expatriate.

Knowledge

The important relationship between cultural knowledge and cross-cultural management has been established in other research (R. Bennett, Aston, & Colquhoun, 2000; Earley, 1987; Fish & Wood, 1997). The present study, however, has identified

the importance of the variables of ‘knowledge of the local business environment’ and ‘manager understands locals and their motivations’ to cross-cultural management. These variables seem particularly related to ‘on-the-job’ learning. The identification of the manager ‘understands locals and their motivations’ is a variable that needs comment from host country nationals in order to be effectively evaluated. Possibly this finding may arise from the research sample being drawn in part from host country nationals working with expatriates, rather than just from expatriates and their supervisors.

According to the results of the ANOVA, the knowledge category was mentioned more often by non-Australians. This result is relevant to the Karpin research (Dawkins et al., 1995; Karpin, 1995). As discussed in Chapter One, the report found that Australians managers were seen by Asian business people as unaware of cultural differences between countries. Australian expatriate managers, therefore, may not put as much emphasis on cultural knowledge and cultural awareness compared to managers from other countries. The results of Study Two support and help to explain the findings of the Karpin report research (Dawkins et al., 1995; Karpin, 1995). It may be that Australian expatriates do not think knowledge such as cultural awareness is as important in cross-cultural management as do expatriates from other countries.

Skills/ Abilities

The importance of language skills for participants in this study contrasts with US research on expatriates where the language factor usually receives less emphasis (N. Adler & Bartholomew, 1992). This might possibly be a ‘blind spot’ of US self-reported expatriate research because there is a tendency to assume the international business language of English (Bloch, 1995; Usunier, 1998). US companies do not

compare favourably with non-US parent country companies in terms of foreign language competency requirements (Aijo, 1985).

The strong emphasis on management communication skills highlights the important role of cross-cultural communication in effective CCM. In developing the framework presented in Figure 6.1, the construct ‘able to adapt management practices across cultures’ (Table 6.7) was categorised as a practical application of the ‘flexibility’ personality variable in the framework. Thus, this construct of ‘able to adapt management practices across cultures’, an element with a fairly low importance rating on its own (116 in Table 6.7) is not included as a separate variable in the framework represented in Figure 6.1.

Other Variables

The variable of ‘age’ closely relates to the ‘life experience’ aspect of the experience category, and these variables could be combined. Consistent with the findings of Kraimer, Wayne and Jaworski (2001), respondents in the present research did not rate family support as an important performance factor. While it is difficult to determine, it may be that this factor is more salient in the area of expatriate failure (Arthur & Bennett, 1995), than to CCM effectiveness.

The framework in Figure 6.1 includes cultural toughness as a mediating variable, based on the number of ‘depends’ responses related to the language variable. Participants explained, for example, that language issues are not relevant for an English speaking Australian posted to English speaking Britain. There were no other variables, however, that utilised the ‘depends’ importance option, indicating that cultural toughness may be a variable only important to language and communication issues. Cultural toughness as a potential mediating variable will be examined further in Chapter Seven.

The amount of contact with host country nationals is included as a potential mediating variable, based on the number of responses regarding the type of experience that is required to be effective in cross-cultural management. This variable has been constructed by combining the two constructs of ‘mixing socially with cultural others’ and ‘working with cultural others’ (Table 6.4). Chapter Seven will present relevant selected literature relating to this concept.

Job complexity has also been included as a mediating variable based on focus group responses, where group members emphasised that this aspect becomes important in mediating cross-cultural management performance when comparing managers from different industries and managerial levels. Chapter Seven will explore job complexity in relation to cross-cultural management further.

The Framework

Based on the importance scores found in this study, and representing the results of the final stage of selective coding, the proposed framework of cross-cultural management performance is presented in Figure 6.1. It is important to note that performance elements have been included in this framework if their importance score was assessed as greater than 250 in Study Two. The importance score of 250 is an arbitrary figure that serves as a ‘cut-off’ to indicate the most important performance elements as indicated by the sample. The rationale is also based on the argument of Tabachnik and Fidell (2001) and Cohen and Swerdlik (1999) who suggest that the number of variables for multivariate research (including multiple regression) should be restricted according to the sample size. The sample for Study Three consists of 100 expatriates and 100 subordinate raters and this restricts the number of variables available for analysis in the study from between 10 to 20. Tabachnick and Fidell (2001) argue at least five times more cases per sample group than independent

variables should be a bare minimum, whereas Cohen and Swerdlik (1999) argue for ten times more cases than variables. As participants could provide an unlimited number of responses to each question, there is no maximum score limit in each category. The highest importance score in the research, however, was 376 for ‘cultural awareness’ in the knowledge category (see Table 6.7).

In the framework outlined in Figure 6.1, the independent variables are cultural awareness, open-mindedness, flexibility, knowledge of local business environment, respect for cultural others and their culture and language skills. These six independent variables are proposed to predict the two dependent variables of task performance and contextual performance (as described in the literature analysis in Chapter Three). In addition three mediating variables are proposed: amount of contact with host country nationals, cultural toughness, and job complexity. These variables are derived from, but are not limited to, the core categories that guided the data collection process in Study Two. The definition, supporting theory and research and nature of the links between these variables will be examined in Chapter Seven.

The aspects related to the expatriate’s experience and interaction with host country nationals of ‘mixing socially with cultural others’ and ‘working with people from other cultures’ have been combined into a single variable categorised as ‘amount of contact with host country nationals’ for reasons of succinctness. Language skills have been included in the framework based on its strength of association with cross-cultural management based on previous research (Bloch, 1995; Lievens, Harris, Van Keer, & Bisqueret, 2003; Swift, 2002). The monolingual nature of the data collection (English only interviews and focus group) and the predominance of English in the business environment of the host countries of the sample (Singapore, Australia, and Malaysia) may provide reasons why language did not emerge strongly in the study.

In summary, the framework provides a basis for further testing, where both the expatriate manager and a cultural other rater provide a dyadic assessment of the manager's cross-cultural management performance. The framework addresses the assumptions underlying the hypothesis that it is possible to develop a number of suitable cross-cultural performance elements that can be combined into a framework to evaluate an individual's cross-cultural management performance and that expatriate managers as well as host country national subordinates or colleagues can use the basic framework to evaluate the manager. The focus of Study Three in Chapter Eight is to explore the validity of the framework and the relationships between the variables in the framework and ultimately to address the three hypotheses outlined in Chapter One.

Conclusion

A framework for evaluation of cross-cultural management has been developed based on empirical research with expatriates and subordinates. Whilst most of the suggested variables have been identified in previous research into expatriate cross-cultural adjustment, the identification of attitude variables has not been strongly represented in the cross-cultural expatriation literature to date. Clearly, the focus of the present research is on cross-cultural management, rather than on expatriation adaptation. In contrast to previous attempts, however, the framework in this research has been derived from mostly open-ended questions given to expatriate managers and those who work with them. Most frameworks to date have been derived from the literature rather than from empirical research involving expatriates.

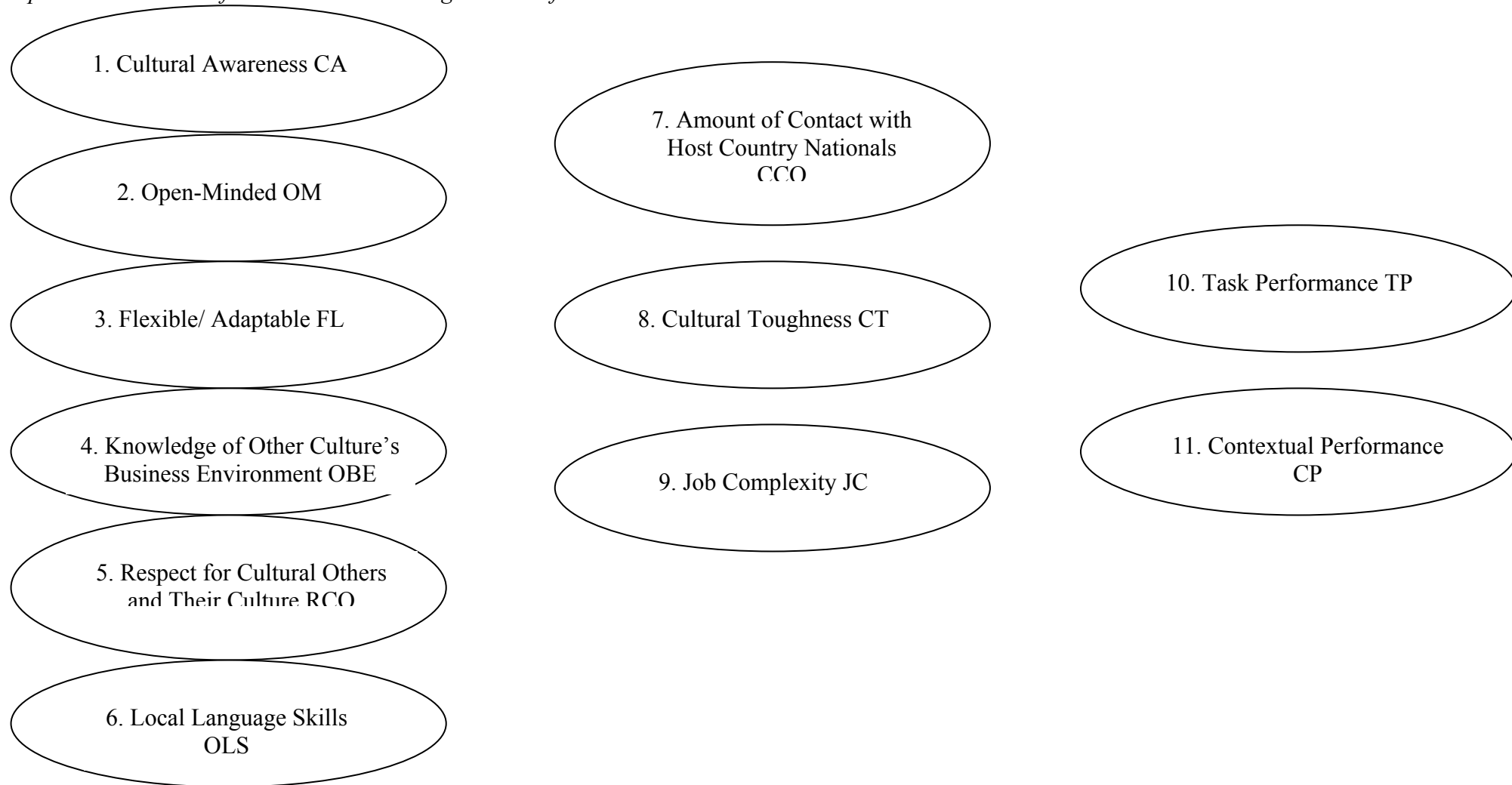
The emphasis on the knowledge variable 'understands locals and their motivations', underlines the importance of utilising host country nationals in a performance evaluation of an expatriate's cross-cultural management performance. A

strong emphasis on both language and communication skills along with ‘mixing socially with cultural others’ highlights that the effective cross-cultural manager is an engaging, interpersonally skilled person who communicates regularly with host country staff.

This research is limited in merely asking expatriates and those who work with them what their opinions are on how cross-cultural managers should be evaluated, without reference to any particular individual or situation. At best, it draws on their collective experience, and at worst, it simply elucidates a set of commonly held values and impressions. Study One explored expatriate performance evaluation in the specific cultural contexts of Australia and Singapore, whereas Study Two explored the evaluation of cross-cultural management with a broader sample of participants. Chapter Seven will explore the relationships between elements in the framework from the perspectives of relevant theory and research. Study Three will test the framework with self and other raters with a broad research sample to determine what it is that makes an expatriate an effective cross-cultural manager. Chapters Eight and Nine will present the study.

Figure 6.1

Proposed Framework of Cross-Cultural management Performance Elements

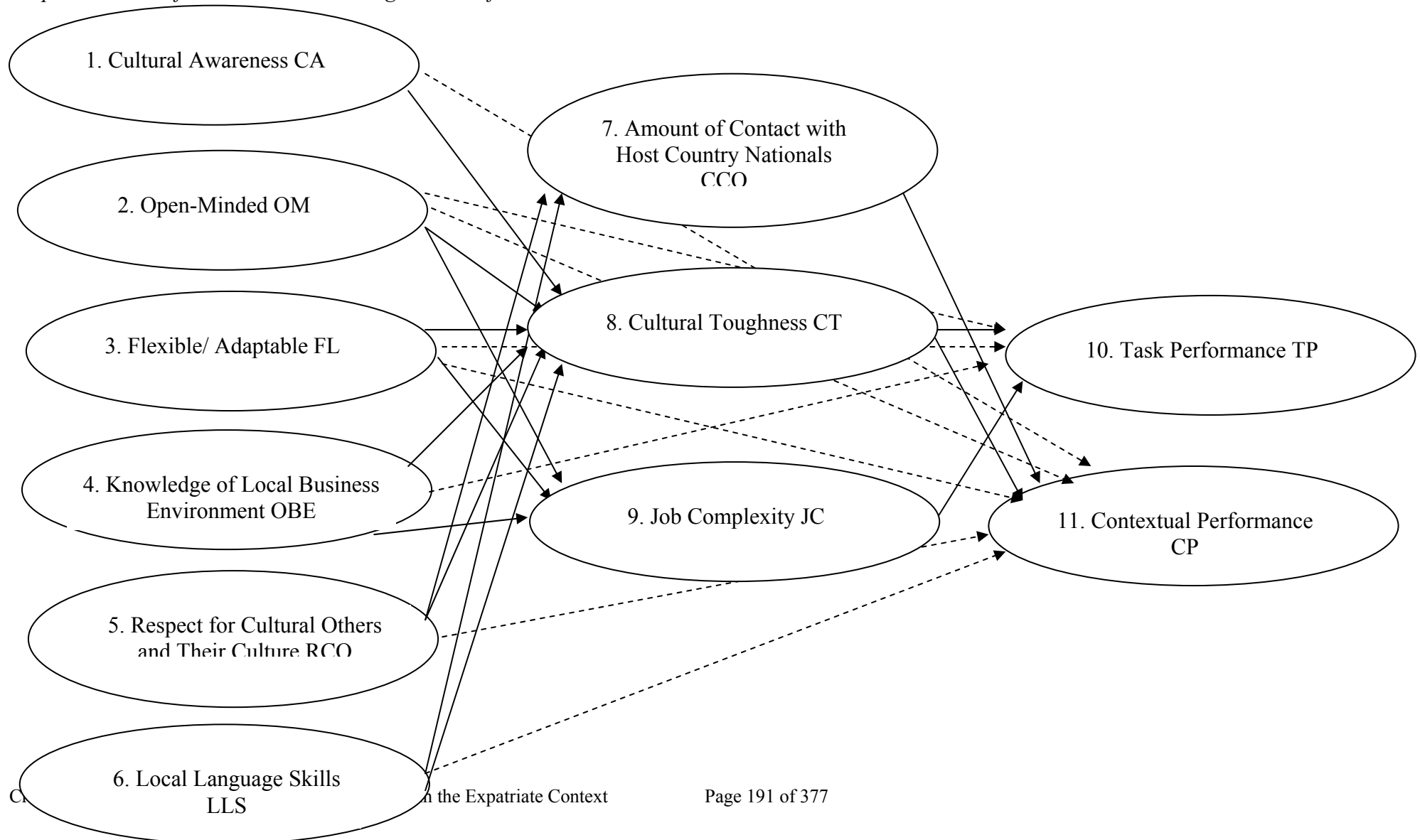


Chapter Seven – A Model of Cross-Cultural Management Performance

This chapter presents the proposed model of cross-cultural management evaluation derived from Study One and Study Two. This model is presented in Figure 7.1. Study One investigated the practices, problems and attitudes about expatriate performance appraisal from the perspectives of expatriates, international human resource managers and host country nationals (Woods, 2003). In Chapter Six, Study Two developed a framework of cross-cultural management performance elements after interviewing 64 experienced cross-cultural managers and host country subordinates (Woods, 2004). In this Chapter, the results of Studies One and Two have been integrated with an examination of the relevant literature to develop a model of evaluating cross-cultural management that enables the inclusion of feedback from assessors from different cultural perspectives (Figure 7.1). Study Three in Chapter Eight will test this model.

Figure 7.1

Proposed Model of Cross-Cultural Management Performance.



The Model

The proposed model of cross-cultural management performance derived from Studies One and Two is presented in Figure 7.1. The model consists of six individual performance elements (independent variables) that are mediated by three contextual elements (mediating variables) that in turn predict two performance elements (dependent variables). The six performance elements are cultural awareness, open-mindedness, flexibility, knowledge of the host country business environment, respect for cultural others and their culture, local language skills. The three contextual elements are amount of contact with host country nationals, cultural toughness, and job complexity. The two performance elements are task performance and contextual performance. These elements and the possible relationships between them will now be defined and discussed.

Independent Variables (PEAKSO Categories)

Cultural Awareness

Study Two research results presented in Chapter 6 indicated that cultural awareness was regarded by the sample as the most important attribute for cross-cultural management effectiveness (see Table 6.7). This element was categorized in the ‘knowledge’ category of the PEAKSO framework (Table 6.1). Cultural awareness has usually been defined or assessed in cultural specific or cultural relative terms, for example how aware English, Greek and Russian export managers are of each other’s relevant cultural norms (Fraser and Zakarda-Fraser, 2002). Further, Lievens, Harris, Van Keer and Bisqueret (2003) have attempted to measure general cross-cultural awareness through utilising a behaviour description interview. In this highly structured interview, candidates were asked to describe past situations where

they demonstrated cross-cultural awareness. Through hierarchical regression analysis, this measure was not found to be a significant predictor of cross-cultural training performance, and the researchers concluded that alternative means of assessing cross-cultural awareness might be needed. The researchers were uncertain why the measure was unsuccessful, however they speculated that asking how an applicant *would* perform on a dimension may be more valid than assessing past behaviour in a general work setting.

The multifaceted concept of cultural awareness has been divided into aspects such as cultural sensitivity (Bennet, 1993; Laughton & Ottewill, 2000), cultural fluency (Randlesome & Myers, 1995) and awareness of relative cultural value systems (Hofstede, 1980; Trompenaars & Hampden-Turner, 2002). There have been multiple frameworks to help categorise the values and components of cultural difference (Hall, 1976; Hofstede, 1980; House et al., 2004; Kluckhohn & Strodtbeck, 1961; Trompenaars & Hampden-Turner, 2002). In addition, substantial research on cultural awareness has focused on defining and describing cultural differences (Bond et al., 2001; Javidan, Dorfman, de Luque, & House, 2006). There has, however, been much less emphasis on measuring the actual level of *awareness* of cultures and how this awareness may affect managerial performance (Hofstede, 2001).

Cross-cultural awareness as a form of knowledge has often been the focus of many pre-departure training programs for expatriates (J. S. Black & Mendenhall, 1990). Black (1988) examined the effect of cultural awareness training on 67 American expatriates in Japan, and found that this form of knowledge had a positive relationship with general adjustment (which is day to day living in the country) and a negative relationship with work adjustment. This finding suggests that the variable of cultural awareness may have an impact on contextual performance (conceptually

related to general adjustment in terms of the interpersonal aspects of relating across cultures), but not on task performance (conceptually related to work adjustment and in turn work task performance). The following paragraphs explore these concepts further.

The concept of cultural awareness as a form of knowledge in relation to expatriate cross-cultural adjustment has been examined conceptually by Sharon Leiba-O'Sullivan (1999). Leiba-O'Sullivan identifies knowledge as a dynamic competency (that is, it may be acquired) rather than a stable competency (that is, a relatively fixed characteristic). She divides the concepts according to Black and Mendenhall's (1990) three cross-cultural competency dimensions in relation to adjustment: self-maintenance, cross-cultural relationship and perceptual dimensions as outlined in Figure 7.2. As has been discussed in Chapter Two, cultural adjustment is an important part of cross-cultural management performance. In order to refine the concept of cultural awareness, the conceptual framework presented in Figure 7.2 will now be explored further.

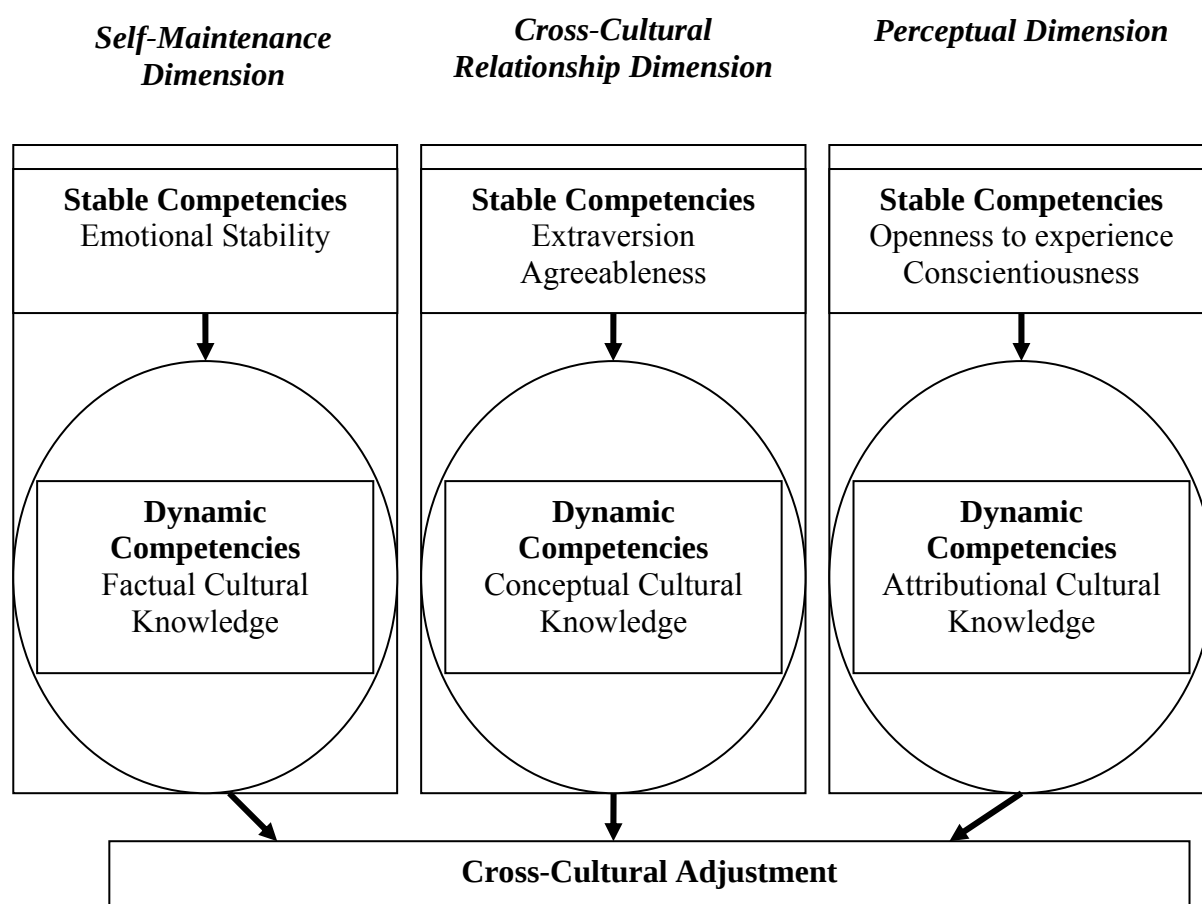
The first division of knowledge is labeled as factual cultural knowledge. According to Leiba-O'Sullivan (1999), factual cultural knowledge is defined as a dynamic competency in the self-maintenance dimension and she characterizes this knowledge as being information associated with the country's history, politics, economy, institutions and social conditions. This aspect of cultural awareness differs from variable 4 in Figure 7.1 labeled as 'knowledge of local business environment' because the knowledge of the other culture's business environment requires more specific information than the more general concept of cultural awareness. For example, cultural awareness would encompass the knowledge that Singaporean Chinese culture is collectivist in nature, whereas knowledge of the local business

environment would include an understanding of the government’s role in the trade union movement in Singapore.

Figure 7.2

The Dynamic and Stable Cross-Cultural Competencies by Competency Dimension

(Adapted from Leiba-O’Sullivan (1999, p.710)



The second aspect of knowledge identified by Leiba-O’Sullivan (1999) is conceptual cultural knowledge. This knowledge is identified as a stable competency in the cross-cultural relationship dimension and is associated with a knowledge of the host country’s values and the values of one’s own culture. As discussed in Chapter Six, awareness of one’s own cultural identity is a crucial component of cultural awareness and it has been identified as being as important as awareness of cultural others (N. Adler, 2002; Earley & Erez, 1997; Rosen et al., 2000). An understanding

of cultural values could be regarded as a foundational aspect of cultural awareness because it provides insight into common cultural motivators and helps in understanding the meaning behind certain cultural practices and behaviours. Cultural self-awareness and an understanding of cultural values are important aspects of cultural awareness and will be included in the assessment of this dimension in Study Three.

The third aspect of knowledge conceptualized by Leiba O'Sullivan (1999) is attributional cultural knowledge. This is identified as a dynamic competency in the perceptual dimension and is associated with an awareness of contextually appropriate social behaviour. This type of knowledge is also identified in the cultural intelligence model (Earley, 2002) and is labeled as 'setting-specific knowledge'. For example, a question to evaluate the manager's knowledge of the appropriate way to interact socially with locals without causing offence should be included in assessing this dimension.

Although Leiba O'Sullivan (1999) categorized these three types of knowledge in relation to cross-cultural adjustment, it is feasible to assess these types of knowledge where cultural awareness is relevant to contextual performance as part of cross-cultural management performance as presented in Figure 7.1. 'Knowledge of the local business environment' is presented as a separate variable to cultural awareness and this will be discussed later. The definition of cultural awareness in the expatriate context for this thesis, therefore, is the understanding of information about the host country's history, religions, motivations and values as well as information about what behaviour is socially appropriate in the culture. It is proposed that cultural awareness will be positively related to contextual performance, in so far as cross-cultural adjustment is an important part of cross-cultural management performance.

Open-Mindedness

Open-mindedness emerged as the most important aspect of personality for effective cross-cultural management according to participants of the interview and focus group study outlined in Chapter Six (see Table 6.5). The concept of open-mindedness has been measured by a number of psychometric scales in the literature (Caligiuri et al., 2000; Norman, 1963; Ones & Viswesvaran, 1997; Paunonen & Jackson, 2000). A widely used scale in assessing personality dimensions in the business context in recent years has been the Big Five framework (Norman, 1963; Ones & Viswesvaran, 1997). The Big Five framework or Five-Factor Model (FFM) was first proposed by Norman (1963), and the five personality factors are (1) Extroversion, (2) Agreeableness, (3) Conscientiousness, (4) Emotional Stability, and (5) Openness (Costa & McCrae, 1992). Within the Five Factor Model, the concept of openness has been defined as a personality characteristic that reflects the individuals' habitual willingness to try new ideas, tolerate ambiguity and dissonance, and generally be curious about their world (McCrae & Costa, 1997). The Big Five framework, however, has been criticized as being too broad to cover trait aspects that are relevant to cross-cultural success (Ashton, 1998; Hough, 1992; K. Van der Zee, Zaal, & Piekstra, 2003).

Caligiuri (2000b) in her examination of 143 American expatriates in 25 countries has defined the concept as openness directed toward people. In the expatriate context, the concept is based on 'one's belief that the host country has something to offer which will help one grow, develop, and learn' (Caligiuri, 2000b, p.65). Caligiuri, Jacobs and Farr (2000) describe individuals who are higher in openness as having less rigid views of right and wrong or what is appropriate and inappropriate. Conversely, Black (1990) has described individuals who are less open

as viewing their ideas, norms, and behavior patterns as correct and others as incorrect and making little effort to understand people from other cultures and backgrounds. A more recent definition of ‘open-mindedness’ included in the Multicultural Personality Questionnaire (MPQ) in the cross-cultural context is ‘an open and unprejudiced attitude towards out-group members and towards different cultural norms and values’ (K. Van der Zee et al., 2003, p. 78). This definition appears to concisely integrate the elements of openness in the cross-cultural context and will be the definition adopted for the proposed framework. The MPQ and its dimensions of openness and flexibility will now be explored further.

The MPQ has been designed to specifically assess personality traits related to multicultural effectiveness (K. Van der Zee & Van Oudenhoven, 2000). The MPQ has been validated through a number of research projects with expatriates, job applicants and students (K. Van der Zee & Van Oudenhoven, 2000; K. Van der Zee, Van Oudenhoven, J., 2001; K. Van der Zee et al., 2003; J. van Oudenhoven et al., 2001; J. P. Van Oudenhoven et al., 2003; J. P. Van Oudenhoven & Van der Zee, 2002). Open-mindedness and flexibility are two of the five dimensions of the MPQ’s scales. Both of these subscales will be used in Study 3. In one study, the MPQ was tested with a group of 127 male expatriate Heineken employees located in a number of countries throughout the world (J. van Oudenhoven et al., 2001). This research project specifically examined how the MPQ dimensions related to the four allegiances expatriates may have to the parent company or to the local firm or branch. These four allegiances were defined as ‘free agents’ with low allegiance to either the local or parent firm, ‘going native’ with a high allegiance to the local firm and low allegiance to the parent firm, ‘hearts-at-the-parent-company’ expatriates with low allegiance to the local firm and high allegiance to the parent firm, and ‘dual citizens’ who have a

high allegiance to both the parent and local firm (J. S. Black et al., 1999). Factor analysis of the survey research found that flexibility was associated with the free-agent expatriate allegiance and that open-mindedness was associated with respondents classified as dual citizens. The research also found that expatriates regarded acting as a dual citizen and going native were the two most important approaches in expatriate success. These results indicate that it is worthwhile to further examine if flexibility and openness are important in expatriate success.

Another examination of the MPQ with expatriates explored the relationship between the MPQ dimensions and adjustment (J. P. Van Oudenhoven et al., 2003). The three aspects of adjustment explored were personal adjustment (satisfaction with life, physical health and psychological well-being), job satisfaction and social adjustment referring to satisfying social relationships in the host country. Personal and social adjustment are factors that are closely related to expatriate contextual performance (Kraimer et al., 2001). The participants in the survey based research were 102 Taiwan-based expatriates from a number of countries, professions and companies. The MPQ scales of openness was found to be internally valid with this sample (14 items, $\alpha = 0.82$), however the 13 item flexibility dimension had a lower internal reliability ($\alpha = 0.64$). Overall, the MP dimensions were found to be predictors of the three aspects of adjustment. Open-mindedness, therefore, is proposed to be positively related to contextual performance. Open-mindedness was found to be a significant negative predictor of satisfaction with life ($\beta = -0.28$), however the researchers point out that this result must be interpreted with caution due to the non-significant correlation between the two dimensions ($r = 0.12$).

The MPQ has also been examined with a sample of 264 job applicants for an organisation located in both the Netherlands and Belgium (K. Van der Zee et al.,

2003). Again the MPQ scales were found to be internally valid, including open-mindedness (18 items, $\alpha = 0.83$) and flexibility (18 items, $\alpha = 0.72$). Confirmatory factor analysis provided reasonable support for the internal structure of the instrument. The sample was also assessed against an overall competency rating, where this rating represented a summary of the candidate's performance over all of the selection procedures, including selection interview, assessment centre exercises and written test results on crucial job performance criteria. The MPQ scales were found to have a higher incremental validity against the Big Five scales in relation to the overall competency rating. Open-mindedness was found to be an independent predictor of overall competency ($r = .35$, $\beta = 0.28$). However, as data were collected as part of a selection process, its relationship with actual job performance is speculative. In contrast, in researching 102 employed executive MBA students in the US, the five factor personality model's 'openness to experience' was found not to be associated with peer assessments of task performance (Barrick, Parks, & Mount, 2005). Study Three will examine the relationship between open-mindedness and flexibility with job performance (task and contextual performance). Based on the balance of previous research, it is proposed that open-mindedness is positively related to task performance.

The study with Dutch and Belgian job applicants (K. Van der Zee et al., 2003) did not find gender differences for the variables of open-mindedness and flexibility. However, individuals working at higher job levels, had higher scores on both open-mindedness and flexibility than those working at lower levels. Study Three will examine the variables of open-mindedness and flexibility in relation to gender and job complexity to explore these possible relationships further.

Flexible/ Adaptable

Flexibility/adaptability was the second most important personality variable in cross-cultural management effectiveness that emerged from Study Two (see Table 6.5). The variables flexibility and adaptability were combined into a single variable based on focus group and interview research as described in Chapter Six. Similarly, the concepts were combined by Arthur and Bennett (1995) in their study of factors relevant to the perceived expatriate assignment success of 338 ethnically diverse international assignees. Flexibility was identified as one of the five important factors in international assignee's perceived success (Arthur & Bennett, 1995).

Unfortunately, none of the 54 dimensions used in their survey instrument were defined, however the dimensions were based on Ronen's 1989 review of the international assignee training literature. In Ronen's review (1989) the term 'behavioural flexibility' is defined as the ability to vary one's behaviour according to immediate requirements. Ronen also combines the terms flexibility and adaptability. He defines a person with 'behavioural flexibility' as someone who is "alert to social cues and capable of altering their responses and adapting effectively to the environment with independence and confidence" (Ronen, 1989, p.433).

Flexibility has been described by Van der Zee, Zaal and Piekstra (2003) as being able to switch strategies in intercultural situations and to be attracted to new and unknown situations as a challenge. In her qualitative examination of expatriate managers in two Japanese multinational department stores in Hong Kong, Wong (2005) defined cultural flexibility as the manager's ability to move from the state of organisational and cultural enmeshment to a transcendent state where their vantage point is outside the organisation or cultural system. The competency of flexibility has also been defined as the manager's ability to change as necessary when the external

environment changes (Spreitzer et al., 1997). Adler and Bartholomew (1992) argue that the competency that they label as ‘adaptability’ is needed by transnational managers on a daily and career-long basis to deal with cross-cultural challenges, rather than just for learning how to adapt to a new foreign assignment. In summary, the definition of flexibility offered by Van der Zee, Zaal and Piekstra (2003) will be used in this thesis because it integrates the core concepts underpinning the range of definitions in the literature and applies the concept specifically to expatriate managers. In the next section, the suitability of the MPQ sub-scale measuring flexibility as part of the performance evaluation of expatriates using self and other ratings will be examined.

The flexibility sub-scale in the MPQ was used in a survey study of 257 University students in the Netherlands (K. Van der Zee & Van Oudenhoven, 2000). It was developed by combining the 12 item scale ($\alpha = 0.68$) of flexibility with the inter-correlated ($r = 0.67$) scale of adventurousness to provide a 24 item dimension of flexibility ($\alpha = 0.85$). Flexibility was found to be significantly related to the Big Five dimensions of extraversion ($r = 0.51$) and openness to experience ($r = 0.51$). In Van der Zee and Van Oudenhoven’s (2001) study of 210 University students in Holland, the dimension of flexibility was reduced to a 13 item scale which had internal consistency (self rating $\alpha = 0.8$, other rating $\alpha = .74$). Consistent with the way in which open-mindedness was rated in this study, the self ratings of students in Van der Zee and Van Oudenhoven’s (2001) study tended to be higher than when someone else rated the individual. On a 5-point ascending scale, the mean for self-rating was 3.13, whereas the mean for the other rating was 2.95. The complexities of the self-other rating relationship will be further explored in Study Three.

In their study of 171 students studying international business in the Netherlands (of which 47% were foreign student sojourners), Van Oudenhoven and Van der Zee (2002) found the variable flexibility was significantly correlated with mental health ($T1 - r = 0.46$, $T2 - r = 0.39$). This suggests flexibility contributes to helping sojourners such as foreign students cope with the stresses of performance and intercultural adjustment. Overall, the variable of flexibility is proposed to be positively related to cross-cultural management performance (task and contextual) based on its positive relationship with expatriate success (Arthur & Bennett, 1995), cross-cultural management (N. Adler & Bartholomew, 1992) and the results from Study Two.

Knowledge of Local Business Environment

Knowledge of the local business environment emerged from Study Two as an important variable in cross-cultural management effectiveness. Job-related knowledge is part of the KSAO framework (Tannenbaum & Yukl, 1992) that is common in the domestic human resource management literature. The KSAO framework (knowledge, skills, abilities, other) has been discussed in Chapter Six. In reviewing over 90 years of empirical studies on job performance dimensions, Viswesvaran and Schmidt (2005) found that job-related knowledge was not related to ratings of job citizenship behaviours associated with contextual performance. Job-related knowledge, however, has been positively correlated with task performance (Viswesvaran & Schmidt, 2005).

In order for an expatriate manager to be effective in cross-cultural management, cultural awareness alone is not sufficient. Cultural awareness has been conceptually related to cultural adjustment (Leiba-O'Sullivan, 1999). However, managers also need to perform effectively in their management role. To do this,

managers need an awareness of the business environment including relevant knowledge of local laws, regulations and government. Knowledge of the business environment may be helpful in adjusting to the cross-cultural environment, but it is necessary when creating synergistic solutions through cross-cultural management

The dimension of knowledge of the host country business environment has been measured in bicultural research by assessing the participant's knowledge of specific impressions of cultural norms relating to the business environment of the host country (Fraser & Zarkada-Fraser, 2002). Whilst this may be a relatively objective method of assessing knowledge of the host country, it may only be useful when participants are working in a particular industry and in particular countries. In the context of assessing overall impressions of cross-cultural management in a multinational and multicultural context, broader knowledge of the local business environment is needed. However, questions about the manager's knowledge of the local business environment may be particularly relevant when asking rater's from the local environment to assess the manager.

The variable, 'knowledge of the local business environment' is defined, therefore, as an understanding of the business context including local laws, regulations and government that are relevant to the particular performance of the manager's role. It is proposed that this variable will be positively related to the task performance component of cross-cultural management performance (Viswesvaran & Schmidt, 2005) in the host country's environment.

Respect For Locals And Their Culture

Attitudes are notoriously difficult to assess in social research due to their subjective nature and due to the culturally determined behavioural differences in displaying attitudes such as respect (Ajzen & Fishbein, 1980; Hempel, 2001).

Attitudinal variables, therefore, have usually been neglected in relation to cross-cultural management (Nicholls, Rothstein, & Bourne, 2002). Attitudinal aspects of management, however, were shown to be important in assessing cross-cultural managers according to the results from Study Two (see Table 6.4). Individuals such as subordinates who are involved in and affected by management can assess demonstrations of respect and the willingness to show respect, however subjective these perceptions may be. Behaviours that aim to build positive interpersonal relationships, such as acts of caring and kindness, are usually associated with respect. Study Two revealed that ‘respect for locals and their culture’ could be defined as demonstrating a caring and kind manner towards locals, showing fairness towards locals and having empathy for locals and their culture (see Table 6.7). Individuals who do not have an attitude of respect for locals and their culture may engage in cultural stereotyping, racial prejudice, ethnocentric attitudes and displays of arrogance (Triandis, 1972).

The concept of cultural respect has been interpreted in a number of ways. Cross-cultural psychology researchers (Mio et al., 1999) argue that mutual cultural respect is the desired outcome of successful cultural adaptation. Furthermore, Harris and Moran (2000) assert that the ability to express respect for others is an important part of effective relations in every country (etic), however the way of communicating that respect is different between many cultures (emic). Brislin, Worthley and Macnab (2006) have discussed this problem in relation to cultural intelligence. It is their contention that there is an etic four-step process rooted in cultural intelligence that enables positive expression of cross-cultural respect. These four steps are “(a) identification of new behaviors, (b) identification of reason(s) for behaviors, (c) consideration of emotional implications of behavior, and (d) using this new

understanding and awareness for inductive reasoning for larger cultural implications” (R. Brislin et al., 2006, p48). The researchers align this four step process with the ‘three R’s’ process of recognition, respect, and reconciliation identified by Trompenaars and Woolliams (2003).

‘Respect’ is defined by Trompenaars and Woolliams (2003) as the inner realization that individuals may interpret the same event or object differently, depending on their inner cultural perspective. Cultural differences, therefore, exist within ourselves as we interpret the world based on our cultural perspectives. This realization may form the foundation for a non-judgemental attitude to cultural difference, and an understanding that resisting ethnocentric attitudes enhances the management of cross-cultural dilemmas.

The attitude of wanting to show respect for locals and their culture, therefore, appears to be integral to the individual’s values such as non-judgmentalism, and complimentary attitudes such as cultural empathy and low ethnocentrism (Ronen, 1989). Indeed, the attitude of ‘respect for locals and their culture’ may be a summary of component attitudes such as cultural empathy, low ethnocentrism, sociotyping (that is, accurate representations of the culture) rather than stereotyping (Earley & Ang, 2003) and resistance to prejudice. Earley and Ang (2003) have linked the personality variable ‘openness to new experience’ with lower levels of stereotyping. It could be, therefore, that those who have a lower level of ‘respect for locals and their culture’ may also have a lower level of ‘openmindedness’. The potential relationship between these variables will be explored in Study Three.

Similarly, based on survey examination of 309 male Korean expatriates from a manufacturing firm Shaffer and her colleagues (2006) found that ethnocentrism was significantly negatively related to interaction adjustment. In other words,

ethnocentrism decreased as personal comfort in adjustment to interactions with members of other cultures increased. The link between ‘respect for cultural others and their culture’ and the ‘*amount* of interaction with host country nationals’ has not been explored, and so this will be examined in Study Three. The effect of the amount of contact with host country nationals on performance, including the social contact hypothesis, will be discussed further in a later section of this Chapter.

Another construction of the variable ‘respect for self and others’ in the context of cross-cultural work is provided by Earley and Gibson (2002) in their multinational team model. Here, the two components of trust and morality are explained through two Chinese concepts of ‘face’. The first concept is ‘lian’ which represents a person’s moral character that evolves in a moral society. The second concept, ‘mianzi’, refers to the way a person interacts with others in the society. Through these interactions, an individual may earn respect from others based on the individual’s intentions. Respect for others, therefore, stems from an individual’s inner values, attitudes and morals (reflecting lian) and it is expressed through the way the individual interacts with others (reflecting mianzi) (Earley & Gibson, 2002). A cultural difference in the interpretation of this two- layered aspect of face is that the collectivist interpretation of face aims to preserve the harmony of the social environment, while the primary concern of individuals is to avoid personal embarrassment (Ting-Toomey, 1988). An example of this would be that helping an individual save face actually helps the group to save face as all members have an interest in preserving social harmony and in promoting mutual respect (Aw, Tan, & Tan, 2004; Ting-Toomey, 1988).

Given the definition outlined above, the variable of ‘respect for cultural others and their culture’ could be assessed through self-reports (that is, a self-reflection on values and attitudes), as well as an assessment by cultural others of their perceptions

of respect-related attitudes and behaviours demonstrated by the cross-cultural manager (Berman Brown & Fouad Ataala, 2002). According to this definition, the variable cannot be adequately assessed in the cross-cultural context by self-evaluations alone. Furthermore, an assessment of this variable may be quite different depending on whether the rating is made by managers alone or cultural others. This relationship will be explored in Study Three.

To summarise, therefore, ‘respect for cultural others and their culture’ is defined as possessing and demonstrating an attitude of cultural empathy for others through low ethnocentrism, resistance to prejudice and relationship building behaviours. This variable is proposed to be positively related to the contextual performance components of cross-cultural management performance based on its relationship with cultural adjustment (Mio et al., 1999). It may be mediated by the amount of contact with host country nationals. The manager’s attitude of respect may be rated more favourably in self-ratings than in ratings by others who come from a different culture to the manager.

Local Language Skills

Skills in host country language emerged as an important factor in cross-cultural management effectiveness in Study Two. The variable is defined as fluency in the common local language where the expatriate is located. Participants in Study Two emphasised that the importance of this factor depended on how much the job role required contact with host country nationals. Other non-US based research has also emphasised the importance of local language skills in cross-cultural management (Bloch, 1995; Lievens et al., 2003; Swift, 2002). Companies headquartered in English-speaking countries, have placed much less emphasis on this skill as part of cross-cultural management effectiveness because English is often regarded as the

common language of international business (N. Adler & Bartholomew, 1992; Bloch, 1995; Hutchings, 2002). The US in particular, lags behind most countries in terms of the requirement for expatriates to be fluent in at least one other language besides English (Aijo, 1985).

Host culture language proficiency has been shown to be positively related to cultural adjustment (Shaffer, Harrison, & Gilley, 1999; Takeuchi, Yun, & Russell, 2002) and cultural awareness (Bush, Rose, Gilbert, & Ingram, 2001; Wiseman, Hammer, & Nishida, 1989). In examining 170 Japanese expatriates in the US, host language proficiency was found to be positively related to supervisor-assessed work adjustment (Takeuchi et al., 2002). In this same research project, host language proficiency also had an indirect effect on self-assessed interactional adjustment through work adjustment (Takeuchi et al., 2002). Similarly, Shaffer and colleagues' (1999) study of 452 expatriates from US based multinationals posted to 45 countries, found that host language fluency was related to interaction adjustment, but not to work adjustment or general adjustment. The researchers also found that expatriates who were fluent in the local language were more likely to suffer a negative impact from job-related role conflict, suggesting that those who were fluent were more aware of contradictory demands from host country employees and parent company nationals. Those who were not fluent, may not even notice the conflicting signals (Shaffer et al., 1999, p.575). Host language fluency, therefore would seem to be related to contextual performance, rather than task performance.

The knowledge of language by a non-native speaker often is related to the broader ability to acquire another language (Gudykunst & Ting-Toomey, 1988). The ability of cross-cultural managers to acquire another language has been linked to cognitive ability (Lievens et al., 2003), attitudes of liking and respecting the relevant

culture (Swift, 2002) and cultural awareness (Randlesome & Myers, 1995). It has not been related directly to cross-cultural management performance (Lievens et al., 2003). It is proposed, however, that local language ability is positively related to contextual performance, as it has been positively linked to cultural adjustment (Shaffer et al., 1999; Takeuchi et al., 2002), which is an important part of contextual performance. The relationship between local language skills and the mediating role of the amount of contact with host country nationals will be explored in Study Three.

Mediating Variables

According to Baron and Kenny (1986), a variable may be said to function as a mediator to the extent that it accounts for the relation between the predictor (independent variable) and the criterion (dependent variable). In the proposed model, the variables of cultural toughness, amount of contact with host country nationals, and job complexity are expected to mediate the expected links between the independent variables and the dependent variables of interest (task and context performance). In accordance with Baron and Kenny's (1986) recommendations, mediation would be demonstrated to the extent that the proposed mediator (amount of contact with cultural other, cultural toughness and job complexity) relate to the dependent variable (task or contextual performance) beyond the effect of the independent variable (cultural awareness, open-mindedness, being flexible/adaptable, having a knowledge of the local business environment, having respect for locals and their culture and local language skills). The three conditions of mediating (Baron & Kenny, 1986) are that there are (i) links between the independent variables and the dependent variables (ii) links between the independent variables and the proposed mediating variables and (iii) links between the mediating variables and dependent variables. These links will be discussed in the next section and explored empirically in Study Three.

Amount of Contact with Host Country Nationals

Study Two research identified that experience in mixing socially with people from other cultures and working with people from other cultures was an important factor in cross-cultural management effectiveness (Table 6.5). The contact hypothesis holds that the more people from different ethnic backgrounds interact closely with each other in a favourable atmosphere with positive outcomes, the more they understand each other. This can lead to gradual acceptance of difference between people (Amir, 1969). Research on contact between expatriates and host country nationals has usually focused on perceptions of satisfaction with the interactions. In the three faceted adjustment model suggested by Black (1988) in his research with 67 American expatriates in Japan, social interaction adjustment refers to expatriate satisfaction with the quality of interactions with host country nationals. Black's (1988) research found that amount of contact with host country nationals was related to general adjustment (including social adjustment), but not to work adjustment (J. S. Black & Mendenhall, 1990). According to the discussion in Chapter Two, intercultural effectiveness can be demonstrated when a sojourner spends free time with hosts and is evaluated to have interacted well with locals (R. W. Brislin et al., 1986).

In terms of the quality and effect of interactions, co-worker support is a related concept, derived from the theory of organisational socialization (C. D. Fisher, 1986; Taormina, 1998). The amount of contact with host country nationals and its effect on adjustment has been investigated by Taveggia and Gibboney (2001) with 181 US embassy employees working in Canada, Chile and Mexico. Conversely, non-work interaction with host country nationals was related positively to interaction adjustment, work adjustment and overall adjustment. Non-work interaction with

home country nationals was related negatively to overall adjustment and interaction adjustment.

In an interview study with American and Israeli managers and engineers who work together in Silicon Valley (USA), Shamir and Melnik (2002) demonstrated clear cultural difference between expectations about non-work interactions between the Israeli managers who were rated as flexible and the Americans who were rated as less flexible or more rigid. The Israelis tended to have more permeable boundaries with regard to bypassing bureaucratic restrictions, self-expression of opinions and emotions, punctuality and time restrictions, and limits between work and non-work roles and relationships. Expectations, therefore, on the amount of time an expatriate will spend with host country nationals may be influenced by host or home country culture. In turn, the variables may affect how cultural others rate expatriate managers' contextual performance in Study Three.

To summarise, therefore, the variable 'amount of contact with host country nationals' is defined as the amount of work-related and non-work related social interaction contact between expatriate and host country nationals. As discussed previously, it is proposed contact will be positively related to respect for cultural others and their culture and local language skills. It is also expected that amount of contract with host country nationals may mediate the relationship between these variables and contextual performance.

Cultural Toughness

In the proposed model of cross-cultural management effectiveness derived from Study Two (See Figure 7.1), cultural toughness is proposed as a mediator variable between the independent and dependent variables. Cultural toughness has been defined by Mendenhall and Oddou (1985) as the 'toughness' of the culture of a

country based on the cultural differences between the home culture of the individual and the culture of the country of assignment. The concept has been labeled as cultural novelty (J. S. Black et al., 1991), cultural distance (Hofstede, 1980) or cultural barriers (Torbiorn, 1982). The psychological effect of the initial phases of adjustment to a culturally tough environment has been labeled as ‘culture shock’ (Furnham & Bochner, 1986; Stahl & Caligiuri, 2005).

In a review of the literature regarding cultural toughness and training, Bhagat and Prien (1996) claim that the expatriate will experience greater difficulty in interacting and working in a new environment depending on how great the cultural differences are between the country of origin and the destination location. Summarising her empirical research on acculturation and cultural distance, Ward (1996) concludes that there is a robust negative relationship between cultural distance and sociocultural adjustment. She argues that sojourners who live in host cultures that are very different from their home culture experience greater difficulties in sociocultural adjustment. In a sample of 452 expatriates from 29 different countries assigned to 45 host countries, Shaffer, Harrison and Gilley (1999) found that ‘cultural novelty’ (or difference) hindered general adjustment.

Stahl and Caligiuri (2005) found through interviews with 116 German expatriates on assignment either in Japan or the US that cultural toughness was a mediator between the effectiveness of problem-focused coping strategies and cross-cultural adjustment. In performing a recent analysis of research, Earley and Ang (2003) have suggested that a person with a higher cultural intelligence will be better able to cope with social, cultural and general non-work adjustment when moving to a culturally tough environment. Based on the research discussed, therefore, expatriate managers who attempt to manage in an environment culturally different to their own

would have their cultural awareness, open-mindedness, flexibility, knowledge of other culture's business environment, cultural respect and host language ability tested as they attempt to achieve both task and contextual performance. For example, an Australian expatriate posted to the United States may find that their knowledge of the host country business environment (low cultural toughness for an Australian expatriate) may have little effect on their task performance (such as winning business contracts). In contrast, however, the Australia expatriate posted to Egypt (high cultural toughness for the Australian) may find that their knowledge of the host country's business environment helps them to win the business contract (achieve task performance). Cultural toughness, therefore, is expected to mediate the effect of the independent variables on contextual performance (See Figure 7.1).

Job Complexity

The model of cross-cultural management effectiveness presented in Figure 7.1 also proposes job complexity as a mediating variable. Job complexity has been examined in research on the effects of integrated manufacturing on job design with 123 US managers (Dean & Snell, 1991). They defined a complex job as one that involved mental processes such as problem solving, applying discretion and using technical knowledge. The findings of Study Two suggest task performance is more difficult when job complexity is greater. Therefore, it is expected that job complexity might mediate the initial positive impact of flexibility and knowledge of the local business environment in terms of task performance. Job complexity is sometimes thought to include complex aspects of the job role. In researching 67 American expatriates in Japan, Black (1988) found that role ambiguity and role discretion were related to work adjustment, but not to general adjustment. In their seminal theoretical model of expatriate adjustment, Black, Mendenhall and Oddou (1991) hypothesized

that the job related aspects associated with adjustment are role clarity, role discretion, role novelty and role conflict. Role clarity and role discretion (that is, the permission to determine aspects of one's own work role) were hypothesized as being positively related to work adjustment (J. S. Black et al., 1991). Role conflict and role novelty were hypothesized as being negatively related to work adjustment (J. S. Black et al., 1991). These four aspects of job complexity, are associated with defining and communicating the job role (Rizzo, House, & Lirtzman, 1970; Singh & Rhoads, 1991), rather than complexity within the actual job tasks (Dean & Snell, 1991). Participants in the Study Two research seemed to indicate that it was the complexity of the job task itself that played a role in mediating work performance. Study Three will use Dean and Snell's (1991) measure and definition (1991) of job complexity.

Task Performance

The dependent variables in the model presented in Figure 7.1 are labeled task performance and contextual performance. The division of performance into these two categories was first suggested by Borman and Motowidlo (1993). According to Motowidlo and Van Scotter (1994) task and contextual performance are distinguishable and they contribute independently to job performance. Task performance is defined and discussed in relation to expatriate cross-cultural management in this section, and contextual performance will be discussed in the next section.

Task performance has two complementary components. The first component consists of those activities that 'directly transform raw materials into the goods and services that the organisation produces' (Motowidlo & Van Scotter, 1994, p.476). The second component includes the activities that services and maintains the execution of the technical processes implicit in the first component (Motowidlo &

Van Scotter, 1994). Task performance is usually seen as being role prescribed, and examples of task performance would include producing products, selling merchandise, acquiring inventory, managing subordinates or delivering services (Befort & Hatstrup, 2003). Task performance, therefore, is defined as performance on those activities and processes that transform original materials into the products and services that the organisation produces and the activities that service and maintain the associated technical processes (Motowidlo & Van Scotter, 1994).

Variation in task performance is usually seen in terms of proficiency in carrying out task activities (Motowidlo & Van Scotter, 1994). This proficiency correlates with experience, training, job-related knowledge, and skills (Motowidlo & Van Scotter, 1994). Knowledge, skills and abilities, therefore, are often seen as being predictors of task performance (Borman & Motowidlo, 1993). As discussed earlier in this Chapter, open-mindedness, flexibility, knowledge of local business environment, cultural toughness and job complexity are all proposed to be related to task performance (see Figure 7.1).

Contextual Performance

In their original exposition of the differences between task and contextual performance, Borman and Motowidlo (1993) have argued that there are four main differences between the two dimensions of performance. Firstly, whilst task performance contributes to the technical core, contextual performance supports and is affected by the environment in which the technical core must operate (Witt, Kacmar, Carlson, & Zifnуска, 2002). Secondly, whilst task performance varies between jobs, contextual activities are common to all or most jobs. Thirdly, Borman and Motowidlo (1993) argue that variation in contextual performance is based on volition and predisposition, rather than knowledge, skills and abilities that are associated with task

performance. Contextual performance, is therefore often associated with attitudinal and personality variables such as ‘open-mindedness’, ‘flexibility/ adaptability’ and ‘respect for cultural others and their culture as presented in Figure 7.1. As discussed in previous sections of this chapter, however, cultural awareness, knowledge of the host country business environment and local language skills in the expatriate context would play a role in contextual performance. This is primarily due to role of these variables in facilitating interaction with and understanding of the host country social and cultural environment. Finally, contextual performance is not role-prescribed as task performance is, and so contextual performance is often not directly prescribed, recognized or rewarded.

Kraimer, Wayne and Jaworski (2001, p.80) define expatriate contextual performance as ‘the expatriate’s level of effectiveness in performing international aspects of the job that go beyond task specific duties’. The items they chose for assessing contextual performance were: - ‘adapting to the foreign facility’s business customs and norms’, establishing relationships with key host-country business contacts’ and ‘interacting with coworkers’ (Kraimer et al., 2001, p.83). In examining the sources of support and performance using 213 expatriate-supervisor dyads, their research demonstrated a significant positive relationship between interaction adjustment using the three item subscale from Black and Stephen’s (1989) 14-item expatriate adjustment scale (‘interacting with host nationals on a day-to-day basis’, ‘interacting with host country nationals outside of work’, ‘speaking with host nationals’) and the three-item contextual performance listed above. Given the significant correlation between these two variables in their research (0.24), one could argue that their measure for expatriate contextual performance is measuring a very similar construct to interaction adjustment.

Task performance usually includes the management of subordinates (Befort & Hattrup, 2003), however Kraimer, Wayne & Jaworski (2001) have placed managerial aspects of performance within contextual performance. Kraimer and colleagues (2001) argue that expatriate-specific contextual performance is closely linked with maintaining good working relationships with employees and establishing good relationships with host nationals. In their study of expatriate-supervisor dyads, they combined expatriate specific and managerial contextual performance elements into the one dimension of expatriate contextual performance. Surprisingly, their measure does not include the ability to integrate different cultural perspectives to produce effective solutions to problems. This concept is regarded as an important part of cross-cultural management performance, based on the definition of cross-cultural management provided in Chapter Two of this thesis. Given the analysis of the literature presented here, a revised definition of contextual performance is proposed. It is defined as achieving productive diversity, intercultural effectiveness and cultural synergy in the non-task related performance of management across cultures. Contextual performance is achieved through processes including successful cultural adaptation and cross-cultural social engagement and skills including leading cross-cultural teams and resolving culturally related value dilemmas.

Other Variables

There may be other variables that have an influence on the model presented in Figure 7.1. These variables are gender, length of expatriate posting and number of expatriate postings. Study Three will control for these possible effects. The following section will examine the potential influence of these variables on the model.

Gender

Traditionally, women have been under-represented amongst the ranks of expatriate managers (Caligiuri & Cascio, 1998) and there has been little research attention paid to the gender differences in cross-cultural management performance (Caligiuri & Tung, 1999). Caligiuri and Tung (1999) found that men and women did not differ significantly on performance related aspects of personality, family support or organisational support. They did, however, find that female expatriates were more likely to be negatively stereotyped by host country nationals, especially in countries where women are not commonly valued as professionals. Mathur-Helm (2002) came to a similar conclusion after an interview study with 25 South Africa based female expatriates who had previous experience as expatriates. Caligiuri and Tung (1999) found that male and female expatriates did not differ in their desire to terminate the assignment, or on supervisor rated performance, however women were less cross-culturally adjusted than men.

In contrast to these findings, Adler found no relationship between cultural toughness, expatriate effectiveness and gender (N. J. Adler, 1984; 1987). In a more focused study of 160 male and female expatriates (80 pairs) from North America, Tung (2004) found that women are just as successful as men in culturally tough environments, including those countries where women were not commonly valued as professionals. Further, Tung (2004) found that female expatriates adopted a listening mode of communication more than male expatriates to facilitate interaction with host-country nationals. More female respondents expressed the opinion that emphasizing harmony and practicing a cooperative mode could help develop better relationships with host country nationals. Mathur-Helm (2002) clearly articulates that expatriate women feel that they must work much harder than their male compatriots to build

relationships with host country nationals, a common theme in studies of expatriate women (Linehan & Scullion, 2001; R. L. Tung, 2004). Selmer and Leung's (2003) survey research with 79 expatriate women in Hong Kong found that the extra effort has a positive effect on interaction adjustment for women expatriates. In examining the attitude towards women expatriates in the US, Germany and Mexico, Vance and Paik (2001) found that contrary to what American managers in the US assume, American female expatriates do not find cultural differences present a performance obstacle for them during foreign assignments.

There appears to be no consensus, therefore, on the effect of gender in expatriate cross-cultural management. Study Three will explore the relationships between gender and the variables included in the model. Based on the preceding discussion, it is possible that there will be significant performance differences (task and contextual) between men and women. In particular, there might be an effect for gender in terms of the mediating effect of cultural toughness on performance. Study Three will also examine if there is a gender effect regarding the amount of contact with host country nationals and the impact this has on performance.

Experience - Length of Posting and Number of Postings

As discussed in Chapter One, experience alone is not a clear indicator of cross-cultural management performance. Previous experience in the same country may facilitate socio-cultural adjustment to a new position (Selmer, 2002), but previous experience in another country may not assist psychological adjustment (Selmer, 2002) or overall adjustment (J. S. Black et al., 1991; Taveggia & Gibboney, 2001). The length of the posting, however, may have a positive impact on contextual performance due to the expatriate's anticipated progress through the various stages of adjustment (Selmer et al., 1998). In the previously mentioned study of 181 United

States Embassy employees working in Canada, Chile and Mexico (Taveggia & Gibboney, 2001), length of assignment tenure was related to adjustment for sojourners in Mexico, but not in Canada or Chile. The researchers suggested that the results for this factor might be country dependent. Study Three will explore the relationship between the length of posting and cross-cultural management performance. It is possible that those on a longer assignment will have better contextual performance.

Shaffer, Harrison and Gilley (1999) in their research with 452 international expatriates found that the number of previous postings in international management did have a positive effect on interaction adjustment. They also found that the number of previous international assignments moderated the effect of job factors (role clarity, role discretion, role conflict, role novelty), organisational factors (supervisor support, co-worker support, logistical support) and individual factors (achievement self-efficacy, social self-efficacy) on work adjustment, interaction adjustment and general adjustment. The research indicated that those who had experienced more international assignments were more reliant on co-worker support in the host country, rather than looking for support from the home country. Study Three will explore the relationship between the number of previous overseas assignments and contextual performance. It is expected that there will be a positive relationship between these two variables.

Model Summary

This chapter has proposed a model of cross-cultural management performance. The model incorporates six independent variables that are under the control of or are traits of the individual cross-cultural manager. In addition, there are three mediating variables, and two dependent performance variables. The definitions and propositions

relating to these variables are summarised below. Also, three other variables that may have an effect on the results are also explored.

‘Cultural awareness’ in the expatriate context is defined as understanding information associated with the host country’s history, religions, motivations and values and contextually appropriate social behaviour. It is proposed cultural awareness will be positively related to contextual performance in so far as cross-cultural adjustment is an important part of cross-cultural management performance (Leiba-O’Sullivan, 1999).

‘Open-mindedness’ is defined as “an open and unprejudiced attitude towards out-group members and towards different cultural norms and values” (K. Van der Zee et al., 2003, p. 78). It is proposed open-mindedness will be positively related to contextual and task performance based on the multicultural personality research by Van Oudenhoven, Mol and Van der Zee (2003) and Van der Zee, Zall and Piekstra (2003).

‘Flexibility’ is defined as being able to switch strategies in intercultural situations and to be attracted to new and unknown situations as a challenge (K. Van der Zee et al., 2003). It is proposed that flexibility will be positively related to cross-cultural management performance (task and contextual) based on the results of Study Two, and its theoretical link with multicultural effectiveness (K. Van der Zee et al., 2003).

The variable, ‘knowledge of the local business environment’ is defined as an understanding of the overall business context relevant to the manager’s job role. The context includes local laws, regulations and government. It is proposed that knowledge will be positively related to the task performance part of cross-cultural management performance.

‘Respect for cultural others and their culture’ is defined as possessing and demonstrating an attitude of cultural empathy for others through low ethnocentrism, resistance to prejudice and relationship building behaviours. It is proposed that this variable will be positively related to contextual performance based on its close connection with cultural adjustment (Mio et al., 1999). It may be mediated by the amount of contact with host country nationals. It may also be assessed more highly by self raters compared to cultural other raters.

‘Local language skills’ is defined as fluency in the common local language where the expatriate is located. It is proposed that local language skills will be positively related to contextual performance (Shaffer et al., 1999; Takeuchi et al., 2002) and, based on the Study Two results, this may be mediated by the expatriate’s amount of contact with host country nationals.

The first dependent variable is ‘task performance’ which is defined as performance on those activities and processes that directly transform raw materials into the goods and services that the organisation produces and the activities that service and maintain the associated technical processes (Motowidlo & Van Scotter, 1994). The second dependent variable is ‘contextual performance’. It is defined as achieving productive diversity, intercultural effectiveness and cultural synergy in the non-task related performance of management across cultures through processes including successful cultural adaptation and cross-cultural social engagement and skills, including leading cross-cultural teams and resolving culturally related value dilemmas.

Three mediating variables have been defined and discussed: amount of contact with host country nationals, cultural toughness, and job complexity. ‘Amount of contact with host country nationals’ is defined as the amount of work-related and non-

work related contact and social interaction between the expatriate and host country nationals. It is proposed that amount of contact will be positively related to respect of cultural others and their culture, and local language skills. It is also expected to mediate the relationship between these variables and contextual performance.

‘Cultural toughness’ is defined as the ‘toughness’ of the culture of a country based on the cultural differences between the home culture of the individual and the culture of the country of assignment (Mendenhall & Oddou, 1985). This variable is expected to moderate the effect of the independent variables on contextual performance.

‘Job complexity’ is defined as the degree to which the job involves mental processes such as problem solving, applying discretion and using technical knowledge (Dean & Snell, 1991). It is expected that job complexity will mediate the link between the independent variables of open-mindedness, flexibility and knowledge of the local business environment and the dependent variable of task performance (K. Van der Zee et al., 2003).

Other variables that may affect the results are ‘gender’, ‘length of expatriate posting’ and ‘number of previous expatriate postings’. Possible gender differences in performance (task and contextual) are considered, and the mediating role of cultural toughness and amount of contact with host country nationals on this relationship. Expatriates who are on a longer assignment are expected to have better contextual performance. Finally, it is expected that there will be a positive relationship between the number of previous overseas assignments and contextual performance.

Conclusion

This Chapter has proposed a model of cross-cultural management performance (Figure 7.1). Chapter Eight will present the findings of Study Three, which aims to

examine the significant relationships between the variables in the model of cross-cultural management performance. Study Three is survey research with 101 cross-cultural managers and 98 raters of their performance. The raters are subordinates or colleagues of the manager who come from a culture different to the managers.

Chapter Nine will further analyse Study Three by examining the differences between the manager's self-ratings and those of their cross-cultural raters and consider how these ratings could be integrated.

Chapter Eight – Evaluating Cross-Cultural Management Performance: Supervisor (Self) and Subordinate (Other) Perspectives

The aim of Study Three is to identify significant links within the model of cross-cultural management performance presented and discussed in Chapter Seven. Using this theoretical framework, this study separately examines both supervisor (self) and subordinate (other) perspectives of managerial performance. The use of either superior or subordinate ratings of cultural awareness, open-mindedness, being flexible/adaptable, having a knowledge of the local business environment, having respect for locals and their culture; and local language skills are expected to predict contextual and task performance respectively. The other variables examined include the role of the amount of contact with host country nationals, cultural toughness, and job complexity in mediating the effect of the independent variables on task and contextual performance. Chapter Seven outlined the expected links between these variables in detail.

Essentially, the predictions made regarding task and contextual performance in Chapter Seven refine Hypothesis One presented in Chapter One. This hypothesis proposes that the cross-cultural management performance elements derived in Study Two will adequately capture cross-cultural management performance in different organisational and cultural settings. More specifically, it is expected that certain performance elements will be more salient for the prediction of task performance versus context performance. It is also expected that different elements will be salient in the prediction of cross-cultural performance depending on whether the raters are

superiors (self) or subordinates (others). The conclusion section of Chapter Seven details these predictions.

In the current study, one hundred expatriate managers rated themselves on eight performance elements using an online questionnaire. The elements were cultural awareness, open-mindedness, flexibility, knowledge of the host country business environment, respect for cultural others and their culture, local language ability, task performance and contextual performance. A host country national, who was a subordinate to the expatriate manager, also rated the manager on the same eight performance elements.

Method

Participants

A list of expatriates from the Singapore-Australia Chamber of Commerce was obtained and members were randomly selected and invited to participate in the research. Australian expatriates in Singapore or interested local Singaporeans join the Chamber of Commerce either as individuals or as members of corporate groups. The members of the Chamber represent a broad range of professions and industries. When insufficient sample numbers were obtained from this list, undergraduate and postgraduate business students from an Australian University studying a course in international human resource management were asked to recommend expatriates they knew for participation in the survey. These expatriates were working in a broad range of countries (including Australia), industries, and occupations, and they were all in a managerial position managing local staff from a cultural background different to their own.

Managers

Out of 101 manager respondents, 88 indicated they were expatriates and 13 indicated they were managers who supervise staff from other countries or cultures (Australian based cross-cultural managers). Analysis of variance (ANOVAs) confirmed there were no significant differences between the two samples on any of the variables (the six independent variables and the two performance variables in Figure 7.1). Therefore, this cohort remained in the sample for further analysis. Of the sample, 78.2% were male and 21.8% were female. Approximately 34% of the manager sample identified their home country as Australia and 66% of the sample identified their home country as one of 22 other countries (Table 8.1). Australia was the most frequent host country (country of posting) of the managers (39%), followed by Singapore (21%). Other managers were serving in one of 16 different countries (see Table 8.1). Table 8.2 shows over 60% of manager respondents were fluent in a language other than English. The managers were working in a wide range of industries, with retail and marketing the most frequently nominated category (18%).

Table 8.1

Origins and posting destinations of managers

	Country of Origin	Country of Posting
Oceania (inc. Australia, NZ)	42	42
Europe	20	6
North Asia	26	9
SE Asia	6	29
South Asia	0	2
North America	3	4
Africa	2	0
South/ Central America	0	0
Middle East	1	3
Missing	1	6
	101	101

Most of the managers on expatriate assignment were serving their first assignment (50%), 16% were on their second posting, 17% on their third posting, 8% each on their fourth and fifth posting, and one participant had more than five postings. The most common anticipated length of posting amongst the expatriate managers was over five years (33%), 24% posted from two to five years, 20% posted from one to two years, 14% from six to twelve months, and 10% under six months.

Table 8.2

Industry of Manager

Industry	Frequency	Valid Percent
Academic/Education	8	7.9
Banking/Finance	4	4.0
Professional Services	15	14.9
Retail/Marketing	18	17.8
Construction/Engineering	11	10.9
Manufacturing	9	8.9
Mining	4	4.0
Government	4	4.0
Media/Entertainment	2	2.0
Medical/Health	2	2.0
Tourism/Hospitality	13	12.9
Other - please nominate	10	9.9
Total	100	99.0
System	1	1.0
Total	101	100.0

Raters

The researcher contacted one subordinate or colleague nominated by the manager who was from a culture different to their own (the host culture). The researcher invited them to rate their manager using an online survey or the form in Appendix 8.2 (by email or fax). They were asked to send the form directly back to the researcher. Of the 101 raters invited to participate, a total of 98 useable responses were received. Of the raters, 28.5% were born in Australia and 71.5% were born in one of 22 other countries. Of the rater sample, 57.1% were male and 42.9% were

female. The raters were mostly either subordinates (70.4%) or colleagues (29.6%) of the manager.

Table 8.3 reports the length of time raters had known the managers. Two to five years was the most frequently reported category.

Table 8.3

Length of Time Raters Had Known Managers

	Frequency	Percent
Less than six months	11	10.9
Six to twelve months	11	10.9
One year to two years	22	21.8
Two to five years	33	32.7
Over five years	21	20.8
Total	98	97.0

Measures

The questionnaire for Study Three comprised 4 sections. Appendices 8.1 and 8.2 list the questionnaire for Study Three in full. The first section assessed managers cultural awareness, open-mindedness, flexibility, knowledge of local business environment, respect for cultural others and their culture and contextual performance. The next section assessed their language ability, amount of contact with host country nationals, job complexity, and task performance. The third section assessed demographic questions including gender, country of birth (home country), host country (country of expatriation), total length of time anticipated in current posting and number of postings. The final section assessed organizational issues including industry of current assignment and international orientation of employing company.

The subordinates (other) survey was a shorter version of the managers' survey. First, they were asked about the nature of their relationship to the manager. Then subordinates were asked to assess the manager's cultural awareness, open-mindedness, flexibility, knowledge of local business environment, respect for cultural

others and their culture, contextual performance and local language fluency.

Subordinates were not asked to rate the dependent variable of task performance based on comments made by participants in Study Two. That is, the participants felt that subordinates were not in a position to comment on the manager's achievement of organisational objectives. Using a similar rationale, the questionnaire did not ask subordinates to rate the mediating variables of amount of contact with host country nationals and job complexity. The final section assessed demographic variables including gender, country of birth (home country), second language ability, and length of time the subordinate had known the manager. A more detailed discussion of the measures employed follows. The results section reports a series of hierarchical regressions and so the section below presents the research variables of interest in groupings of independent variables, mediating variables, and dependent variables (task and context performance).

Independent Variables

Cultural awareness, open-mindedness, flexibility, knowledge of local business environment, and respect for cultural others were similarly assessed using a common anchor question and scale. The anchor question for all constructs asked 'to what extent do the following statements apply to you in your role as a cross-cultural manager?' Using the same scales, the subordinate survey asked 'to what extent do the following statements apply to the person you are rating (X)?' Participants listed their responses on a five point likert scale from 'not at all applicable' to 'completely applicable' against the 37 statements provided. For all subscales, the items were combined (averaged) to yield a single score with a maximum obtainable of 5 and a minimum of 1.

Cultural Awareness

A new scale was developed to measure this item. Study Two (Chapter Six) analysed the responses of interview and focus group participants (49 supervisors and 19 subordinates from 24 countries) concerning the characteristics of effective cross-cultural managers. The following five statements were used to assess cultural awareness drawn from Study Two: (i) the manager has good awareness of the local culture; (ii) the manager knows the appropriate way to interact socially with locals without causing offence; (iii) the manager seems to have an understanding of locals and their motivations; (iv) the manager shows a good knowledge of host country history; and (v) the manager shows a good knowledge of host country religions. The statements cover an overall evaluation of cultural awareness, awareness of local social interaction rules, motivations, and host country history and host country religions. Each of these areas emerged as important aspects of cultural awareness in Chapter Six (Table 6.8). Cronbach reliabilities were good for both the manager, $\alpha = .83$ and rater, $\alpha = .79$.

Open-mindedness

The Multicultural Personality Questionnaire (MPQ) (K. Van der Zee & Van Oudenhoven, 2000; K. Van der Zee, Van Oudenhoven, J., 2001; K. Van der Zee et al., 2003) subscale for open-mindedness was used to assess this dimension. Chapter Seven discussed the suitability of this measure for assessing the personality dimensions of cross-cultural management effectiveness. Barker, Troth and Mak (2002) validated the subscale using eight questions that reduced the original scale from eighteen items. Appendices 8.1 and 8.2 record these questions and they include questions such as ‘I seek contact with people from a different background’ and ‘I like to try out various approaches’. The scale was modified to enable the ‘cultural other’

to rate the open-mindedness of the manager. Cronbach reliabilities were good for both the manager, $\alpha = .84$ and rater, $\alpha = .74$.

Flexible/ Adaptable

This trait has been assessed and validated using an eight item scale (Barker et al., 2002) based on the Multicultural Personality Questionnaire (K. Van der Zee, Van Oudenhoven, J., 2001) and the scale and its items are recorded in Appendices 8.1 and 8.2. Questions include ‘I seek challenges’ and ‘I like change’. The scale was modified to enable the ‘cultural other’ to rate the flexibility of the manager. Cronbach reliabilities of $\alpha = .65$ and $\alpha = .72$ were obtained for the manager and rater respectively.

Knowledge of local business environment

Knowledge of the local business environment in Study Two included knowledge of host country law and government. From this, a scale has been developed with three items, ‘the manager has a good awareness of the local business environment’, ‘the manager shows a good knowledge of host country government’ and ‘the manager shows a good knowledge of law and local regulations related to the company’s work in the host country’. Good Cronbach reliabilities of $\alpha = .80$ and $\alpha = .79$ were obtained for the manager and rater respectively.

Respect for locals and their culture

The concept of ‘respect for locals and their culture’ has been described in Chapter Seven and includes a caring and kind manner towards locals, showing fairness towards locals and having empathy for locals and their culture (Earley & Gibson, 2002; Martin-Egge, 1999; Trompenaars & Woolliams, 2003). Based on the literature, a new scale was developed to measure this variable. The four-item scale

consisted of some of the following statements: ‘the manager shows respect for locals and their culture; the manager acts in a caring and kind manner towards locals; the manager shows fairness towards locals; the manager seems to have empathy for locals and their culture’. This scale is derived from responses collated and analysed from Study Two and reported in Table 6.7. Excellent Cronbach reliabilities of $\alpha = .85$ for the manager and $\alpha = .88$ for raters were obtained for this subscale.

Local language skills

Local language skills were assessed using a scale from Caligiuri’s (2000b) research on 143 expatriates in 25 different countries in a large US based multinational company. This self-report scale asked respondents to rate their local language skill on a five-point scale. The question asked (Caligiuri, 2000b, p.70) ‘describe your ability to speak the language of this host country’. The response scale was ‘1 = I do not know the language of this host country, 2 = I am limited to very short and simple phrases, 3 = I know basic grammatical structure, and speak with a limited vocabulary, 4 = I understand conversation on simple topics, 5 = I am fluent in the language of this host country’. The question and scale was modified to enable the ‘cultural other’ to rate the language skills of the manager (‘describe the ability of X to speak the language of the host country’).

Mediating Variables

The variables of amount of contact with host country nationals, cultural toughness, and job complexity were expected to mediate the links between the independent variables and contextual and task performance.

Amount of contact with host country nationals

The expatriate's amount of contact with host country nationals was assessed using Caligiuri (2000b). This scale asks expatriates to 'divide 100 points among three categories with respect to the amount of time they spend with the following people: (1) other expatriates from their home country (2) expatriates from other home countries (3) host nationals (including friends and colleagues). The number of points allocated to number three (host nationals) is used as the measure of contact with host nationals' (Caligiuri, 2000b, p. 69). As with all three of the mediating variables, subordinates were not required to rate this variable, as expatriate managers were in the best position to assess this variable accurately. Subordinates, for example, would not normally be aware of who their manager is with during the 24 hours of each day.

Cultural toughness

Caligiuri (2000b) has also developed a scale to assess cultural toughness in the expatriate context. This scale quantifies a cultural comparison between the expatriate's home country and the host country. The method is to use Hofstede's (1980) data on the four dimensions of cultural difference to create a z-score for the expatriate's home country and compare this with a z-score for the host country. The absolute values of the difference scores create an additive score of relative cultural toughness.

Job complexity

Dean and Snell (1991) developed a scale to measure job complexity through their survey research on 123 US plant managers. Participants were asked three questions, "how much technical knowledge does this job require; to what extent does the job involve solving problems; and how complicated is the job?" Participants

recorded their answer on a seven point likert scale from 1= very little to 7= a great amount. Reliabilities of $\alpha = .78$ for were obtained for this subscale. Again, the cultural other was not asked to rate this variable as not all subordinate positions require the subordinate to be aware of the stated role and complexity of the manager's job. In the case of expatriate managers, the job role is often multifaceted and complex (Fenwick et al., 1999; Harzing, 2001a).

Outcome Variables

Task performance

Kraimer, Wayne and Jaworski (2001) developed a scale to measure task performance in their examination of 213 US company expatriate-supervisor dyads. They developed a three item scale based on previous research (Feldman & Thomas, 1992; H.B. Gregersen et al., 1996) and the results of 17 interviews conducted with former expatriates. In the current study, participants rated their job performance using a 7-point scale from 1=very poor to 7=outstanding, and the items are: 'meeting job objectives', 'technical competence,' and 'overall job performance'. The items were combined (averaged) to yield a single score ($\alpha = .68$ (.82 if Q.46 - technical competence - is removed) for manager. The surveys did not ask subordinates to rate the manager's task performance, as subordinates may not be as familiar as managers are with the specific job objectives and the required level of technical competence.

Contextual performance

Participants assessed contextual performance on a nine-item scale based on the results from Study Two. The scale is based on the definition of expatriate contextual performance by Kraimer and colleagues (2001). It includes aspects of maintaining good working relationships with employees, and establishing good relationships with

host nationals such as ‘the manager is able to extract high performance from subordinates’, ‘the manager is generally held in high esteem by subordinates’ and ‘there is effective communication between the manager and host-country nationals both within and outside of the workplace’. The scale includes an additional item, ‘the ability to integrate different cultural perspectives to produce effective solutions to problems’. This is included so that contextual performance extends to include the important synergistic aspects of cross-cultural management performance discussed in the definition of cross-cultural management in Chapter Two. Appendix 8.1 and 8.2 records the complete scale. The items were combined (averaged) to yield a single score ($\alpha = .84$ for manager and $\alpha = .91$ for rater).

Procedures

The managers were initially contacted by letter and they then received two follow-up emails inviting them to participate in this study. They were provided with directions on how to access the online survey, or how to obtain the survey by fax, email, or mail. The emails contained information on their unique login and password to access the online survey. Each manager was required to nominate a subordinate or colleague from the host country as their rater, and the researcher in turn contacted the rater who invited them to participate in the research. These raters also received a unique login and password (or were sent a survey) and they rated their manager using a modified version of the cross-cultural management performance index (appendix 8.1 and 8.2). The rater was required to be from a different cultural background to manager and be in a subordinate role to them as manager. The ratings of manager and subordinate were kept separate and confidential from each other, and only the researcher had access to the combined ratings of manager and subordinate.

Results

Manager self ratings

Table 8.4 presents the means, standard deviations, and Pearson correlation coefficients among cross-cultural manager self-ratings of variables in this study, including control variables of gender and years of cross-cultural management experience. As discussed in Chapter Seven, these control variables require examination because they may provide alternative explanations to the relationships found in the model. The correlations show that there are significant positive relationships between the independent variables of cultural awareness, knowledge of local business environment and job complexity and the dependent variable of task performance. That is, managers who rated themselves more highly on cultural awareness, knowledge of local business environment and job complexity were more likely to report higher task performance. However, a significant negative relationship emerged between task performance and the amount of contact with host country nationals the manager reported.

The correlations also provide evidence of positive relationships between contextual performance and cultural awareness, open-mindedness, knowledge of local business environment, respect for cultural others and their culture and job complexity. That is, managers who rated themselves highly on contextual performance also rated themselves highly on cultural awareness, open-mindedness, knowledge of local business environment, respect for cultural others and their culture, local language ability and the complexity of their job.

A significant negative relationship is evident between self-ratings of task performance and gender. This indicates that men view themselves more highly than women in relation to task performance. The correlations also indicate a positive link

between task performance and the manager's assignment posting length. Specifically, managers on longer postings gave themselves higher ratings on task performance. A significant positive relationship between task performance and contextual performance is also evident ($r = .65$). This indicates that managers who rated themselves highly on task performance also rated themselves highly on contextual performance. This might signal some degree of multi-collinearity between the two performance variables.

Other's ratings of managers

Table 8.5 presents the means, standard deviations, and Pearson correlation coefficients between others' rating of the independent variables and other's ratings of their cross-cultural manager's contextual performance. Self-ratings of the mediating variables and task performance are included in the table for the purpose of analysis. Similar to managers' own ratings, there are significant positive correlations between self-ratings of task performance and others' ratings of the manager's cultural awareness, open-mindedness, knowledge of local business environment and respect for cultural others and their culture. That is, subordinates who rated their managers as higher in cultural awareness, open-mindedness, knowledge of local business environment and respect for cultural others and their culture were more likely to have managers who reported higher task performance. There are also significant positive correlations between contextual performance and cultural awareness, open-mindedness, knowledge of local business environment and respect for cultural others and their culture. There was a significant negative correlation between ratings by others of contextual performance and the number of cross-cultural management postings. Subordinates also gave lower contextual performance ratings for those managers who had higher numbers of cross-cultural management postings. A

significant positive relationship between self-rating of task performance and other-rating of contextual performance is also evident ($r = .90$), indicating that where a manager rated themselves highly on task performance, their subordinate rated them highly on contextual performance.

Hierarchical Regression Analysis

The main aim of this chapter was to assess whether cross-cultural managers' (self) and subordinate/peer (other) ratings of cultural awareness, open-mindedness, being flexible/adaptable, having a knowledge of the local business environment, having respect for locals and their culture and local language skills serve as positive predictors of the supervisor's task and contextual performance. The previous section presented preliminary analyses using means, standard deviations, and Pearson correlation coefficients indicating there were significant relationships between the proposed predictor and criterion variables above. In the current section, a series of hierarchical multiple regressions were used to analyse the strength and direction of the relationships uncovered through correlational analysis. Hierarchical regression analysis was used to: 1) reduce type one error due to the high correlations among the predictor variables (Tabachnick & Fidell, 2001), and 2) to examine whether the contextual issues of amount of contact with host-country nationals, job complexity, and cultural toughness mediates the proposed relationships between the individual performance elements and managers' task and context performance. Four hierarchical regressions were performed. Of these four, two hierarchical regressions were performed using self-ratings of performance with task and contextual performance as the dependent variables. The other two hierarchical regressions were performed using other ratings of performance with other-ratings of contextual performance and self-ratings of task performance as the dependent variables.

Table 8.4

Means, Standard Deviations and Pearson Correlations of Self-Rated Variables

	M	SD	Gen	Post time	# of posts	1	2	3	4	5	6	7	8	9	11	12
Gender	1.22	.42	1													
Length of postings	3.16	1.69	-.32**	1												
Number of posting	1.48	1.47	-.27**	.21*	1											
1. Cultural Awareness	3.76	.66	.02	.04	-.10	1										
2. Open-Minded	3.49	.56	.05	.02	.02	.22 *	1									
3. Flexible/ Adaptable	3.4	.60	-.07	.13	.15	-.08	.40**	1								
4. Knowledge of Local Business Environment	3.59	.82	.06	.11	.08	.47**	.08	.01	1							
5. Respect for Cultural Others and their Culture	4.17	.63	.06	-.21*	-.13	.34**	.44**	.12	.20*	1						
6. Local language Skills	3.70	1.55	.003	-.20*	-.08	.33**	-.01	-.25*	.35**	.10	1					
7. Amount of Contact with Host Country Nationals	2.36	1.12	.08	-.18	-.18	.05	-.19	-.10	-.01	.00	.20*	1				
8. Cultural toughness	3.54	1.28	.04	.14	.10	.01	.13	.21*	-.05	-.04	-.11	-.02	1			
9. Job Complexity	5.39	1.08	-.33**	.29**	.20*	.32**	.06	.03	.24*	-.02	.07	-.08	.04	1		
10. Task Performance	5.55	.77	-.25**	.23*	.07	.30**	.16	.12	.26**	.15	.10	-.20*	-.12	.52**	1	
11. Contextual Performance	3.84	.56	-.06	.19	-.07	.28**	.24*	.06	.29**	.29**	.20*	-.08	-.18	.27**	.65**	1

n = 101, ** Correlation is significant at the 0.01 level (2-tailed), * Correlation is significant at the 0.05 level (2-tailed).

Table 8.5

Means, Standard Deviations and Pearson Correlations of Other-Rated Variables

	M	SD	Gen	Post time	# of post	1	2	3	4	5	6	7	8	9	11	12
Gender	1.23	.42	1													
Length of posting	3.25	1.63	-.37	1												
Number of postings	1.42	1.39	-.27**	.21*	1											
1. Cultural Awareness	3.54	.77	.03	-.08	-.08	1										
2. Open-Minded	3.61	.65	.07	-.06	-.15	.53**	1									
3. Flexible/ Adaptable	3.00	.75	.00	.08	-.05	.15	.33**	1								
4. Knowledge of Local Business Environment	3.27	.94	-.03	-.02	.04	.53**	.39**	.17	1							
5. Respect for Cultural Others and their Culture	3.98	.81	.01	-.18	-.09	.56**	.63**	.15	.26**	1						
6. Local language Skills	3.41	1.61	.003	-.20*	-.08	.02	-.05	.11	.07	.15	1					
7. Amount of Contact with Host Country Nationals (self-rated)	2.36	1.12	.08	-.18	-.18	.12	.09	.10	.09	.01	.08	1				
8. Cultural toughness (self-rated)	3.54	1.28	.04	.14	.10	-.10	-.09	.04	.13	-.09	-.3**	-.02	1			
9. Job Complexity (self-rated)	5.39	1.08	-.33**	.29**	.20*	.09	.03	.13	.26**	-.11	.01	-.08	.04	1		
10. Task Performance (self-rated)	5.55	.77	-.03	.04	-.13	.46**	.32**	.09	.45**	.44**	.08	.08	-.05	.04	1	
11. Contextual Performance	3.71	.89	.02	-.02	-.21*	.53**	.35**	.17	.41**	.50**	.09	.01	-.09	.04	.90**	1

n = 101, ** Correlation is significant at the 0.01 level (2-tailed), * Correlation is significant at the 0.05 level (2-tailed).

The following rationale determined the entry of the predictor variables at various steps of the hierarchical regression. In the first step, the ‘control variables’ of gender, length of current posting and number of cross-cultural management postings were entered and examined in relation to either task or contextual performance. At the second step, the individual performance elements found to be significantly linked to the particular criterion variable of interest (either task or contextual performance) were entered based on whether there was a statistically significant correlation shown in Tables 8.4 and 8.5. At step 3, the proposed mediating variables of amount of contact with cultural others, cultural toughness, and job complexity were entered using the same rationale.

In accordance with Baron and Kenny’s (1986) recommendations, mediation would be demonstrated to the extent that the proposed mediator (amount of contact with cultural other, cultural toughness and job complexity) relate to the dependent variable (task or contextual performance) beyond the effect of the independent variable (cultural awareness, open-mindedness, being flexible/adaptable, having a knowledge of the local business environment, having respect for locals and their culture and local language skills). If a variable is a mediator, the level of significance for the coefficient of the independent variable will decrease, and the significance of the mediator variable will remain constant when the independent variable and the mediator are entered simultaneously (Baron & Kenny, 1986).

Although the Sobel method or test (Sobel, 1982) has been widely used in testing for mediation, recent research comparing tests for mediation in relation to sample size, indicates that the Baron and Kenny test used in this research is as good as or better in predicting mediation (Fritz & MacKinnon, 2007). Other research has warned that Sobel test only works well with

large samples (Preacher & Hayes, 2004). As this research was conducted with a relatively small sample size, the Baron and Kenny method is considered more suitable than the Sobel method.

Self rating of manager's task performance

Table 8.6 shows a summary of results for the regression employing self-ratings of task performance as the dependent variable. The total variance accounted for by the model was 35 percent. The entry of gender, length of posting, and number of postings accounted for 9 percent of the variance in task performance, $\Delta F(3, 96) = 3.21, p < .05$. An examination of the beta weights showed that gender was a significant predictor of task performance. Specifically, men rated themselves higher than women in terms of their task performance. The entry of 'cultural awareness' and 'knowledge of local business environment' in step 2 accounted for 19 percent of the variance in task performance, $\Delta F(2, 94) = 5.87, p < .001$. An examination of the beta weights showed that cultural awareness was a significant predictor of task performance. Managers with higher self-ratings of cultural awareness had higher task performance ratings. Knowledge of local business environment did not emerge as a significant predictor of task performance. Gender also remained significant, with men rating themselves higher than women in relation to task performance.

In step 3, the entry of 'amount of contact with host country nationals' and 'job complexity' was significant and accounted for a total of 35% which is an additional 16% percent of variance, $\Delta F(4, 92) = 11.16, p < .001$. Examination of the beta weights at step three showed that the variables 'amount of contact with host country nationals' was a negative, significant, independent predictor of task performance, in contrast to 'job complexity' which was a positive, significant, independent predictor. Cultural awareness and gender was mediated by the entry of these two variables and no longer remained a significant predictor of task performance.

In summary, the regression equation showed that gender, ‘cultural awareness’, ‘amount of contact with host country nationals’ and ‘job complexity’ combined to predict self-ratings of cross-cultural manager’s task performance.

Table 8.6

Hierarchical Regression of Self-Rated Variables on Task Performance

Predictors	Step 1 β	Step 2 β	Step 3 β
Gender	-.22*	-.22*	-.12
Length of posting	-.17	.14	.04
Number of postings	-.04	-.02	-.1
Cultural awareness		.24*	.12
Knowledge of local business environment		.13	.11
Amount of contact with host country nationals			-.17*
Job complexity			.41**

$\Delta R^2 = .09$ for step 1, $p < .05$; $\Delta R^2 = .19$, $p < .001$; for step 2; $\Delta R^2 = .35$, $p < .001$ for step 3.

* $p < .05$, ** $p < .01$

Self-rating of manager’s contextual performance

Table 8.7 shows a summary of results of regression analysis employing the self-ratings of contextual performance as the dependent variable. The total variance accounted for by the model was 27 percent. At step 1, the entry of gender, length of posting, and number of postings accounted for 5 percent of the variance in contextual performance, $\Delta F(3, 96) = 1.8$, which was not significant. An examination of the beta weights showed that length of posting was a significant positive predictor of contextual performance. The entry of ‘cultural awareness’, ‘open-mindedness’, ‘knowledge of local business environment’ and ‘respect for locals and their culture’ in step 2 accounted for 24 percent of the variance in contextual performance, $\Delta F(4, 92) = 5.47$, $p < .001$. An examination of the beta weights showed that ‘knowledge of local business environment’ and ‘respect for locals and their culture’ were significant predictors of contextual

performance. Managers with higher self-ratings of knowledge of local business environment and respect for locals and their culture had higher contextual performance ratings. Cultural awareness and open-mindedness did not emerge as significant predictors of contextual performance. Length of posting remained significant.

In step 3, the entry of ‘job complexity’ was significant and accounted for an additional 3% variance, $\Delta F(1, 91) = 4.13, p < .05$. The model at step 3 accounted for a total of 27% of variance. Examination of the beta weights showed that the variable ‘job complexity’ was an independent, positive, and significant predictor of contextual performance at step three. Knowledge of local business environment was mediated by the entry of this variable and no longer remained a significant predictor of contextual performance. Length of posting remained a significant predictor. In summary, the regression equation showed that length of posting, knowledge of local business environment, respect for locals and their culture and job complexity combined to predict self-ratings of cross-cultural manager’s contextual performance.

Table 8.7

Hierarchical Regression of Self-Rated Variables on Contextual Performance

Predictors	Step 1 β	Step 2 β	Step 3 β
Gender	-.04	-.04	.01
Length of posting	.21*	.23*	.20*
Number of postings	-.13	-.12	-.15
Cultural awareness		.07	-.003
Open-mindedness		.10	.10
Knowledge of local business environment		.20*	.19
Respect for locals and their culture		.24*	.26**
Local language skills		.13	.13
Job complexity			.21*

$\Delta R^2 = .05$ for step 1, ns; $\Delta R^2 = .18, p < .001$; for step 2; $\Delta R^2 = .03, p < .05$ for step 3.

* $p < .05$, ** $p < .01$

Other's ratings of variables and manager's self-rating of task performance

Table 8.8 shows a summary of results for the regression employing the self-rating of task performance as the dependent variable. The total variance accounted for by the model was 26.7 percent. The entry of gender, length of posting, and number of postings accounted for 3 percent of the variance in task performance, $\Delta F(3, 93) = 1.02$, which was not significant. None of these variables were significant predictors of task performance. The entry of 'open-minded', 'cultural awareness', 'knowledge of local business environment' and 'respect for locals and their culture' in step 2 accounted for 26 percent of the variance in task performance, $\Delta F(4, 89) = 6.79$, $p < .001$. An examination of the beta weights showed that knowledge of local business environment and respect for locals and their culture were significant predictors of task performance according to ratings by others. Managers with higher ratings by others of their knowledge of local business environment and respect for locals and their culture rated themselves more highly on task performance. Cultural awareness and open-mindedness did not emerge as significant predictors of task performance. In step 3, the entry of 'amount of contact with host country nationals', 'cultural toughness' and 'job complexity' was not significant. Examination of the beta weights showed that none of the added variables were significant predictors of task performance and so none of these variables served as mediators in this instance (Baron & Kenny, 1986). In summary, the regression equation showed that 'knowledge of local business environment' and 'respect for locals and their culture' combined to predict self-ratings of cross-cultural manager's task performance.

Table 8.8

Hierarchical Regression of Other-Rated Variables on Task Performance

Predictors	Step 1 β	Step 2 β	Step 3 β
Gender	-.06	-.04	-.03
Length of posting	-.07	.10	.14
Number of postings	-.18	-.18	-.17
Cultural awareness		.01	.01
Open-minded		-.12	-.12
Knowledge of local business environment		.41**	.44**
Respect for locals and their culture		.24*	.24
Amount of contact with host country nationals			.07
Cultural toughness			-.07
Job complexity			-.03

$\Delta R^2 = .03$ for step 1; $\Delta R^2 = .23$, $p < .001$; for step 2; $\Delta R^2 = .01$ for step 3.

* $p < .05$, ** $p < .01$

Other's ratings of manager's contextual performance

Table 8.9 shows a summary of results for the regression employing the 'other's' rating of the dependent variable - manager's contextual performance. The total variance accounted for by the model was 39 percent. At step 1, the entry of gender, length of posting, and number of postings accounted for 6 percent of the variance in contextual performance but was not significant. However, an examination of the beta weights showed that number of postings was a significant predictor of contextual performance. Specifically, managers with a lower number of postings were rated higher on contextual performance than managers with a higher number of postings.

In step 2, the entry of 'cultural awareness', 'open-mindedness', 'knowledge of local business environment' and 'respect for locals and their culture' accounted for 39 percent of the variance in contextual performance, $\Delta F(5, 88) = 9.53$, $p < .001$. An examination of the beta weights showed that cultural awareness, knowledge of local business environment' and respect for locals and their culture were significant predictors of contextual performance. Managers with

higher other ratings of cultural awareness, knowledge of local business environment and respect for locals and their culture had higher contextual performance ratings. Open-mindedness did not emerge as a significant predictor of contextual performance. Number of postings remained a significant predictor of contextual performance. Specifically the lower the number of postings, the higher was the ratings of contextual performance.

In step 3, the entry of ‘amount of contact with host country nationals’, ‘cultural toughness’ and ‘job complexity’ was not significant. Number of postings, cultural awareness, knowledge of local business environment and respect for locals and their culture were not mediated by the entry of the step 3 variables.

In summary, the regression analysis showed that number of postings, cultural awareness, knowledge of local business environment and respect for locals and their culture combined to predict other’s-ratings of cross-cultural manager’s contextual performance.

Table 8.9

Hierarchical Regression of Other-Rated Variables on Contextual Performance

Predictors	Step 1 β	Step 2 β	Step 3 β
Gender	-.04	-.01	.002
Length of posting	.05	.12	.10
Number of postings	-.25*	-.20*	-.21*
Cultural awareness		.36**	.36**
Open-mindedness		-.06	-.06
Knowledge of local business environment		.20*	.21*
Respect for locals and their culture		.33**	.33**
Amount of contact with host country nationals			-.05
Cultural toughness			-.01
Job complexity			.06

$\Delta R^2 = .06$ for step 1, ns; $\Delta R^2 = .33$, $p < .001$; for step 2; $\Delta R^2 = .01$, ns, for step 3.

* $p < .05$, ** $p < .01$

Discussion

The following section will examine the results of Study Three in relation to the model of cross-cultural management performance outlined in Chapter Seven. This will address Hypothesis One (Chapter One, p.41) as modified in Chapter Seven and as stated at the beginning of this chapter. This hypothesis is that cross-cultural managers' (self) and subordinate/peer (other) ratings of cultural awareness, open-mindedness, being flexible/adaptable, having a knowledge of the local business environment, having respect for locals and their culture and local language skills would serve as positive predictors of contextual performance and that self and other ratings of open-mindedness, being flexible/adaptable, having a knowledge of the local business environment would predict self-ratings of task performance. This section will also answer the research question from Chapter One (p.41) of 'What specific management performance elements are effective in rating cross-cultural management performance'. Discussion will initially focus on the significant links at the univariate level with task and context performance. While it is recognised that the possibility of discussing type I errors are inflated at this level of analysis, it is still deemed beneficial to discuss these findings given the relatively small sample and limited power. The multivariate section will discuss links between variables found at both the univariate and multivariate levels.

Univariate Analysis Discussion

Some links supporting the model in Figure 7.1 were found at the univariate level only. In terms of self-ratings, task performance was positively linked to cultural awareness, open-mindedness, and local business knowledge. However, the predicted link between self-ratings of task performance and respect for cultural others was not found. Significant correlations were also found between contextual performance and cultural awareness, open-mindedness, local

business knowledge, respect for cultural others and their culture, contact with host country nationals, and job complexity. Again, these only emerged for the univariate level of analysis.

For cultural other ratings, significant univariate links emerged between task performance and open-mindedness and local business knowledge and respect. Consistent with predictions in Chapter Seven, the results showed no links between task performance and cultural awareness. Correlations that support the model were also found between contextual performance and cultural awareness; open-mindedness; local business knowledge; and respect for cultural others and their culture. A negative correlation between other-ratings of contextual performance and the expatriate's number of postings was not expected.

It is interesting that for managers' self-ratings there is a relationship between open-mindedness and contextual performance, but not between open-mindedness and task performance. The absence of a link between open-mindedness and task performance is in contrast to previous non-expatriate research in the Netherlands and Belgium that linked open-mindedness and overall competency (K. Van der Zee et al., 2003). It appears that open-mindedness within the culturally challenging environment of the expatriate context is important for managing the contextual aspects of performance such as creating a positive work environment, whereas it is not so important in achieving the designated organizational task to which one is assigned. A similar link is evident between self-ratings of respect for cultural others and their culture and contextual performance, whereas no link is evident between this variable and task performance. It follows that demonstrating respect for others will improve the work environment but not necessarily aid in achieving one's assigned task (Martin-Egge, 1999). However, it is important to note that the hierarchical regression results do not support the

proposal that there is a positive relationship between open-mindedness and task and contextual performance.

Contrary to the model, univariate analysis revealed no significant correlations between flexibility and task or contextual performance for both self and other ratings. This was in contrast to the Study Two results and previous research (Arthur & Bennett, 1995) discussed in Chapter Seven. Previous literature linking flexibility with performance, however, has either not been based on empirical data (N. Adler & Bartholomew, 1992) or has been based on self-reported perceptions of expatriate effectiveness (Arthur & Bennett, 1995) rather than on multi-source ratings. As discussed in Chapter Seven, previous research indicates that flexibility is linked with mental health and the ability to cope with the stresses of intercultural adjustment (J. P. Van Oudenhoven & Van der Zee, 2002). Thus, flexibility may help an expatriate to *feel* better about adjustment, but may not result in performance that is more effective. This is especially relevant to previous research that bases expatriate effectiveness on intrapersonal feelings of adjustment. More recent empirical research with Korean expatriates has also failed to find links between cultural flexibility and contextual performance and task performance, contrary to the researchers initial expectations (Shaffer et al., 2006). A link between cultural flexibility and cultural adjustment and work adjustment (self assessed feelings), however, was evident (Shaffer et al., 2006). The results reported here for flexibility, however, should be interpreted with some caution due to the low reliability scores for this item ($\alpha = .65$ for manager and $\alpha = .72$ for rater). This is consistent with previous research where the reliability scores were also low ($\alpha = .64$) when used with a sample of expatriates from a number of different countries (J. P. Van Oudenhoven et al., 2003).

In line with expectations, local language skills were positively linked with contextual performance for self raters (Takeuchi et al., 2002). It appears as though expatriate managers who

feel they are fluent in the local language also feel they perform well in contextual performance. Interestingly, host country national raters did not link the expatriate's local language ability with their contextual performance. The result regarding self ratings of language ability and contextual performance is in contrast to previous research reported in Chapter Seven (Shaffer et al., 1999). Shaffer et al (1999) found that expatriates who were fluent in the local language were more likely to suffer a *negative* impact from job-related role conflict, as they were more aware of the sometimes contradictory demands from host country employees and parent company nationals. The researchers suggested expatriates may rate their performance lower than those who were not fluent and thus may not notice the conflicting signals (Shaffer et al., 1999, p.575). Perhaps while the host country nationals in the current study were able to separate local language proficiency from contextual performance, the expatriates tended to overestimate their contextual performance if they are fluent in the local language. The finding regarding language ability differs to the other findings in which *both* managers and subordinates perceptions of the managers' cultural awareness, open-mindedness, knowledge of local business environment and cultural respect was linked to contextual performance. These differential findings give weight to examining combined rater differences in Chapter Nine.

At the univariate level, local language ability was also positively linked with cultural awareness. This supports previous research discussed in Chapter Seven (Bush et al., 2001; Wiseman et al., 1989). Local language ability was also linked with knowledge of the local business environment, which is a link that has been reported in non-US based research (Bloch, 1995; Lievens et al., 2003; Swift, 2002). An unusual result was the negative relationship between flexibility and local language skills. This relationship may benefit from further research to explore the reasons for this.

The univariate results also indicated a significant negative correlation between language proficiency and cultural toughness. This result indicates that those in a more culturally different environment seem to have lower local language skills. A possible explanation is that culturally different environments tend to be linguistically different and managers may find it too difficult or lack opportunities to learn languages that are too different to their own. This possible reason, however, needs further research to establish its validity.

Multivariate Analysis Discussion

The high number of inter-correlations between the predictor variables of context and task performance indicated that analyses needed to occur at the multivariate level to reduce the possibility of type I errors. The series of hierarchical regressions conducted showed some independent and significant relationships that supported the model put forward in Figure 7.1. Figure 8.1 provides an overview of the significant relationships evident from the hierarchical regression analysis. Across the analyses, it was interesting to note that different performance elements were salient in terms of a) task versus context performance and for b) self versus other performance. In summary for self-ratings of task performance, cultural awareness emerged as a significant predictor but the effects were mediated by level of contact with host country nationals and job complexity. In terms of self-ratings of context performance, the performance elements of knowledge and respect were important, although knowledge was eventually mediated by job complexity. By contrast, subordinate perceptions of managers' knowledge and respect positively predicted managers' perceptions of their task performance. Furthermore, subordinates' perceptions of the managers' cultural awareness, knowledge, and respect predicted the subordinates' perceptions of their managers' contextual performance. These differential findings support an underlying argument in this thesis that it is important to gain both an expatriate and

subordinates perspectives to get a more accurate view of cross cultural management performance (Bernadin, 1986; Borman, 1997; Kraimer et al., 2001). In response to the different patterns of salient predictors for self and other ratings of performance, the major purpose of Chapter Nine is to consider integrating these two perspectives of cross-cultural management and analyse the efficacy of this in predicting performance

Self-ratings of cultural awareness were not expected to predict task performance in the model presented in Figure 7.1. As discussed in Chapter Seven, cultural awareness was expected to predict contextual performance, but not the ‘harder’ performance criteria of task performance. A further unexpected finding was that the positive impact of the managers’ cultural awareness on their perceived task performance would be completely mediated by their amount of contact with host country nationals, which has a negative impact on task performance.

The negative relationship found between the amount of contact with host country nationals and task performance was somewhat unexpected. Perhaps managers feel they are more successful in completing their tasks when they are less impeded by the complexities of working with people from the local culture. There appears to be no link, however, when others rated the task performance and amount of contact the manager had with locals. Perhaps locals are not aware of, or do not agree with the perspective, that personal contact with locals makes it harder for the expatriate to complete organizational related tasks! This is perhaps a reflection on the predominantly Western manager sample who might consider it an individual responsibility to complete organisation related tasks. On the other hand, the predominantly Asian rater sample make no such link (Audia & Tams, 2002). The inter-rater differences in the perceptions of how contact with host country nationals affects performance supports Shamir and Melniks’ (2002)

findings that different cultural expectations regarding contact with host country nationals also affects perceptions of performance.

According to the multivariate analysis, cultural awareness emerged as an important predictor of contextual performance for the other rating, but not for self-rating. Whereas the subordinates' perceptions of the expatriate managers' level of cultural awareness is linked to subordinates' perceptions of the managers' contextual performance, the expatriate manager does not make such a connection. Paradoxically, self-raters (managers) do make the link between cultural awareness and task performance, providing further evidence that separating performance into two variables is salient. The finding that other-raters, not expatriates, link cultural awareness and contextual performance affirms the importance of involving cultural others in rating the contextual performance of the expatriate manager. Without ratings by cultural others, as has been the practice of Australian (and other) companies, the importance of cultural awareness may be overlooked and underestimated. Hence this research provides insight into why cultural others rate the cultural awareness of Australian managers poorly (Dawkins et al., 1995) whilst Australian companies continue to poorly train and prepare their expatriates for cross-cultural assignments (Anderson, 1998). Expatriates are simply not aware of how their cultural awareness affects their performance in the eyes of the cultural others whom they are managing. Involving cultural others in rating performance may provide a better indication of cross-cultural contextual performance, and help companies overcome their 'blindspot' with regards to the importance of cultural awareness.

Knowledge of the local business environment emerged as a significant predictor of task performance for the 'other rater', but not for self-ratings. It is possible that those from the host culture assume and feel that the expatriate manager should know local laws, regulations and

government in order to successfully perform on organizational production related activities, whereas expatriates may regard these issues as less important (Viswesvaran & Schmidt, 2005). Locals may assume or hope that expatriate managers will know the local way of doing business as part of achieving organizational production tasks. This may also be related to the variable ‘respect for cultural others and their culture’, where the ‘other’ rater linked this variable to task performance, and self-raters did not. Again, it appears expatriates have a tendency to underestimate the importance of their level of host country knowledge and respect towards their hosts in achieving their organizational tasks. This reaffirms the importance of using cultural others in rating the manager’s performance.

The results demonstrate that ‘respect for cultural others and their culture’ was related to contextual performance for both self-rating and when others rated the performance of cross-cultural managers. It appears that this attitudinal variable is of significant importance in cross-cultural management. The link between ‘respect for cultural others and their culture’ and contextual performance was not mediated by the amount of contact with host country nationals as expected. Clearly expatriates who hope to be effective in cross-cultural management need to demonstrate an attitude of cultural empathy through low ethnocentrism, resistance to prejudice and relationship building behaviours. The attribute of cultural respect has been theoretically related to cultural adjustment (Mio et al., 1999). If this link is valid, this research affirms the importance of effective cultural adjustment for the expatriate to effectively perform cross-cultural management. A major difference between the ‘respect’ variable and the cultural adjustment variable often used in expatriate research (J. S. Black et al., 1991) is that the respect variable measures the expatriate’s attitudes towards locals and their culture, whereas cultural adjustment measures how comfortable the expatriate feels with interacting with locals, in general

adjustment and in their work role (J. S. Black, 1988). The results from this research affirm that utilizing the perspective of the expatriate's attitude towards the locals from both self and local perspective provides a significant indicator of cross-cultural management performance.

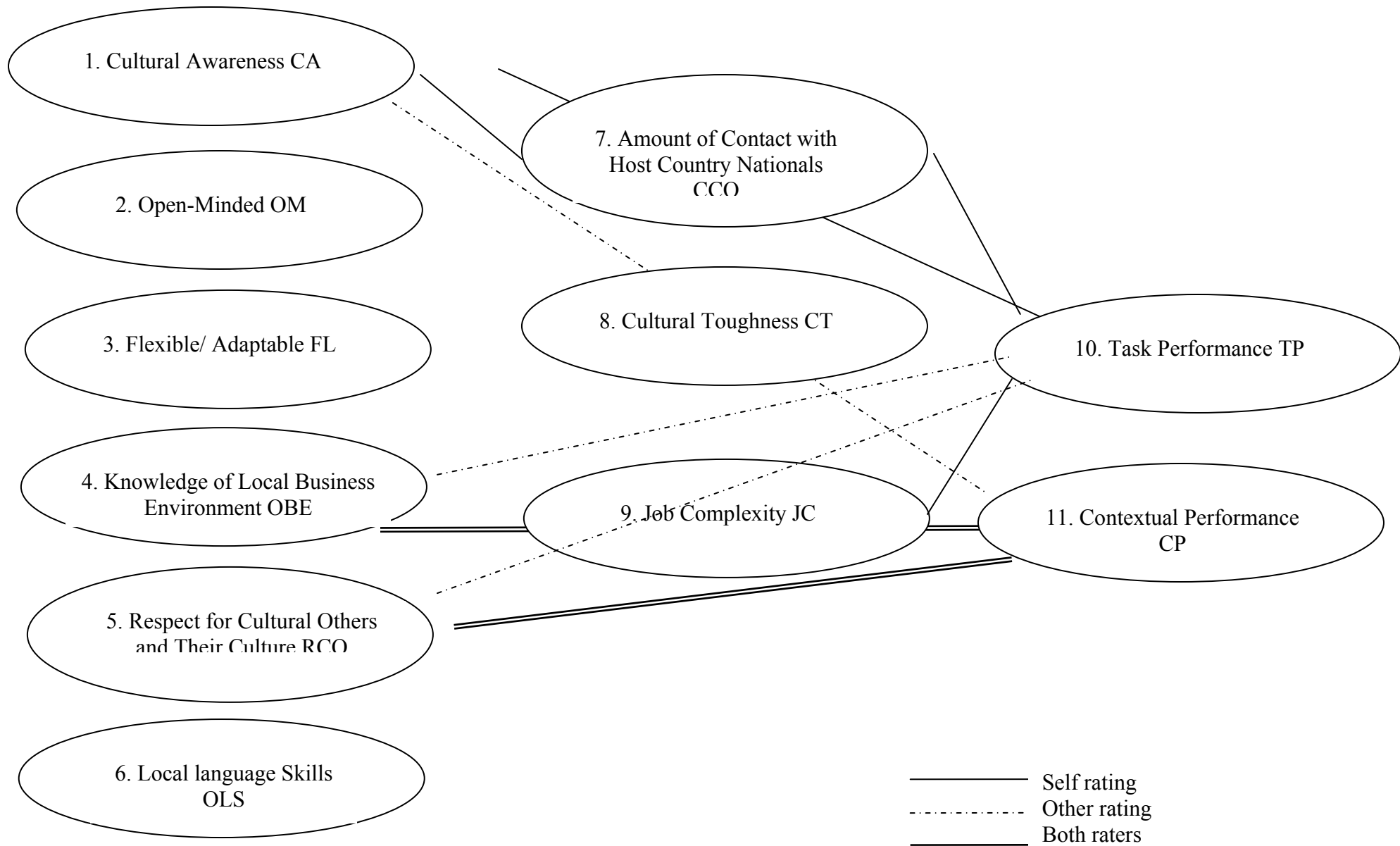
It is interesting that local language skills did not emerge as an important predictor of performance for both self-raters and cultural other raters at the multivariate level. Perhaps this is related to the sample, where the most common country of assignment was Australia. These were expatriates from another country assigned to Australia or local cross-cultural managers. This result may be understood in the context that English is Australia's common language and that English is also the common language of international business. In this context, the importance of another language may not be as obvious (Aijo, 1985; Bloch, 1995).

Contrary to expectations, cultural toughness did not function as a mediator for any of the performance elements. As the results are in contrast with previous research indicating the link between cultural adjustment and cultural toughness (Bhagat & Prien, 1996; Ward, 1996), perhaps this result supports the notion put forward consistently in this research that there is a difference between contextual performance and cultural adjustment (Harrison & Shaffer, 2005; Shaffer et al., 2006). That is, if cultural adjustment were the same as contextual performance, then there would be a link between cultural toughness and contextual performance in the current research. No link is evident, and so the two variables appear to be distinct. The argument that cultural adjustment and contextual performance are complementary yet distinct variables has been presented in Chapter Two, however, this result alone is not sufficient to support the argument.

Job complexity was positively related to both task performance and contextual performance according to the self-raters. Those who rated themselves more highly on job

complexity also rated themselves more highly on task and contextual performance, although no such relationship is evident when others rate the manager's performance. The relationship between job complexity and task performance was expected (as explained in Chapter Seven), but the relationship with contextual performance was not. Perhaps higher levels of job complexity require more contact with host country nationals that in turn might lead to higher levels of contextual performance. Indeed, there is a significant correlation between contact and complexity of .2 for self-ratings.

Figure 8.1 – Significant Relationships Based on Hierarchical Regression



These relationships may indicate that those managers who have the responsibility for complex jobs that involve problem solving and applying discretion may also be better able to achieve higher task and contextual performance (Harrison & Shaffer, 2005; Motowidlo & Van Scotter, 1994). As previously reported, the Cronbach alpha score (p.235) for task performance indicated that ‘technical competence’ was not as closely aligned with task performance as problem solving and applying discretion was. This finding on the relationship between job complexity and contextual performance may support some of the ideas in the cultural intelligence model (Earley & Ang, 2003) if it is accepted that cultural adaptation is a part of (not equated with) contextual performance. As discussed in Chapter Three, the cultural intelligence model argues that the ability to successfully adapt to other cultures requires a degree of cognitive flexibility and a metacognitive ability (Earley & Ang, 2003). Further research is needed to explore the connections between ‘problem solving’ and ‘applying discretion’ parts of job complexity with the cultural intelligence model aspects of cognitive flexibility and metacognitive ability, as all may play a part in predicting contextual performance.

Job complexity did prove to be a mediator between knowledge of local business environment and task performance as predicted. However, it was not a mediator between flexibility and task performance which is in contrast to previous research (J. van Oudenhoven et al., 2001) presented in Chapter Seven. This may also be a reflection of the internal validity problem of the flexibility variable, or may simply disprove the original proposition, which was made on the basis of the Study Two results.

Other variables examined in relation to task and contextual performance were gender, length of expatriate posting and number of previous expatriate postings. The

proposal that there will be differences between men and women in performance (task and contextual) was supported, with male managers rating themselves higher than women in terms of task performance, but not with contextual performance. It is interesting to note that there is no difference in ratings of expatriate performance by host country nationals. This suggests that any cultural resistance to female managers, as suggested by Caligiuri and Tung (1999), was not evident in the ratings of performance in this research. No relationship was found between gender and cultural toughness, a similar finding to the research of Adler (1984; N. J. Adler, 1987), Vance & Paik (2001) and Tung (2004). Furthermore, no relationship was found between gender and amount of contact with host country nationals. Whereas women expatriates may have to work harder at building relationships with host country nationals (Mathur-Helm, 2002), and may adopt a listening mode of communication more than male expatriates to facilitate interaction with host-country nationals (R. L. Tung, 2004), this did not appear to translate to a greater amount of time spent with host country nationals.

It was also expected that those on a longer assignment would be rated highly on contextual performance. This was proven to be the case with self-ratings of contextual performance, but not with other ratings of contextual performance. Host country nationals do not seem to agree with longer term expatriates on the effectiveness of their cross-cultural management performance. This difference calls into question previous research relating assignment length and cross-cultural performance and adjustment that has findings based on self-ratings (J. S. Black & Mendenhall, 1991; Selmer, 2002; Taveggia & Gibboney, 2001). Further research is needed to identify why this difference seems to exist.

Finally, it was expected that there would be a positive relationship between the number of previous overseas assignments and contextual performance. This was evident from other ratings of contextual performance but not with self-ratings of contextual performance. Those who have been on a number of expatriate assignments seem to give host country nationals a better impression of their cross-cultural management performance than the expatriates give themselves credit for. This provides some support for the findings of Shaffer, Harrison and Gilley (1999) who found that those who had experienced more international assignments were more reliant on co-worker support in the host country. Perhaps this reliance on host-country nationals is part of providing a more positive impression of cross-cultural management performance in the eyes of cultural others.

Conclusion

Study Three addressed the research question of what specific management performance elements are effective in rating cross-cultural managerial performance based on the predicted relationships amongst the performance elements and task and context performance represented in Figure 7.1. The original hypothesis was that cross-cultural managers' (self) and subordinate/peer (other) ratings of cultural awareness, open-mindedness, being flexible/adaptable, having a knowledge of the local business environment, having respect for locals and their culture and local language skills would serve as positive predictors of contextual performance and that self and other ratings of open-mindedness, being flexible/adaptable, having a knowledge of the local business environment would predict self-ratings of task performance. Overall, the findings show some support for these links.

An important finding was that the salience of performance elements in predicting cross-cultural management performance differs for manager and

subordinate ratings, and for the prediction of task or context performance. This supports an overall tenant of this thesis regarding the importance of multiple raters in the accurate assessment of expatriates' cross-cultural management performance.

Chapter 9 attempts to build on these differential findings between raters by proposing a system of performance appraisal that integrates the ratings of both the manager and subordinate.

Chapter Nine – Integrating Self and Other Performance Perspectives to Evaluate the Cross Cultural Manager

The results from the previous chapter showed that different performance elements are salient for managers and their subordinates when predicting perceptions of a cross-cultural manager's contextual performance. Given this, the aim of the current chapter is to determine how to integrate relevant raters from different cultural and positional perspectives to best evaluate the cross-cultural management performance of expatriates. This is relevant to the primary research question, 'how can a cross-cultural management performance framework include self-ratings and ratings by cultural others?' It is important to note that this chapter continues to use Study Three data analysed and presented at the individual level in Chapter Eight. In line with the findings from the previous chapter, it is expected that the integration of host country national ratings and manager self-ratings during expatriate performance evaluation will reveal unique information that is relevant to cross-cultural management performance (see Chapter 4 for hypothesis).

This chapter will also identify the performance elements on which subordinates and managers tend to hold divergent perceptions. Given the differential findings found in the previous chapter for managers and subordinates, it is expected that the magnitude of rater disagreement is the most informative way to integrate expatriate and host country national ratings of the performance elements in order to predict contextual performance rater differences at the multivariate level. Multi-source rating systems typically reveal differences among raters, and correctly

identifying and understanding these differences is crucial for the effective use of performance information (Cheung, 1999).

Theory Background

As discussed in Chapter Three, between rater disagreement in performance evaluation has been examined from three main perspectives. These perspectives are measurement equivalence, generalisability theory, and the ecological approach. The ‘ecological perspective’ of rating source effects (Lance & Woehr, 1989) indicates that the source effects represent valid, systematic sources of performance information (Woehr et al., 2005). The standardized differences between the self and subordinate ratings of expatriate’s cross-cultural performance may provide information regarding differing cultural perspectives of management (Neelankavil et al., 2000), individual differences (Ostroff et al., 2004) or something about the relationship between the subordinate and manager (Tepper et al., 2006). The ecological approach is adopted in this chapter because it seeks to explore rater variance as performance information. The ecological approach has rarely been utilised in performance evaluation research (Lance & Woehr, 1989; Woehr et al., 2005), so this chapter represents a new approach to understanding and analyzing multiple perspectives of expatriate cross-cultural management performance that might be adopted by future researchers.

Reasons for Rater Disagreement

In understanding how to integrate relevant raters from different cultural and positional perspectives in cross-cultural management performance, it is useful to examine the reasons for rater disagreement in the specific context of expatriate cross-cultural management. There are three main reasons for rater disagreement in the context of expatriate cross-cultural management performance evaluation and these

were introduced in Chapter One as invalid performance criteria, rater competence and rater bias . The issues of invalid performance criteria (concept I) and the related issue of measurement equivalence (concept III) have been explored in Chapter Three and in Study Two (Chapter Six).

Rating differences caused by rater bias include: different cultural constructs of management concepts among raters (Bass, 1997; Neelankavil et al., 2000); rater perception of the purpose of appraisals (Marshall & Wood, 2000; Milliman et al., 2002; Scheider, 1988); ethnic and racial stereotypes (Ilgen et al., 1993); management positional level in the organization hierarchy (Borman, 1997); gender bias (Chung, 2001); and cultural expectations of leadership (Hempel, 2001; Milliman et al., 1998; Selmer, 1997). In the expatriate context, these biases can usually be attributed to particular rater groups such as managers, or men, or raters from a national group. Overall, these biases are generalisable, which is relevant to ratings integration.

Rating differences caused by rater competence include: language difference (Harzing, 2002); amount and type of contact between rater and ratee (J. S. Black et al., 1992); differing understanding or perception of rating processes and underlying rating concepts (Cheung, 1999); and accuracy of self-perceptions (Yammarino & Atwater, 1993). In the expatriate context, problems with rater competence could be alleviated with better training of the rater, or an improved rating process. Examples of this include providing host country nationals with a rating form in the host country language or training staff in self-awareness with regard to self-rating.

Research Background

Most of the previous research on inter-rater integration has focused on rater similarities rather than rater differences. The method of analysis for previous

research, therefore, is based on inter-rater correlations, rather than the use of t-tests or difference scores used in this current research. It is important to note that statistically the analysis of differences (i.e. t-tests) or similarities (correlations) are essentially assessing the same question. Rather it is the conceptualization or reasoning that occurs in terms of ‘similarity’ or ‘differences’ that is distinct. The research that has been conducted comparing performance evaluations by self-raters and subordinates have often shown the inter-correlations among raters tend to be small with Pearson correlation scores of less than .30. Mount (1984) reported self-subordinate correlations of .19. Conway and Huffcutt (1997) reported self-subordinate correlations of .14 while Shay (1999) reported an expatriate manager and host country subordinate correlation average of .14. With regards to the relative ratings between managers and subordinates, Shay (1999; 2001) administered the 11 factor managerial practices survey (Yukl, 1998) to 200 managers in the expatriate context and found that expatriates tended to rate their performance more highly than their host country national subordinates did.. The instrument in Shay’s (1999) study was not specifically designed to assess cross-cultural management or capture aspects of cross-cultural management performance. Nevertheless, it is expected that managers in the current study will also perceive themselves more favourably than their host country subordinates. In particular it is expected that managers will rate their open-mindedness and flexibility higher than host country nationals based on the findings of Van der Zee and Van Oudenhoven (2000). A more sober assessment by host country nationals is also expected of the expatriate’s cross-cultural awareness and local business knowledge. Host country nationals would normally have a much greater knowledge of local culture and business conditions, so they may use this as a

reference point in judging the expatriate on these dimensions (Hempel, 2001; Selmer, 1997; Yammarino & Atwater, 1993) .

In contrast to the findings in Chapter Eight, it is expected that a different pattern of performance elements will emerge as salient when the difference scores of self and other (i.e. the extent to which perceptions of performance differ) are used to predict perceptual differences regarding managers contextual performance. The difference scores enables expatriate performance to be examined at the dyadic level of analysis and tap into the extent host country nationals and expatriate managers perceptions differ in terms of the performance elements and what this means for the managers performance. Thus, the utilization of absolute difference scores as an integration method will provide unique information that is relevant to cross-cultural management performance. As discussed in Chapters Two, Three and Seven, research specifically utilizing host country subordinate perceptions in the assessment of cross-cultural management performance is rare. Despite researchers espousing the need to use multiple raters to obtain a more accurate picture of managerial performance (Bernadin, 1986; Cheung, 1999), expatriate management researchers to date have failed to suggest what to do with these ratings once they are collected and how to integrate different perspectives in a useful way to appraise performance. This chapter will address this issue.

Method

The participants, measures and procedures for this analysis are the same as those outlined in Chapter Eight. The analysis in this chapter is related to contextual performance only as both managers and cultural others rated the manager on contextual performance. Task performance and the mediating variables from Chapter

Seven and Eight are not analysed in this chapter as these variables were only rated by the manager. Chapter Eight outlined the reasons for this.

Results

As stated earlier, differences between self and other ratings of performance are expected. Therefore, the method of analysis for examining differences between self and other ratings is a series of t-tests. Pearson correlation coefficients are also calculated to analyse any significant associations between the difference scores. Afterwards, a standard regression analysis will be conducted to examine the combined predictiveness of the difference scores in the prediction of perceptual differences regarding expatriate contextual performance.

Univariate Analysis

Table 9.1 presents the means, mean difference scores, and t-test results for self and subordinate ratings on the performance elements and contextual performance. The series of t-tests conducted reveal that manager self-ratings are significantly higher than their host country subordinates on all of the performance elements, except for open-mindedness. This indicates that expatriate managers perceived themselves more favorably than their subordinates on cultural awareness, flexibility, knowledge, respect for local culture, and language ability. The finding is similar for ratings of context performance. Expatriate managers perceived themselves more favorably on contextual performance than subordinates. The table also shows that the biggest perceptual differences occurred for flexibility, knowledge of the business environment, and host country language ability.

Table 9.1

Means, difference scores and t scores for self and other ratings

	Self Rated Mean	Other Rated Mean	Mean Difference Scores	<i>t</i>	df
Cultural Awareness	3.76	3.54	.23	2.66**	97
Open-Mindedness	3.49	3.56	.07	-.81	100
Flexibility/ Adaptability	3.40	3.10	.31	4.00**	97
Knowledge of Local Business Environment	3.59	3.27	.33	3.46**	97
Respect for Cultural others and Their Culture	4.17	3.98	.19	2.13**	97
Host Country Language Ability	3.70	3.41	.28	2.03*	96
Contextual Performance	3.84	3.71	.15	.18	97

N = 97

** Significant at the 0.01 level (2-tailed)

* Significant t the 0.05 level (2-tailed)

Table 9.2 presents the means, standard deviations and Pearson correlation coefficients for the absolute difference scores of the variables in this study. The correlations revealed that the greater the discrepancy between a manager and subordinate on ratings of the manager's cultural awareness, the more likely the manager and their subordinate were to disagree on the manager's degree of local business knowledge and his or her respect for the host national's culture. Furthermore, discrepancies between the manager and his or her subordinate on cultural awareness perceptions were linked to greater disagreement regarding the manager's contextual performance.

Table 9.2 also shows that the more managers and subordinates disagreed regarding managers' level of open-mindedness, the more likely they were to disagree on the superiors' degree of knowledge and respect. Indeed, greater differences in perceptions of the cross-cultural manager's knowledge of the business environment was also linked to greater perceptual discrepancies between the superior and

subordinate in terms of his or her respect for the national culture, cultural awareness, flexibility, and contextual performance.

Apart from cultural awareness, open mindedness, and knowledge described above, differences in the degree of perceived cultural respect by the manager and subordinate was also linked to differences in perceptions of contextual performance. Interestingly, a negative correlation was found between differences in perceptions of managers' local language ability and ratings of the manager's contextual performance. That is, the more raters *agreed* on the manager's local language ability, the more likely they were to disagree on ratings of the manager's contextual performance.

Regression Results

A standard regression analysis was conducted to examine the combined predictiveness of the performance elements in predicting contextual performance rating difference. The regression accounted for the possibility of type I error given the inter-correlations among the performance elements at the univariate level.

Table 9.2

Means, Standard Deviations and Pearson Correlations of Absolute Difference Scores between Self and Other Rated Variables

	M	SD	1	2	3	4	5	6	7
1. Cultural Awareness Difference	.669	.543	1.000						
2. Open-Mindedness Difference	.620	.580	.107	1.000					
3. Flexible/ Adaptable Difference	.601	.548	-.137	.174*	1.000				
4. Knowledge of Local Business Environment Difference	.735	.660	.286**	.077	.161*	1.000			
5. Respect for Cultural Others and Their Culture Difference	.676	.603	.297**	.267**	-.158	.225**	1.000		
6. Host Country Language Skills Difference	.691	1.193	.049	.057	.138	-.033	-.092	1.000	
7. Contextual Performance Difference	.681	.688	.253*	.125	-.044	.288*	.530**	-.207*	1.000

n = 97

** Correlation is significant at the 0.01 level (1-tailed)

* Correlation is significant at the 0.05 level (1-tailed)

Table 9.3 presents a summary of the regression analysis employing the absolute difference score between the self and other ratings of contextual performance as the dependent variable. The total variance accounted for by the model was 56 percent. The entry of the absolute difference scores between self and other performance ratings of cultural awareness, knowledge of local business environment, respect for cultural others and their culture, host country language ability accounted for 34 percent of the variance in contextual performance rater difference, $\Delta F(4, 92) = 11.95, p < .001$. An examination of the beta weights showed that the rater difference score of ‘respect for cultural others and their culture’ was a significant positive predictor of perceptual differences in contextual performance. The beta weights also showed that the rater difference score of ‘local language ability’ was a significant negative predictor of rater differences in contextual performance.

In summary, the regression equation showed that the self and other rating differences for ‘respect for cultural others and their culture’ and ‘local language ability’ combined to predict the difference between the self (manager) and cultural other ratings of the manager’s contextual performance. That is, expatriates and their host country subordinates were more likely to disagree about the expatriate’s context performance, the more they held different perceptions about the expatriate’s level of respect for cultural others and their culture. Conversely, expatriates and subordinates were more likely to agree about the expatriate context performance the more they held similar perceptions about his or her language ability.

Table 9.3

Regression of Difference Variables on Contextual Performance Rating Difference

Predictors	β
Cultural awareness difference	.09
Knowledge of local business environment difference	.15
Respect for cultural others and their culture difference	.46**
Local language ability difference	-.17*

$\Delta R^2 = .34, p < .001$
 * $p < .05$, ** $p < .01$

Discussion

The hypothesis ‘that the integration of host country nationals in expatriate performance evaluation reveals unique information that is relevant to cross-cultural management performance’ is partly supported by the results presented. In line with the ecological approach, the results show that expatriates and subordinates do differ in their perceptions of the expatriate’s performance on a range of performance elements. Analysing differences in perceptions also revealed useful information, particularly in the prediction of contextual performance. This suggests it is useful and practical to integrate raters from different cultural and positional perspectives when evaluating cross-cultural management performance.

As expected, the results demonstrate that host country nationals assessed the expatriate’s cross-cultural awareness and local business knowledge at a lower level than self-ratings by the expatriate. It is natural that host country nationals have higher ‘internal’ standards when rating a ‘foreigner’s’ level of awareness of their local culture and knowledge of their local business environment. This kind of information is useful to the expatriate manager, who has the potential to make many mistakes whilst operating in the local business environment if they assume greater local knowledge than they are actually perceived to possess.

Supporting the research of Shay (1999), expatriate managers rated their performance more favourably than their cross-cultural subordinates on all performance elements except open-mindedness. These results are consistent with managers generally, and not just expatriate managers. This is a bias based on management position in the organizational hierarchy that can be anticipated in expatriate performance evaluation (Borman, 1997).

Whilst it was expected that managers would rate their flexibility higher than host country nationals based on the findings of Van der Zee and Van Oudenhoven (2000), the finding that managers rated their open-mindedness at a lower level than host country nationals was unexpected. The difference, however, was not significant and so it is difficult to draw conclusions from this result. The predominance of ‘other raters’ from cultures that are sometimes regarded as less open-minded than the predominantly Australian and European (Entrekin & Chung, 2001; Hempel, 2001; Redding & Hsiao, 1990) sample may have some influence on this outcome.

It was also expected that the integration method employed of using absolute difference scores between self and other performance ratings would predict the rating difference of contextual performance on *different* performance elements to those identified in Chapter Eight. In other words the predictor elements for self and other performance ratings of contextual performance identified in Chapter Eight would be different to the elements based on the absolute difference scores that predict contextual performance. There was some support for this. Respect was an important predictor of context performance for self and other ratings in Chapter Eight, and also in terms of contextual performance differences in the current chapter. However, language ability was not linked to contextual performance in the previous chapter.

In terms of contextual performance, the regression revealed that rater disagreement on the ‘respect’ variable tended to predict disagreement regarding perceptions of contextual performance. The usefulness of this variable in assessing contextual performance was established in Chapter Eight. It appears that differences in the rating of this variable are also useful regarding perceptual differences in contextual performance. It seems as though the degree of agreement on what constitutes ‘respect’ seems to align closely with the concept of contextual performance.

The hierarchical regression analysis also revealed that when raters tend to disagree on the expatriate’s language ability, they tend to agree on the expatriate’s contextual performance. This was unexpected. It could be that some expatriates make no effort to learn the local language and regard this as unimportant. Thus both raters may agree on a ‘low’ rating of the expatriate’s local language ability. This *attitude* towards the local language (not *ability*), however, may reflect a broader lack of respect for locals and their culture (based on respect difference being a predictor of contextual performance difference). Thus the rating on contextual performance may be quite different between the raters. Conversely, the expatriate who makes an attempt to learn the local language may think they are doing well with their 100-word vocabulary, whereas the host country national correctly gives the expatriate a low language ability rating (i.e. they disagree on language ability). The host country national and the expatriate manager, however, both agree that the expatriate’s attempt to learn the local language is an action that demonstrates respect for locals and their culture. Hence they are also likely to agree on contextual performance. This proposition could be tested in future research by examining *attitude* to the host country language rather *ability* in the language. Overall, this result should be treated

with some caution due to the relatively high correlation between raters on local language ability ($r = .67$), indicating a degree of multicollinearity. This means that it is relatively rare that the raters will disagree on the expatriate's host country language ability, and so the usefulness of disagreement on the expatriate's host country language ability to predict contextual performance agreement is limited.

Conclusion

This Chapter considered how to integrate relevant raters from different cultural and positional perspectives to evaluate cross-cultural management performance. Integration was possible utilising the ecological approach in which information from the expatriate manager and the host culture subordinate combine to provide valid and systematic performance information. This study showed, disagreement on performance and performance elements can be expected and accounted for when integrating manager self-ratings of performance with performance ratings from host country subordinates. When asked to rate cultural and country-related awareness and knowledge, host-country raters rated their cross-cultural managers less favourably than the managers rate themselves. Host country raters also rated cross-cultural managers lower in terms of their respect for cultural others and the host culture, host country language ability, and contextual performance. Assessing rating differences on the dimensions of 'respect for cultural others and their culture' and 'local language ability' predicted the difference between self and other ratings of the manager's contextual performance.

In summary, this chapter has provided some insight about how to integrate relevant raters from different cultural and positional perspectives when evaluating cross-cultural management performance. However, further discussion on the methods

of doing this is required. The final chapter of this thesis will address this issue in the context of the arguments and limitations of the research presented here.

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Chapter Ten – General Discussion

This thesis addressed the following research question proposed in Chapter One, ‘how can a cross-cultural management performance (CCMP) framework include self-ratings and ratings by cultural others?’ Theoretical and empirical gaps in the existing literature, as well as practical problems identified in Australian cross-cultural management (CCM) research formed the basis of this research question. This final chapter considers in more detail the theoretical and empirical implications of the findings derived from the three empirical research studies. The chapter also discusses the limitations of this research, as well as future directions.

The Problem

The first chapter introduced the topic of cross-cultural management (CCM) performance evaluation. The chapter considered CCM’s place within the research disciplines of international human resource management and CCM. The challenges of evaluating the performance of expatriate managers were outlined, highlighting the problems of invalid performance criteria, rater competence and rater bias. The dearth of research in expatriate performance management was identified, particularly regarding the lack of objective criteria for expatriate performance appraisal (Bonache et al., 2001). In response, this research program proposed and assessed evaluation criteria for CCM as part of expatriate performance appraisal.

Chapter One outlined extensive research, including the Karpin Report (1995), that has identified the practical problems concerning the poor cross-cultural management performance (CCMP) of Australian expatriates in Asia. The chapter argued that the discipline of IHRM needs to address some fundamental issues about the nature of CCMP before particular current problems of poor performance can be

considered. Such as ‘what does effective cross-cultural management performance look like?’, and ‘what are the most effective methods for evaluating performance in a cross-cultural context?’ The research presented in this thesis addressed the issue of CCM evaluation as it relates to CCMP outcomes through an extensive exploration of empirical and conceptual research and three empirical research studies. The following sections summarises the research findings of these studies.

Research Background

Chapter Two presented the argument that there is a paucity of definitions and conceptual development in the area of cross-cultural management performance. There was a discussion of how cross-cultural management performance has been conceptualised using a variety of perspectives from a simple focus on the cultural adaptation of pre-existing management skills, to being a management subset with unique skills, goals, and processes. After examining various conceptualisations of CCMP in the expatriate context, the chapter argued that previous definitions of CCMP that are strongly linked to cultural adjustment lead to limitations in management outcomes. When cross-cultural management performance is conceptualised as adjustment, the manager needs only to adjust, rather than find value in synergising differences and creating new strategies and new alternatives. Within the adjustment framework, the focus is on the manager’s journey as an individual, not the manager as a player within a context with many stakeholders and influences. In other words, if the desired outcome is a manager who is culturally well adjusted, then it is optional whether the manager hears and integrates the ‘voice’, input, and ideas of host country national subordinates and peers.

In response to the limited focus on CCMP as adjustment, the definition of CCMP presented in this thesis was 'the achievement of productive diversity,

intercultural effectiveness and cultural synergy in the performance of management across cultures through processes including successful cultural adaptation and cross-cultural social engagement, and skills including the leadership of cross-cultural teams and the resolution of culturally related value dilemmas'. This definition moves CCMP from the restriction of 'one-sided cultural adjustment' to fulfil its promise to bridge cultures (H. W. Lane et al., 2000) and create new and innovative solutions (Trompenaars & Woolliams, 2003). It also supports other definitions that include the unique management skills, goals and processes of CCM (N. Adler, 2002; Bird & Osland, 2004; Cope & Kalantzis, 1997).

Chapter Three presented a conceptual model evaluating CCMP that incorporates the involvement of multiple raters, a derived set of CCMP elements, the system of rating performance elements, the barriers to accurate evaluation, and the organisational determinants. The chapter argued that the performance elements of CCMP should include both task and contextual performance. Ideally, the detailed performance elements in appraisal should also be uniquely tailored and relevant to the expatriate context and the expatriate's organisational context. The chapter also presented the argument that to assess CCMP adequately, the criteria should include aspects of personality, experience, attitudes, knowledge, and skills (PEAKS). Study Two identified specific performance elements that are summarised below, and Chapter Seven examined the elements in further detail through a literature analysis.

Research Methodology

The research program examined the research question using both qualitative and quantitative research methods within the overall qualitative research paradigm of social constructionism. As explained in Chapter Four, the research design aimed to uncover the voice of the 'cultural other', giving the opportunity for CCMP to escape

the ‘straightjacket of cultural myopia’. This research project also utilised an integrated approach, where no single research phase could address the hypotheses alone. The three hypotheses identified in Chapter One were: -

H1. The derived cross-cultural management performance elements will accurately capture effective CCM across differing organisational and cultural barriers according to expatriate managers, and host country national subordinates;

H2. The integration of host country nationals’ perceptions of performance during expatriate performance evaluation will reveal unique information that is relevant to cross-cultural management performance;

H3. The derived system of rating cross-cultural management performance will efficiently integrate performance elements and multiple raters in assessing cross-cultural management performance in a variety of organisational settings.

The three research studies tested these three hypotheses. A summary of the results of the three studies follows.

The Three Empirical Studies

Study One – Performance Appraisal in Expatriation

Study One investigated the broader issues of performance appraisal in expatriation within the particular context of Australian expatriates in Singapore and Singaporean expatriates in Australia. Specifically, the study aimed to determine the current use of performance appraisal and the outcomes of such appraisals. Thus, the

study presented the problems of CCM evaluation within the applied context of expatriate performance appraisal. The study utilised semi-structured interviews with a total sample of 51 respondents, 20 of whom were Australian expatriates in Singapore, 15 were Singaporean expatriates in Australia, and 16 were Australian human resource professionals.

Study One found that the use of performance appraisal with Australian expatriate managers in Singapore and Singaporean expatriate managers in Australia was characterised by some concern with the fairness and accuracy of performance criteria, and with a greater desire for the input of subordinates in the appraisal process. The expatriates and HR professionals considered the performance appraisal process important, especially its impact on pay for performance (96% of respondents reporting some impact). The most common methods of appraisal were performance against set indicators (75% of sample), and the rating of specific competencies (69%). However, in almost half of the sample there was no opportunity for expatriate specific criteria to be included in the appraisal. For these participants, their appraisal criteria did not accommodate their management performance in a different cultural, linguistic or regulatory environment.

Curiously, the performance appraisal process did not usually assess cross-cultural management competencies such as reconciling cross-cultural dilemmas or knowledge of the host country business environment. When responding to open-ended questions regarding what should be included in expatriate performance appraisals, some participants nominated criteria related to cross-cultural competencies including adaptation to the culturally different business environment.

These findings reflect a situation where cross-cultural competence is not a prominent feature of expatriate performance appraisal. In this situation, it is possible

for cross-cultural management problems such as insensitivity to cultural differences (lack of cultural awareness) to go unnoticed or regarded as irrelevant. Problems with CCM may become obvious only when people from the host culture are involved in appraisal, or when experts in CCM are involved in the appraisal process. This supports other research presented in Chapter One that indicates a general problem with Australian CCM in Asia (Dawkins et al., 1995; DFAT, 1995; Karpin, 1995). However, Study One demonstrated that participants desired more input in the appraisal from their work subordinates, colleagues and clients. Performance appraisal of expatriate managers from multiple rater (cross-cultural) perspectives may help to highlight CCM problems. Studies Two and Three explored this issue further.

Study Two – Interviews and Focus Group about Performance Elements

Study Two addressed the secondary research question of ‘what performance elements are fundamental to the effective CCMP of cross-cultural managers’ by analysing responses to this question through a focus group and semi-structured interviews with 49 expatriate managers and 19 host country national subordinates from 24 countries. Using a qualitative methodology to explore the question with both expatriate managers and host country nationals is relatively unique in the field of cross-cultural management. The answer to the question was in the form of a framework of performance elements (Figure 6.1) that included six ‘independent’ variables, three proposed ‘mediating’ variables and two ‘performance’ variables. The six independent variables were cultural awareness, open-mindedness, flexibility, knowledge of the local business environment, respect for cultural others and their culture and local language skills. The three proposed mediating variables were amount of contact with host country nationals, cultural toughness, and job complexity. The two ‘performance’ variables were task performance and contextual performance.

Although some of the variables identified in Study Two have also been identified in previous research into expatriate cross-cultural adjustment and expatriate effectiveness (Arthur & Bennett, 1995; Caligiuri, 2000b; Leiba-O'Sullivan, 1999), the variables listed in the framework of performance elements have been derived directly from open-ended questions asked of expatriate managers and those who work with them. Furthermore, Study Two derived these variables in relation to cross-cultural management specifically, rather than the predominant research focus on adjustment in relation to expatriate effectiveness. In addition, previous research associated with expatriate cross-cultural effectiveness has drawn variables from the literature, rather than from empirical research involving expatriates.

The attitude variables identified in Study Two such as 'respect for cultural others and their culture' have not been strongly represented in the cross-cultural expatriation literature to date. This finding may reflect the focus of the current research study on CCM, rather than expatriation adjustment. The emphasis on the knowledge variable 'understands locals and their motivations', underlines the importance of utilising host country nationals in a performance evaluation of an expatriate's CCMP, because an effective evaluation of local knowledge requires local input. Study Two showed Australian expatriates put less emphasis on knowledge as it relates to CCM (compared with the collected group of participants from other nations). This may help to explain why Asian managers see Australian managers as "unaware of cultural differences between countries" (Dawkins et al., 1995, p. 37). A strong emphasis on both language and communication skills, along with 'mixing socially with cultural others' highlights that the effective cross-cultural manager is an engaging, relational person who is communicating regularly with host country staff.

One of the limitations of Study Two was the emphasis on asking general questions regarding cross-cultural management evaluation, rather than linking perceptions of CCM to specific situations. Study Two did not identify any particular individual or situation as the focus of analysis. The framework required testing with multiple raters to capture the essential essence of what it is that makes a particular expatriate an effective cross-cultural manager. Study Three responded to the limitations identified in Study Two by examining this issue further.

Study Three and the Cross-Cultural Management Performance Model

Chapter Seven defined and integrated the variables identified in Study Two into a model of CCMP in the expatriate context, and proposed links between the variables in the model (Figure 7.1). Study Three, reported in Chapter Eight examined the model with a sample of 100 expatriate managers and 100 host country nationals who rated the CCMP of the managers. Study Three drew the expatriate manager sample from 23 different countries and a variety of industries. The following paragraphs define the variables in the model, and examine the results from Study Three in relation to the proposed relationships (based on previous research) between the variables in the model. While Chapter Eight includes discussion of the implications of these results, a summary of the model definitions and relationships between the variables are presented here as a foundation for discussion of the three hypotheses.

Task performance, the first dependent variable, was defined as performance on those activities and processes that directly transform raw materials into the goods and services that the organization produces and the activities that service and maintain the associated technical processes (Motowidlo & Van Scotter, 1994). Contextual performance, the second dependent variable, was defined as achieving productive

diversity, intercultural effectiveness, and cultural synergy in the non-task related performance of management across cultures, through processes including successful cultural adaptation and cross-cultural social engagement. It also included the skills of leading cross-cultural teams and resolving culturally related value dilemmas.

In hindsight, the contextual performance variable could have been measured more effectively. This new variable attempted to measure CCM according to the definition of cross-cultural management performance outlined in Chapter Two. The measure could have included more questions that measured aspects of CCM including productive diversity, leading cross-cultural teams and successful cultural adaptation. The questions used to measure this variable (see Appendix 8.1), did not adequately address these aspects of the definition.

Cultural awareness, one of the independent variables, was defined in the expatriate context as the understanding of information associated with the host country's history, religions, motivations and values, and contextually appropriate social behaviour. Chapter Seven proposed that a positive relationship between cultural awareness and contextual performance existed. However, in Study Three, the variable emerged as an important predictor of contextual performance for the rating by the host country national at the multivariate level, but not for self-rating. Cultural awareness was positively related to task performance for self-raters, which was a further unexpected result.

Open-mindedness was defined as “an open and unprejudiced attitude towards out-group members and towards different cultural norms and values” (K. Van der Zee et al., 2003, p. 78). Chapter Seven proposed that open-mindedness would be positively related to contextual and task performance based on the multicultural personality research by Van Oudenhoven, Mol and Van der Zee (2003) and Van der

Zee, Zall and Piekstra (2003). The correlational analysis supported a positive relationship between self and other ratings of contextual performance and other ratings of task performance. The hierarchical regression results, from Study Three, did not support the proposed positive relationship between open-mindedness and task and contextual performance.

The variable of flexibility was defined as being able to switch strategies in intercultural situations and to be attracted to new and unknown situations as a challenge (K. Van der Zee et al., 2003). It was proposed that this variable would be positively related to CCMP (task and contextual) based on the results of Study Two, and its theoretical link with multicultural effectiveness (K. Van der Zee et al., 2003). However, Study Three found no relationship between flexibility and either task or contextual performance for either self or other ratings. It was suggested that the measure used in assessing flexibility suffered from low reliability which is consistent with Van Oudenhoven and colleagues' (2003) research with expatriates from a number of different countries.

Chapter Seven defined the variable, 'knowledge of the local business environment' as an understanding of the job role relevant overall business context including local laws, regulations, and government. It was proposed that a positive relationship would emerge between knowledge and the task performance part of CCMP. In partial support of this, the results indicate that the 'other-rating' of knowledge of the local business environment (but not for self-rating) was significantly related to task performance. Unexpectedly, the variable was also found to positively predict contextual performance for both self and other raters. This variable appears to be important in predicting CCMP.

Respect for cultural others and their culture was defined as ‘possessing and demonstrating an attitude of cultural empathy for others through low ethnocentrism, resistance to prejudice and relationship building behaviours’. It was proposed that respect would be positively related to contextual performance, based on literature showing a link between CCM and cultural adjustment (Mio et al., 1999). Chapter Seven suggested that the variable might be mediated by the amount of contact with host country nationals. The results from Study Three showed that respect was related to contextual performance for both self and other ratings. However, it was not mediated by the amount of contact with host country nationals. A surprising result was that with regard to self-ratings, respect for cultural others and their culture was found to be a positive predictor of task performance. This attitudinal variable appears to be important in cross-cultural management.

Local language skill was defined as ‘fluency in the common local language where the expatriate is located’. It was proposed that language ability would be positively related to contextual performance (Shaffer et al., 1999; Takeuchi et al., 2002) and based on the results of Study Two, mediated by the expatriate’s amount of contact with host country nationals. At the univariate level, the variable was found to have a significant and positive correlation with contextual performance. At the multivariate level, however, the variable did not emerge as an important predictor of either task or contextual performance for both self-raters and cultural other-raters and it was not mediated by the expatriate’s amount of contact with host country nationals.

Three mediating variables were proposed in the model of CCMP, including the amount of contact with host country nationals. This variable was defined as ‘the amount of work-related and non-work related contact social interaction between the expatriate and host country nationals’. It was expected that amount of contact would

be positively related to respect for cultural others and their culture and local language skills. Amount of contact was also expected to mediate the relationship between these variables and contextual performance. The Study Three results, however, only indicated that the ‘amount of expatriate manager contact with host country nationals’ mediated the relationship between cultural awareness and task performance according to expatriate managers. Unexpectedly, expatriate managers felt that the more contact they had with host country nationals, the lower their task performance would be.

Cultural toughness was another mediating variable and was defined as ‘the ‘toughness’ of the culture of a country based on the cultural differences between the home culture of the individual and the culture of the country of assignment’ (Mendenhall & Oddou, 1985). Cultural toughness appeared to have no effect on the relationship between the independent variables and the performance measures. Job complexity was defined as ‘the degree to which the job involves mental processes such as problem solving, applying discretion and using technical knowledge’ (Dean & Snell, 1991). This variable was proposed as a mediator between the independent variables of open-mindedness, flexibility and knowledge of the local business environment and the dependent variable of task performance (K. Van der Zee et al., 2003). In Study Three, the variable was found to be a mediator between knowledge of local business environment and task performance, but it was not a mediator between flexibility and task performance. The regressions found a positive relationship between job complexity variable and both task performance and contextual performance according to the self-raters.

Other variables examined in relation to task and contextual performance were gender, length of expatriate posting and number of previous expatriate postings. The proposal that there would be differences between men and women in performance

(task and contextual) was supported, with male managers rating themselves higher than women in terms of task performance, but not on contextual performance. Host country nationals saw no gender differences in contextual performance. The questionnaire did not ask host country nationals to comment on the expatriate's task performance. In future research, it would be useful to ask host country nationals and other stakeholders about the task performance of expatriates in order to determine whether the gender difference in ratings of task performance is substantial or just based on self-perception.

It was expected that expatriates on a longer assignment would have higher ratings on contextual performance because of their exposure over time to the host country. This outcome occurred for self-ratings of contextual performance only. A positive relationship between the number of previous overseas assignments and contextual performance was expected. This was evident from other-ratings of contextual performance, but not with self-ratings of contextual performance.

Integrating the literature discussed in Chapter Seven and the findings discussed in Chapter Eight, the differences between self-ratings and ratings by cultural others concerning number and length of expatriate assignments are relatively unique research findings. These findings indicate that previous research exploring performance and the number and length of expatriate assignments (J. S. Black & Mendenhall, 1991; Selmer, 2002; Taveggia & Gibboney, 2001) may be limited by only using self-reports of performance. Further research is needed to explore why there are differences between self and cultural other perceptions of the relationship between the length and number of expatriate assignments and contextual performance.

Hypotheses

The Model and Hypothesis One

The first hypothesis (H1) in Chapter Four was that ‘the derived cross-cultural management performance elements can accurately capture effective cross-cultural management across differing organisational and cultural barriers according to expatriate managers and host country national subordinates’. The qualitative research of Study Two defined the relevant performance elements. A model in Chapter Seven further refined and theoretically integrated these elements. Study Three then examined the model with a group of culturally diverse expatriates and host country national subordinates from differing organisational contexts. The ‘contextual performance’ element in the model incorporated the core aspects of CCM from the definition of the concept provided in Chapter Two.

The hypothesis was partly supported, in that hierarchical regression analysis found that some of the derived performance elements predicted contextual performance. According to expatriate managers, these elements were respect for cultural others and their culture, and knowledge of the local business environment. Knowledge of the local business environment was mediated by job complexity in predicting contextual performance. According to host country nationals, the elements that predicted contextual performance were cultural awareness, knowledge of local business environment, and respect for cultural others and their culture. Knowledge of local business environment, and respect for cultural others and their culture, therefore, were the two derived elements that accurately captured effective CCM across differing organisational and cultural barriers according to expatriate managers and host country national subordinates. The ‘major contributions’ section of this chapter discusses the theoretical and practical implications of this finding. The measure of

contextual performance, however, needs improvement. The measure could have aligned more closely with the definition of cross-cultural management used in this research program, and this problem will be outlined in the ‘limitations’ section of this chapter. Nevertheless, the emergence of a knowledge and an attitudinal variable as important predictors of CCM is something relatively unique in the field of international human resource management.

Hypotheses Two

The second hypothesis (H2) was that ‘the integration of host country nationals in expatriate performance evaluation reveals unique information that is relevant to cross-cultural management performance’. This hypothesis was examined mainly in Chapter Nine of the thesis, through an examination of the t-tests and difference scores of self and cultural other performance raters from Study Three. The hypothesis was based on the ecological approach (Woehr et al., 2005) to ratings differences. The ecological approach argues that the differences in ratings reveal important information and patterns that are relevant to integrating raters from different cultural and positional perspectives in evaluating cross-cultural management performance.

The hypothesis was partly supported, with rating differences evident between self-ratings and cultural other-ratings of the performance elements of cultural awareness, flexibility/ adaptability, knowledge of local business environment, respect for cultural others and their culture, and host country language ability. Elements where ratings for self and cultural other were not *significantly* different were open-mindedness and contextual performance. The measurement of contextual performance as related to the unique skills of cross-cultural management could be improved in further research, and the suggested improvements will be outlined in the limitations section of this chapter.

Hypothesis Three

The third hypothesis (H3) was that ‘the derived system of rating cross-cultural management performance efficiently integrates performance elements and multiple raters in assessing cross-cultural management performance in a variety of organisational settings’. Study Three tested this hypothesis by examining the model presented in Figure 7.1. The performance elements listed in Figure 7.1 were derived from Study Two and were further developed in Chapter Seven of this thesis. The multiple raters who assessed cross-cultural management in a variety of organisational settings were the total sample of 200 raters involved in Study Three. The measure of contextual performance was designed to capture cross-cultural management. The findings in Chapter Eight partially supported the integration of performance elements in the prediction of task and contextual performance. Chapter Eight also showed the utility in assessing the predictors of performance in terms of managers’ versus subordinates’ perspectives.

A related research question posed in Chapter Four was ‘how can multiple raters from diverse cultural perspectives be integrated into an effective system of cross-cultural management performance appraisal in the expatriate context?’ Utilising the ecological approach, where rating difference represents valid, systematic sources of performance information, Chapter Nine demonstrated how ratings of the performance elements by expatriate managers *and* subordinates could be integrated. The recommended integration method involved the use of absolute difference scores between raters to measure the extent of perceptual differences in contextual performance of the manager. This analysis appeared to provide unique information over and above that gained by analysing manager and subordinate ratings separately. In short, this integration represents an original contribution to the literature.

When asked to rate cultural and country-related awareness and knowledge, expatriate managers perceived themselves more favourably than their host country subordinates in terms of their respect for cultural others and the host culture, host country language ability and contextual performance. This finding supports other literature that shows self-ratings tend to be higher (Shay, 1999, 2000). The difference between self and other ratings of the manager's contextual performance can be predicted by assessing the rating difference on the dimensions of 'respect for cultural others and their culture', and 'local language ability'. Chapter Nine discusses the practical and theoretical implications of these findings.

Major Contributions

Definition and Model of Cross-Cultural Management Performance

Although there has been considerable research in recent years examining expatriate performance and effectiveness (Caligiuri, 2000a; Harrison & Shaffer, 2005; Shaffer et al., 2006), there has been less research dedicated to examining dimensions of *cross-cultural management* as it relates to expatriate performance. This could be linked to the fact that CCM is not always regarded by organisations as an essential part of an expatriate's work role. The lack of relevant empirical research is in the context of a paucity of conceptual work examining cross-cultural management, to the point where definitions of CCM are rare (Triandis, 2001). When they appear, the definitions tend to be one-dimensional, examining concepts such as dilemma reconciliation, adjustment or personality (Shaffer et al., 2006).

This thesis has attempted to create a model of cross-cultural management based on the impressions of 68 expatriate managers and host country national subordinates from a variety of nations and organisations (Study Two). This approach is relatively

rare, as other models of CCM have usually been based on concepts that have been explored in previous research (Arthur & Bennett, 1995). As has been demonstrated, the origin of these concepts are often little more than lists that are constructed based on the experience of a few people (Harris & Moran, 2000; Ronen, 1989), rather than having any empirical basis. When empirical research is attempted in the cross-cultural management field, it tends to be based on bicultural and single company samples, with a predominance of US based samples (Bond et al., 2001). Despite the difficulty obtaining research participants from a number of companies and cultures, the limitations of previous empirical cross-cultural management research have been overcome in part through this research program.

One of the fundamental aims of the research program was to begin to derive a model of CCM using a variety of theoretical and research perspectives. There is an apparent lack of dialogue between the management-oriented focus of researchers who publish in Academy of Management, Human Resource and International Business journals; the applied psychology researchers who publish in journals such as Journal of Applied Psychology and Personnel Psychology; and the cross-cultural researchers who publish in journals such as International Journal of Intercultural Relations. Although there is some dialogue between the first two groups, these two groups seem to overlook important research from the third group, such as research based on the Multicultural Personality Questionnaire (K. Van der Zee & Van Oudenhoven, 2000) and critical developments in the cross-cultural communication field such as co-cultural theory (Orbe & Spellers, 2005) and post-colonial theory (Bhabha, 1994). A fourth group of researchers who seem ‘neglected’ by the other three groups are those focussed on the practical applications of cross-cultural management. Their contributions include dilemma reconciliation theory (Trompenaars & Hampden-

Turner, 2002) and productive diversity (Cope & Kalantzis, 1997). The impact of the lack of dialogue between these groups on the discipline is discussed below.

The lack of dialogue between the four identified groups is evidenced by their failure to discuss each other's theories in their research, and their failure to reference each other when examining similar concepts. This thesis has found value in all four perspectives of CCM, and a new integrative definition of cross-cultural management has been proposed. The proposed model of CCM integrates these perspectives, and in particular draws upon the multicultural personality model (K. Van der Zee & Van Oudenhoven, 2000) from the cross-cultural researchers, dilemma reconciliation (Trompenaars & Hampden-Turner, 2002) from the practical application researchers, adjustment (J. S. Black et al., 1991) and cultural toughness (Mendenhall & Oddou, 1985) from the management researchers and task and contextual performance (Borman & Motowidlo, 1993) from the applied psychology researchers.

In practical terms, the model developed here provides criteria for evaluating the cross-cultural management performance of an expatriate. It appears as though the criteria of cultural awareness, knowledge of local business environment and respect for cultural others and their culture can predict CCMP. In the cross-cultural context, the expatriate's task performance should be assessed within the context of their performance regarding respect for cultural others and their culture, and knowledge of the local business environment. Mitigating factors in their task performance may be the amount of contact with host country nationals and job complexity. Although personality dimensions such as openness and flexibility emerged strongly as being important aspects of CCM in the interview research, they were not found to be predictors of CCMP in the survey research. It could be that personality factors are relevant to *selecting* an effective cross-cultural manager, but these relatively stable

personal characteristics may not be as relevant when *evaluating* the manager once they are operating in their role.

The model does need expansion to consider elements that were found to play a role in the expatriate's performance. Men, and those on longer assignments, perceive themselves more favourably in terms of cross-cultural management performance, however, this is not supported by the perceptions of host-country nationals. Instead, when host country nationals discuss what constitutes effective CCMP, they appear to place greater importance on the number of previous postings the expatriate has had. It is proposed, therefore, that inclusion of these three factors in the modified model of CCMP section would contribute to effective evaluation cross-cultural manager performance in the expatriate context.

Involvement of Host Country National Raters

The current research has shown the involvement of performance raters from the host culture is important during CCM evaluation. There are two main insights that the involvement of host country raters can provide. These insights relate to the factors involved in task performance and the role of respect in CCMP. These will now be examined in turn.

This thesis has demonstrated that involving host country nationals in performance evaluation is essential in understanding different perceptions of the factors involved in task performance. Expatriates see cultural awareness as important in getting the job done. Host country nationals see local business knowledge, and respect for cultural others and their culture, as important in getting the job done. These findings have not been reported in the literature to date. Previous research in task performance has argued that the predictors of task performance are knowledge, skills and abilities (Borman & Motowidlo, 1993). This thesis has demonstrated that

in the expatriate context, the knowledge factor is important according to expatriates (in relation to cultural awareness) and host country nationals (in relation to knowledge of the local business environment). In addition, host country nationals believe the attitudinal factor of respect for cultural others and their culture is an important attribute for the expatriate to be able to achieve task performance.

The research finding that the attitudinal criterion of respect is relevant to task performance has important implications for international human resource management and for management in the cross-cultural context. The practical implications for international human resource management will be discussed here, whereas the implications for CCM will be discussed later. For international human resource management, ‘respect for cultural others and their culture’ should be included as a factor in recruitment, selection and performance evaluation. To recap, ‘respect for cultural others and their culture’ has two dimensions. The first is the ‘inner directed’ dimension that could possibly be evaluated by the candidate or expatriate themselves. In this aspect, cultural awareness is similar in that it too can be self-evaluated, although it can also be evaluated against external knowledge based standards. The second dimension of respect is demonstrated behaviourally. Ideally, this dimension is best evaluated through naturally occurring interactions between individuals.

The thesis has presented research results based on the evaluation of existing and past managerial performance, and thus it is based on real interactions between individuals. This points the way for including ‘respect for cultural others and their culture’ in performance evaluations where ratings are given by both the manager (self) and by host country nationals. A confidential and performance evaluation

process that includes the suggested respect criteria may help to provide a form of feedback to help expatriates improve their contextual performance.

The issue of confidentiality and anonymity for host country nationals providing evaluations on ‘respect for cultural others and their culture’ is problematic. Where there are multiple sources of feedback for each expatriate, there are opportunities to collate responses to help remove identifying elements of the feedback. Where there are only a few host country national respondents available to evaluate the expatriate, the use of subordinate evaluations would not be recommended. This is based on informal responses from survey respondents who indicated that the accuracy of responses are likely to be compromised by a fear of offending the expatriate or being the victim of reprisals if the evaluation is not positive. Study Three avoided these kinds of reactions by guaranteeing that the expatriate did not receive the feedback from host country national subordinates.

Performance Focus – From Adjustment to Respect and Local Business Knowledge

This thesis has emphasised the limitations of focussing on self-assessed adjustment as the major indicator of CCM competence rather than externally perceived performance. Chapters Two, Three and Seven have identified that adjustment has been a major focus in CCM research, with the measure proposed by Black (1988) as a commonly used measure of adjustment. Adjustment in this context, however, has been measured by the expatriate’s own feelings of comfort only, making it a self-reflective, ‘inner directed’ measure of performance, without reference to externally perceived performance. Adjustment is normally divided into cultural, interaction, and work adjustment (Harrison & Shaffer, 2005). Although recent research has suggested successful adjustment is linked to expatriate task and contextual performance (Shaffer et al., 2006), the concept of adjustment is limited for

a number of reasons. The limitations of adjustment and the advantages of the concept of respect as a more suitable performance criterion will be explored below.

Adjustment can be seen to have an ‘end point’ where an expatriate can consider himself or herself to have adapted to the host and work culture. This perspective, however, can be counterproductive as cultures and circumstances are continually evolving, hence, one needs to adapt continually. The measurement of adjustment in the expatriate literature is based on inner feelings of comfort (J. S. Black, 1988), however these change through the adjustment cycle (J. S. Black & Mendenhall, 1991). Previous expatriate research has not really taken this into account (Shaffer et al., 1999), and so the use of self-assessed adjustment is limited. Although the link between cultural adjustment and performance does have some research evidence, this evidence is based almost exclusively on self and supervisor ratings, rather than ratings by host country nationals. The performance may in fact be at the expense of cultural domination or experience, since the high levels of adjustment are likely to occur as the expatriate moves through the adjustment cycle (the experience factor). The role of experience in CCMP, however, requires further research to explore these factors.

Cultural respect is a more useful concept in evaluating cross-cultural performance for a number of reasons. Cultural respect demonstrates the component attitudes of low ethnocentrism, resistance to prejudice, and cultural empathy. These are all important etic factors in cross-cultural performance. Cultural respect is an inner attitude with outward manifestations, whereas cultural adjustment is based more on inner feelings (based on the definitions of these concepts). It could be argued, therefore, that both cultural adjustment and cultural respect require cultural awareness as a foundation for their effectiveness. However cultural adjustment leads to a level of intrapersonal comfort, whereas cultural respect leads to interpersonal effectiveness.

The evaluation of cultural respect necessarily involves host culture evaluation due to the emic nature of expressions of respect. Chapter Nine demonstrated that discrepancies between the evaluations of respect by expatriates and host country nationals might provide important cultural interaction information for both parties involved in the performance evaluation.

The importance of knowledge of the local business environment to CCM has not been a prominent feature of research exploring CCMP in the expatriate context (Shaffer et al., 2006). This research, however, has emphasised that effective CCM requires a good understanding of the overall business context including local laws, regulations, and government that are relevant to performance of the job role. This perspective validates the emphasis of Australian International Business Degree programs that focus on this type of knowledge. These programs emerged in Australia partially in response to the findings of the Karpin report (Dawkins et al., 1995; Karpin, 1995) that exposed the country's poor CCM preparedness for increasing management and trade involvement in the Asia-Pacific region. As explained in Chapter One, the problem of the poor CCMP of Australian managers has been a focus of this thesis. Further research could ascertain if graduates equipped with knowledge of local business environments are making an impact on the relatively poor reputation of Australian cross-cultural managers in the Asian region. This research still finds that there is tremendous room for improvement in this regard. As demonstrated in Study One, performance criteria such as 'local business knowledge' has not yet found its way into the performance evaluation of Australian expatriates. Clearly, it is important that the criterion of local business knowledge and that of respect for cultural others and their culture, be included in expatriate performance evaluation.

Limitations

The next section discusses the limitations evident in the research program, along with suggestions on how future research could overcome them.

The high correlation between task and contextual performance in Study Three highlighted the limitation of the measure of contextual performance used here. Future research could address this problem by making the measure of contextual performance more distinct from task performance. Nevertheless, the research results reported in Chapters Eight and Nine demonstrated differences between the two aspects of performance when self-ratings and other-ratings of performance were examined.

One specific change to the measures would be to move the statement ‘the manager is effective in their organisational role’ from the measure of contextual performance to task performance, as it would appear to more conceptually align with task performance. The measure of contextual performance could also include aspects from Kraimer, Wayne and Jaworski’s (2001, p.83) measure that incorporates ‘adapting to the foreign facilities business customs and norms’. Other questions relating to productive diversity, cultural synergy and managing cross-cultural teams could also be included in the measure of contextual performance in order to more closely align the measure to the definition of CCMP provided in this thesis. Nevertheless, it is important to note that a moderate correlation between task and context performance is always expected because both concepts are subsets of the broader concept of management performance. In particular, it is reasonable to expect that expatriate managers’ level of contextual performance will inevitably translate into their ability to perform tasks and obtain goals in a foreign country.

Another limitation of Study Three was that managers chose the ‘cultural other’

subordinate or colleague to evaluate their CCMP. It could be argued that managers were likely to choose raters with whom they had a good relationship, as these raters were more likely to agree to provide a rating for the manager. The anonymous nature of the survey, and the fact that specific rating information was not fed back to individual managers, reduced this limitation. Although raters provided a range of responses when evaluating expatriate managers, a bias towards more favourable responses by subordinates was evident in Study Three. Future research could address this limitation by asking managers to provide the contact information for a number of possible raters. The researcher would then select one or a number of these raters to rate the performance of their manager.

Another possible limitation of the research is that performance ratings for managers were high overall. The possible under-representation of poor performing managers may be because respondents in all research phases were self-selecting. The factors identified in relation to effective expatriate CCMP, therefore, may not be relevant to low performing expatriate managers. Future research could address this issue by advertising for research participants through non-work related sites such as newspapers (Fraser, 2001). In hindsight, it would have been prudent to utilise the strategies for including low performing managers in the research samples as discussed in Chapter Three.

Another limitation is related to language, given that the surveys in each research phase were offered in English only. This limited the responses to those participants who were fluent in English. A consequence of this may be that the performance element of 'local language skills' did not emerge as a significant factor in expatriate performance in Study Three. Future research could address this issue by offering the survey in local languages.

Another limitation relates to the identification of nationality. Chapter One used identity theory as the basis for national identity where participants would identify their own nationality. Whereas self-identification of national identity was possible in the surveys used in Studies One and Two, the survey in Study Three asks ‘What is your country of birth (home country)?’ This question should have been phrased as ‘What nationality do you identify yourself as?’ This limitation is not considered as critical, as national identity did not emerge in the research as a major factor in cross-cultural management performance evaluation.

Directions for Further Research

The role of adjustment and the role of respect in CCMP needs further research investigation. In most of the relevant previous research, the assessment of adjustment has not included the impressions of host country nationals and so self-perceived adjustment may in fact be ‘maladjustment’. As has been discussed, previous ‘colonial masters’ of host country nationals may have felt comfortable with their interactions across cultures, but this did not indicate that they were effective cross-culturally. In many cases, they were simply dominating the culture and they felt comfortable in doing this (Stening, 1994). Research into the role of cultural ‘maladjustment’ in expatriation and the role of ‘a lack of respect for cultural others and their culture’ may reveal a more complete picture of the problems and pitfalls of poor CCMP.

In the expatriate literature, the concept of adjustment does not really take into account the mutual adaptation or even the growth of mutual respect that can occur as an expatriate works in a host country workplace. Host country nationals and individual workplace cultures have to adapt to the culturally different expatriate, and this is likely to have an effect on the expatriate’s perceptions of adjustment

and on CCMP. This process of mutual adaptation may play a role in cross-cultural management performance at both the individual and organisational levels, and this process would benefit from further research investigation. The development of respect in both its emic and etic dimensions may also change over the course of the expatriate assignment or through certain crucial events or influences in a person's life. For example, during the overseas assignment, an expatriate manager may develop a deeper understanding of the cultural history of the host country. Further, the expatriate may learn to understand how the cultural history influences harmonic family and work relationships. This may engender a deeper sense of respect for the culture, and may help the expatriate to identify and understand the appropriate respectful behaviours in different social contexts. A longitudinal study that examines the development of respect through experiences and the interpretation of those experiences and the effect of this on CCMP may further reveal the role of respect in CCMP.

Another important area for further research is establishing the reasons as to why self and cultural other raters see performance differently. Although there has been some cognitive based research in this area as discussed in Chapter Three, there are still many gaps in our understanding of the area. Clearly, the research program presented here has established that differences in ratings are to be expected, and that these differences contain important information on performance. In addition, the role of social desirability of the managers and other-rater bias is worthy of exploration. General perceptual biases may also play a role in explaining the discrepancies between self and cultural other raters. Finally, an important area for further research attention is an exploration of how different

cultures understand CCMP – a fundamental step in developing a truly cross-cultural system of evaluating CCMP.

Conclusion

National studies have identified that the cross-cultural performance of Australian expatriate managers in Asia is problematic. The research reported here has the potential to bring Australian expatriate managers a step closer towards more effective cross-cultural management performance. The conclusions from this research may prove useful in helping organisations to improve the evaluation of the cross-cultural management performance of their international managers. The development of a performance appraisal process for expatriate managers in the area of cross-cultural management is long overdue. The development of effective appraisal of cross-cultural management performance might aid the success of Australian and other businesses in this Asia-Pacific century. A more informed performance management approach for Australian expatriate managers offers promise in building a highly skilled Australian workforce in this era of globalisation.

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Appendix 5.1

Expatriate Manager Performance Management Survey (Expatriate Manager Version 2)

1. Please indicate which of the following applies to you (select one only)

- 1 ☐ Australian expatriate currently on assignment overseas (please complete this survey with reference to your current assignment)
- 2 ☐ Previously served as an Australian expatriate overseas (please complete this survey with reference to your most recent overseas assignment)
- 3 ☐ Expatriate from a country other than Australia, currently on assignment in Australia (please complete this survey with reference to your current assignment)

2. What methods does your company use to evaluate the performance of expatriate managers?

Rate 0 = not applicable

Rate 1 = applicable (company uses)

- 0 ☐ 1 ☐ Rating of specific work behaviours or competencies (e.g. satisfactory performance in carrying out orders)
- 0 ☐ 1 ☐ Measures of actual work output (e.g. number of new contracts)
- 0 ☐ 1 ☐ Performance against set indicators (e.g. relates well to subordinates)
- 0 ☐ 1 ☐ Ranking against other staff
- 0 ☐ 1 ☐ Set and evaluate personal goals
- 0 ☐ 1 ☐ Activity log
- 0 ☐ 1 ☐ Listing of important achievements
- 0 ☐ 1 ☐ Record of training undertaken
- 0 ☐ 1 ☐ 360 degree evaluation (an evaluation of performance by a number of stakeholders)
- 0 ☐ 1 ☐ Management by objectives (measures of performance are decided co-operatively, based on agreed on organisational objectives)
- 0 ☐ 1 ☐ Team performance
- 0 ☐ 1 ☐ Informal discussion with superior
- 0 ☐ 1 ☐ Identification of critical/ key incidents illustrating performance
- 0 ☐ 1 ☐ Essay on worker's performance completed by superior
- 0 ☐ 1 ☐ I am unaware of any performance evaluation method in my company
- 0 ☐ 1 ☐ Other - please specify _____

3. How are the criteria on which you are appraised chosen? (select one only)

- 1 ☐ A set form for all employees of the organisation
- 2 ☐ A set form for employees in my position or in my section
- 3 ☐ By mutual agreement with superiors
- 4 ☐ Self selected
- 5 ☐ There is no set criteria
- 6 ☐ Other - please specify _____
- 0 ☐ Not applicable

4. Please rate how satisfied you are with the criteria used in appraising your performance with regards to fairness and accuracy

Fairness

- ☐ 1 very unsatisfied
☐ 2 unsatisfied
☐ 3 satisfied
☐ 4 very satisfied
☐ 0 not applicable

Accuracy

- ☐ 1 very unsatisfied
☐ 2 unsatisfied
☐ 3 satisfied
☐ 4 very satisfied
☐ 0 not applicable

Please give reasons for your level of satisfaction (optional) _____

5. Please list any criteria you strongly believe should or should not be included in evaluating your performance (optional)?

Should : _____

Should not : _____

6. To what extent does performance appraisal impact on the following issues?

	Not applicable 0	Not at all 1	2	3	4	Always 5
Pay for performance	☐	☐	☐	☐	☐	☐
Promotion	☐	☐	☐	☐	☐	☐
Further training	☐	☐	☐	☐	☐	☐
Transfer	☐	☐	☐	☐	☐	☐
Termination of employment	☐	☐	☐	☐	☐	☐
Demotion	☐	☐	☐	☐	☐	☐
Alteration of job responsibilities	☐	☐	☐	☐	☐	☐
Increased non-pay benefits	☐	☐	☐	☐	☐	☐
Alteration in work resources	☐	☐	☐	☐	☐	☐
No consequences	☐	☐	☐	☐	☐	☐
Other	☐	☐	☐	☐	☐	☐

Please nominate other _____

7. **To what extent is the *input* of the following people sought in the process of performance appraisal of expatriate managers?**

	Not applicable	Not at all			Extensively	
	0	1	2	3	4	5
Your subordinates	[]					
Your equivalent level colleagues	[]					
External stakeholders	[]					
Public or clientele served	[]					
Your immediate superior	[]					
Workplace manager	[]					
Regional superior	[]					
Head office superior	[]					
Other	[]					
Please nominate other _____						

8. **Please indicate *how important* you think it is that the *input* of each of the following people should be sought in the process of the performance appraisal.**

	Not applicable	Not at all			Extensively	
	0	1	2	3	4	5
Your subordinates	[]					
Your equivalent level colleagues	[]					
External stakeholders	[]					
Public or clientele served	[]					
Your immediate superior	[]					
Workplace manager	[]					
Regional superior	[]					
Head office superior	[]					
Other	[]					
Please nominate other _____						

9. Please give any reasons *why* you believe certain positions should or should not be involved in the performance appraisal – (optional - please list the position beside the comment).

<i>Position</i>	<i>Comment</i>
Your subordinates	
Your equivalent level colleagues	
External stakeholders	
Public/ clientele served	
Your immediate supervisor	
Workplace manager	
Regional superior	
Head office superior	
Other	

10. Please rate the *importance* of performance appraisal to your career development and your *satisfaction rating with the current system* of performance appraisal in your company.

Importance

- [] 1 very unimportant
 [] 2 unimportant
 [] 3 important
 [] 4 very important
 [] 0 not applicable

Satisfaction

- [] 1 very unsatisfied
 [] 2 unsatisfied
 [] 3 satisfied
 [] 4 very satisfied
 [] 0 not applicable

11. What is your gender?

- 1 [] Male
 2 [] Female

12. What is your country of birth?

- 1 [] Australia
 2 [] Overseas

Please name the country if born overseas _____

13. Are you fluent in any language other than English?

Appendices

1 ☐ Yes

2 ☐ No

Please Name the Languages _____

- 14. In which industry are you currently serving as an expatriate manager (or if not currently on assignment, your most recent expatriate posting)? *select one only***

1 ☐ Academic / Education

2 ☐ Banking / Finance

3 ☐ Professional Services

4 ☐ Retail / Marketing

5 ☐ Construction / Engineering

6 ☐ Manufacturing

7 ☐ Mining

8 ☐ Government

9 ☐ Media / Entertainment

10 ☐ Medical / Health

11 ☐ Agriculture

12 ☐ Community Service / Religious

13 ☐ Other - please nominate _____

- 15. What is the total length of time anticipated in your current posting as an expatriate manager? (if you are currently not on assignment, please indicate the length of your last posting)**

1 ☐ Less than six months

2 ☐ Six to twelve months

3 ☐ One year to two years

4 ☐ Two to five years

5 ☐ Over five years

- 16. Please indicate how many expatriate manager postings have you had, and length of time of the posting.**

Posting	Length of time (approximate)
1	
2	
3	
4	
5	

- 17. Would you be interested in participating in a focus group to discuss expatriate performance management and issues relating to cross-cultural management?**

1 ☐ Yes

2 ☐ No

Thank you for completing the survey. Please contact the researcher (Peter Woods) if you would like a copy of the results of this research.

Your responses on this survey are confidential and will be used for research purposes only.

Peter Woods
School of Management
Griffith University
p.woods@mailbox.gu.edu.au

Appendix 5.2

Expatriate Manager Performance Management Survey (Human Resource Professional Version 2)

18. Please indicate which of the following applies to you (select one only)

- 4 ☐ Australian Human Resource professional in an organisation sending expatriates overseas.
5 ☐ Human Resource professional from a country other than Australia with experience in an organisation sending expatriates overseas.
6 ☐ Provider of services (such as training or consultation) to organisations and individuals sending expatriates overseas (please complete this survey with reference to your impressions of the average practice of organisations sending expatriate managers overseas)
7 ☐ Other Human Resource Professional
0 ☐ Missing Answer

19. In your professional experience, what methods have you observed being used to evaluate the performance of expatriate managers?

Rate 0 = not applicable

Rate 1 = applicable (method has been used)

- 0 ☐ 1 ☐ Rating of specific work behaviours or competencies (e.g. satisfactory performance in carrying out orders)
0 ☐ 1 ☐ Measures of actual work output (e.g. number of new contracts)
0 ☐ 1 ☐ Performance against set indicators (e.g. relates well to subordinates)
0 ☐ 1 ☐ Ranking against other staff
0 ☐ 1 ☐ Set and evaluate personal goals
0 ☐ 1 ☐ Activity log
0 ☐ 1 ☐ Listing of important achievements
0 ☐ 1 ☐ Record of training undertaken
0 ☐ 1 ☐ 360 degree evaluation (an evaluation of performance by a number of stakeholders)
0 ☐ 1 ☐ Management by objectives (measures of performance are decided co-operatively, based on agreed on organisational objectives)
0 ☐ 1 ☐ Team performance
0 ☐ 1 ☐ Informal discussion with superior
0 ☐ 1 ☐ Identification of critical/ key incidents illustrating performance
0 ☐ 1 ☐ Essay on worker's performance completed by superior
0 ☐ 1 ☐ I am unaware of any performance evaluation method in my company
0 ☐ 1 ☐ Other - please specify
-

20. What is the most common method used to select the criteria on which expatriate managers are appraised? (select one only)

- 1 ☐ A set form for all employees of the organisation
2 ☐ A set form for employees in my position or in my section
3 ☐ By mutual agreement with superiors
4 ☐ Self selected

Appendices

- 5 ☐ There is no set criteria
 6 ☐ Other - please specify _____
 0 ☐ Not applicable

21. Please rate how satisfied you are overall with the criteria used in appraising expatriate manager performance with regards to fairness and accuracy

Fairness

- ☐ 1 very unsatisfied
☐ 2 unsatisfied
☐ 3 satisfied
☐ 4 very satisfied
☐ 0 not applicable

Accuracy

- ☐ 1 very unsatisfied
☐ 2 unsatisfied
☐ 3 satisfied
☐ 4 very satisfied
☐ 0 not applicable

Please give reasons for your level of satisfaction (optional) _____

22. Please list any criteria you strongly believe should or should not be included in evaluating expatriate manager performance (optional)?

Should : _____

Should not : _____

23. To what extent does performance appraisal normally impact on the following issues in the company(s) you serve?

	Not applicable	Not at all				Always
	0	1	2	3	4	5
Pay for performance	☐	☐	☐	☐	☐	☐
Promotion	☐	☐	☐	☐	☐	☐
Further training	☐	☐	☐	☐	☐	☐
Transfer	☐	☐	☐	☐	☐	☐
Termination of employment	☐	☐	☐	☐	☐	☐
Demotion	☐	☐	☐	☐	☐	☐
Alteration of job responsibilities	☐	☐	☐	☐	☐	☐
Increased non-pay benefits	☐	☐	☐	☐	☐	☐
Alteration in work resources	☐	☐	☐	☐	☐	☐
No consequences	☐	☐	☐	☐	☐	☐
Other	☐	☐	☐	☐	☐	☐

Please nominate other _____

24. On average, to *what extent* is the *input* of the following people sought in the process of performance appraisal with expatriate managers?

		Not applicable	Not at all			Extensively	
		0	1	2	3	4	5
Expatriate manager subordinates	[]						
Expatriate manager's equivalent level colleagues	[]						
External stakeholders	[]						
Public or clientele served	[]						
Expatriate manager's immediate superior	[]						
Workplace manager	[]						
Regional superior	[]						
Head office superior	[]						
Other	[]						

Please nominate other _____

25. Please indicate *how important* you think it is that the *input* of each of the following people should be sought in the process of the performance appraisal.

		Not applicable	Not at all			Extensively	
		0	1	2	3	4	5
Expatriate manager's subordinates	[]						
Expatriate manager's equivalent level colleagues	[]						
External stakeholders	[]						
Public or clientele served	[]						
Expatriate manager's immediate superior	[]						
Workplace manager	[]						
Regional superior	[]						
Head office superior	[]						

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Other ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Please nominate other _____

- 26. Please give any reasons why you believe certain positions should or should not be involved in the performance appraisal (optional - please list the position beside the comment).**

<i>Position</i>	<i>Comment</i>
Expatriate manager's subordinates	
Expatriate manager's equivalent level colleagues	
External stakeholders	
Public/ clientele served	
Expatriate manager's immediate supervisor	
Workplace manager	
Regional superior	
Head office superior	
Other	

- 27. Please rate your opinion on the *importance* of performance appraisal to the expatriate manager's career development and your *satisfaction rating* with the *current state* of performance appraisal for expatriate managers.**

Importance

- ☐ 1 very unimportant
☐ 2 unimportant
☐ 3 important
☐ 4 very important
☐ 0 not applicable

Satisfaction

- ☐ 1 very unsatisfied
☐ 2 unsatisfied
☐ 3 satisfied
☐ 4 very satisfied
☐ 0 not applicable

- 28. What is your gender?**

- 1 ☐ Male
 2 ☐ Female

- 29. What is your country of birth?**

- 1 ☐ Australia
 2 ☐ Overseas

Please name the country if born overseas _____

30. Are you fluent in any language other than English?

1 ☐ Yes

2 ☐ No

Please Name the Languages _____

31. Nominate the major industry in which the expatriate managers you assist serve? *Select one only.*

1 ☐ Academic / Education

2 ☐ Banking / Finance

3 ☐ Professional Services

4 ☐ Retail / Marketing

5 ☐ Construction / Engineering

6 ☐ Manufacturing

7 ☐ Mining

8 ☐ Government

9 ☐ Media / Entertainment

10 ☐ Medical / Health

11 ☐ Agriculture

12 ☐ Community Service / Religious

13 ☐ Other - please nominate _____

32. What is the average length of overseas posting for the expatriate managers you serve?

1 ☐ Less than six months

2 ☐ Six to twelve months

3 ☐ One year to two years

4 ☐ Two to five years

5 ☐ Over five years

33. Would you be interested in participating in a focus group to discuss expatriate performance management and issues relating to cross-cultural management?

1 ☐ Yes

2 ☐ No

Thank you for completing the survey. Please contact the researcher (Peter Woods) if you would like a copy of the results of this research.

Your responses on this survey are confidential and will be used for research purposes only.

Peter Woods, School of Management, Griffith University, p.woods@mailbox.gu.edu.au

Appendix 6.1

Study Two Interview Schedule

Cross Cultural Management Performance Elements of Cross-cultural Managers

1. Please indicate which of the following applies to you (select one only)

- 1 ☐ Australian expatriate currently on assignment (please complete this survey with reference to your current assignment)
- 2 ☐ Previously served as an Australian expatriate (please complete this survey with reference to your most recent overseas assignment)
- 3 ☐ Expatriate from a country other than Australia, currently on assignment in Australia (please complete this survey with reference to your current assignment)
- 4 ☐ Australian Human Resource professional in an organisation sending expatriates overseas.
- 5 ☐ Human Resource professional from a country other than Australia with experience in an organisation sending expatriates overseas.
- 6 ☐ Provider of services (such as training or consultation) to organisations and individuals sending expatriates overseas (please complete this survey with reference to your impressions of the average practice of organisations sending expatriate managers overseas)
- 7 ☐ Other Human Resource Professional
- 8 ☐ Colleague of Australian Expatriate Manager
- 9 ☐ Subordinate of Australian Expatriate Managers
- 10 ☐ Superior of Australian Expatriate Manager
- 11 ☐ None of the above (please indicate) _____

2. What is your gender?

- 1 ☐ Male
- 2 ☐ Female

3. What is your country of birth?

- 1 ☐ Australia
- 2 ☐ Overseas

Please name the country if born overseas _____

4. Are you fluent in any language other than English?

- 1 ☐ Yes
- 2 ☐ No

Please Name the Languages _____

6. What is the total length of time anticipated in your current posting as an expatriate manager? (if you are currently not on assignment, please indicate the length of your last posting)

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- 0 ☐ Not applicable
- 1 ☐ Less than six months
- 2 ☐ Six to twelve months
- 3 ☐ One year to two years
- 4 ☐ Two to five years
- 5 ☐ Over five years

7. Please indicate how many postings you have had as an expatriate manager, and length of time of the posting.

- 0 ☐ Not applicable

Posting	Length of time (approximate)
1	
2	
3	
4	
5	
More (please indicate number)	

8. How would you describe 'the successful expatriate manager'?

9. How important is it for a 'successful expatriate manager' to relate well to host country nationals?

- ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
- ☐ 5 depends (please list conditions below)

10. How can you tell if an expatriate manager is relating well to host country nationals? (scenarios)

11. What are the skills (capabilities, competencies) that an expatriate manager needs to manage successfully across cultures?

- a.**
- b.**
- c.**
- d.**
- e.**

12. How important are these skills for an expatriate manager to manage successfully across cultures?

- a.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)
- b.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)
- c.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)
- d.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)
- e.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

13. Describe the knowledge that an expatriate manager needs to manage successfully across cultures? (alternate:- What does an expatriate manager need to know to manage successfully across cultures?)

- a.
- b.
- c.
- d.
- e.

14. How important is this knowledge for an expatriate manager to manage successfully across cultures? (nominate for each area of knowledge)

- a. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)
- b. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)
- c. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)
- d. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)
- e. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

15. How important is awareness of one's own culture for an expatriate manager to manage successfully across cultures?

- ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list conditions below)

16. In order to manage successfully in another culture, what attitudes towards people of other cultures does an expatriate manager need to have?

- a.

b.

c.

d.

e.

17. How important are these attitudes for an expatriate manager to successfully manage across cultures? (nominate for each attitude)

a. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

b. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

c. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

d. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

e. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 **depends (please list any relevant conditions)**

18. What are the kinds of experience that you think help an expatriate manager to manage successfully across cultures?

a.

b.

c.

d.

e.

19. How important is this experience to enable an expatriate manager to manage successfully across cultures? (nominate for each type of experience)

- a.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- b.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- c.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- d.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- e.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)

20. What are the aspects of personality that enable an expatriate manager to manage successfully across cultures?

- a.**
- b.**
- c.**
- d.**
- e.**

21. How important are these aspects of personality for an expatriate manager to manage successfully across cultures? (nominate for each aspect)

- a.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- b.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)

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c. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

d. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

e. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 **depends (please list any relevant conditions)**

22. Please describe anything else you think is important for an expatriate manager to manage successfully across cultures.

a.

b.

c.

d.

e.

23. How important are these aspects for an expatriate manager to manage successfully across cultures?

a. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

b. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

c. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

d. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

e. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important

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[] 5 depends (please list any relevant conditions)

Thank you for completing the survey. Please contact Peter Woods, Associate Lecturer, Griffith University for any further information.

Peter Woods, School of Management, Griffith University. p.woods@mailbox.gu.edu.au

Appendix 6.2 – Core Category and Sub-Category Coding Structure

Personality Category (13 sub-categories)

1. 'good' personality
2. adaptability
3. extroversion
4. emotional stability
5. agreeableness
6. conscientiousness
7. open-mindedness
8. intelligence
9. flexible
10. tolerance of ambiguity
11. innovative
12. dynamic
13. patience

Experience Category (25 sub-categories)

1. regional business experience
2. life experience
3. international travel
4. working with people from other cultures
5. working internationally
6. migrant experience
7. international exchange
8. teamwork experience
9. solving cross-cultural dilemmas
10. problem solving experience
11. mixing socially with cultural others
12. international education
13. relevant work experience
14. experience as subordinate to expatriate
15. cross-cultural training
16. cross-cultural experience
17. education in a multicultural environment
18. sporting experience
19. experience with international food
20. living in an environment open to other cultures
21. previous experience does not help
22. religious experience
23. living abroad
24. community organisations

25. cross-cultural management training

Attitude Category (34 sub-categories)

1. empathy
2. respect local cultures, traditions, staff
3. fairness
4. sense of humour
5. willing to learn new ways
6. avoid making assumptions
7. strong personal identity
8. kindness
9. hospitable
10. willing to mix with locals
11. interest in the host country
12. optimism
13. trustful
14. egalitarian
15. honesty
16. generosity
17. friendly
18. non-aggressive
19. helpful
20. understanding
21. caring
22. cheerful
23. tolerant
24. non-judgemental
25. cautious
26. ambitious
27. humble
28. enjoys challenge
29. self-motivated
30. interested in workers
31. focus on organisational objectives
32. willing to learn from mistakes
33. willing to stay longer
34. self-controlled

Knowledge Category (16 sub-categories)

1. host country law
2. local business environment
3. history and policies of the business

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4. host country religions
5. cultural awareness
6. industry knowledge
7. host values and motivations
8. host lifestyle
9. host government
10. host history
11. experiences of other expats
12. individual variations and development
13. general country awareness
14. self-awareness
15. different management ways
16. relevant education

Skills Category (16 sub-categories)

1. can motivate staff
2. able to adapt management practices across cultures
3. can solve cross-cultural conflicts
4. language skills
5. interpersonal skills
6. leadership skills
7. expertise in their work area
8. cross-cultural communication
9. teamwork skills
10. problem solving skills
11. cross-cultural negotiation skills
12. communication skills
13. teaching skills
14. change management skills
15. cultural sensitivity
16. multi-skilled

Other Category (8 sub-categories)

1. gender
2. marital status
3. age
4. family background
5. family support
6. ethnicity
7. company support
8. able to cope away from 'home'

Appendix 6.3

The Cross Cultural Management Performance Elements of Expatriate Managers (Colleague or Subordinate Version)

Purpose

The following survey has been designed to assess the performance elements required for effective cross-cultural management.

Subjects

The research subjects should be:-

- Subordinates who have worked with managers that have cultural backgrounds different to their own.
- People who have worked with expatriate managers as colleagues.
- Ideally, the manager that you have worked with will be an expatriate, however if not, substitute the term 'cross-cultural' for 'expatriate' in the interview schedule.

Procedure

- It should be explained to the participants that the interview would take approximately 30 minutes. Please respect the time and attempt to complete the survey within this period.
- Explain the purpose of the survey, and that an expatriate/ cross-cultural manager's expertise will be explored from the perspectives of skills, knowledge, attitudes, experience, self-awareness and personality.
- Use the definitions below to clarify any questions the participant may have.
- The survey should ideally be conducted in a face to face interview, with responses being recorded during the interview on the schedule provided.
- A telephone interview is also acceptable.
- If it is not possible to interview the manager, having the manager complete the survey using email, fax or mail is an option. This option should only be utilised as a last resort.
- Where choices are listed in the interview schedule (e.g. Q.1, Q.3), only one response should be selected. The interviewer should read out the list of possible responses and ask the participant to choose the most appropriate answer.
- Some questions allow the participant to give up to five different answers (e.g. Q.5). This means that one, two, three, four or five answers or points can be recorded. Five responses are the maximum.
- Always be polite and thank the participant for their time and valuable opinions.
- The completed interview must be attached to your assignment.
- Participants who have further enquiries can contact Peter Woods using the contact information listed at the end of the interview schedule.

Definitions

Expatriate	- a person working in a country they regard as 'foreign'.
Manager	- a person supervising and directing the activities of workers.
Cross-cultural manager-	a manager who supervises and directs people with a different cultural identity to their own.
Host country	- the country to where an expatriate is assigned.
Host country national	- a person who permanently resides in the host country.
Home country	- the country an expatriate identifies as 'home'.
Attitudes	- complexes of beliefs and feelings that people have about specific ideas, situations or other people.
Personality	- the relatively stable psychological and behavioural attributes that distinguish one person from another.

Interview Schedule

1. Please indicate which of the following applies to you (select one only)

- 1 ☐ Australian expatriate currently on assignment (please complete this survey with reference to your current assignment)
- 2 ☐ Previously served as an Australian expatriate (please complete this survey with reference to your most recent overseas assignment)
- 3 ☐ Expatriate from a country other than Australia, currently on assignment in Australia (please complete this survey with reference to your current assignment)
- 4 ☐ Australian Human Resource professional in an organisation sending expatriates overseas.
- 5 ☐ Human Resource professional from a country other than Australia with experience in an organisation sending expatriates overseas.
- 6 ☐ Provider of services (such as training or consultation) to organisations and individuals sending expatriates overseas (please complete this survey with reference to your impressions of the average practice of organisations sending expatriate managers overseas)
- 7 ☐ Other Human Resource Professional
- 8 ☐ Colleague of Expatriate Manager
- 9 ☐ Subordinate of Expatriate Managers
- 10 ☐ Superior of Expatriate Manager
- 11 ☐ None of the above (please indicate) _____

2. How would you describe 'the successful expatriate (or cross-cultural) manager'?

3. How important is it for a 'successful expatriate manager' to relate well to host country nationals?

- ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
- ☐ 5 depends (please list conditions below)

- 4. How can you tell if an expatriate manager is relating well to host country nationals? (what do you observe?)**
- 5. What are the skills (competencies, behaviours) that an expatriate manager needs to manage successfully across cultures? (list up to five responses)**
- a.**
- b.**
- c.**
- d.**
- e.**
- 6. How important are these skills for an expatriate manager to manage successfully across cultures? (rate each of the skills listed above)**
- a.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- b.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- c.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- d.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- e.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 **depends (please list any relevant conditions)**

7. What does an expatriate manager need to know to manage successfully across cultures? (alternate:- Describe the knowledge that an expatriate manager needs to manage successfully across cultures)? (list up to five responses)

a.

b.

c.

d.

e.

16. How important is this knowledge for an expatriate manager to manage successfully across cultures? (rate for each area of knowledge listed above)

a. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

b. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

c. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

d. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

e. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

17. How important is awareness of one's own culture for an expatriate manager to manage successfully across cultures?

☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list conditions below)

18. In order to manage successfully in another culture, what attitudes towards people of other cultures does an expatriate manager need to have? (list up to five responses)

a.

b.

c.

d.

e.

19. How important are these attitudes for an expatriate manager to successfully manage across cultures? (nominate for each attitude)

a. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)

b. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)

c. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)

d. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)

e. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)

20. What are the kinds of experience that you think help an expatriate manager to manage successfully across cultures? (list up to five responses)

a.

b.

c.

d.

e.

21. How important is this experience to enable an expatriate manager to manage successfully across cultures? (nominate for each type of experience)

a. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

b. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

c. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

d. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

e. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 **depends (please list any relevant conditions)**

22. What are the aspects of personality that enable an expatriate manager to manage successfully across cultures? (list up to five responses)

a.

b.

c.

d.

e.

15. How important are these aspects of personality for an expatriate manager to manage successfully across cultures? (nominate for each aspect)

- a.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- b.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- c.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- d.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- e.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)

16. Please describe anything else you think is important for an expatriate manager to manage successfully across cultures. (list up to five responses)

- a.
- b.**
- c.**
- d.**
- e.**

17. How important are these aspects for an expatriate manager to manage successfully across cultures?

- a.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- b.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- c.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)
- d.** ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
 ☐ 5 depends (please list any relevant conditions)

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- e. ☐ 1 very unimportant ☐ 2 unimportant ☐ 3 important ☐ 4 very important
☐ 5 depends (please list any relevant conditions)

18. What is the gender of the expatriate manager?

- 1 ☐ Male
2 ☐ Female

19. What is the country of birth of the expatriate manager?

- 1 ☐ Australia
2 ☐ Overseas

Please name the country if born overseas _____

20. Was the manager fluent in any language other than English?

- 1 ☐ Yes
2 ☐ No

Please Name the Languages _____

21. What was the total length of time anticipated of the position/ posting of the expatriate manager?

- 0 ☐ Not applicable
1 ☐ Less than six months
2 ☐ Six to twelve months
3 ☐ One year to two years
4 ☐ Two to five years
5 ☐ Over five years

22. In what country were you when you worked with the expatriate manager?

- 1 ☐ Australia
2 ☐ Overseas

Please name the country if born overseas _____

23. In which industry were you working with the expatriate manager? *select one only*

- 1 ☐ Academic / Education
2 ☐ Banking / Finance
3 ☐ Professional Services
4 ☐ Retail / Marketing
5 ☐ Construction / Engineering
6 ☐ Manufacturing
7 ☐ Mining
8 ☐ Government
9 ☐ Media / Entertainment
10 ☐ Medical / Health
11 ☐ Agriculture
12 ☐ Community Service / Religious
13 ☐ Tourism/ Hospitality
14 ☐ Other - please nominate _____

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24. What is your gender?

- 1 ☐ Male
2 ☐ Female

25. What is your country of birth?

- 1 ☐ Australia
2 ☐ Overseas

Please name the country if born overseas _____

26. Are you fluent in any language other than English?

- 1 ☐ Yes
2 ☐ No

Please Name the Languages _____

Thank you for completing the survey.

***Please contact Peter Woods, Associate Lecturer, School of Management, Griffith University
p.woods@mailbox.gu.edu.au for any further information.***

Appendix 8.1



DEPARTMENT OF MANAGEMENT

Griffith Business School

Telephone (07) 33826574

Fax (07) 3382 1408

(Please Print and Retain this Sheet)

Information Sheet

“Cross-Cultural Management Evaluation”

Chief Investigator: **Name:** Prof Michelle Barker (Research Supervisor)

Qualifications: B.Soc.Wk (Hons), MA, PhD

School: Griffith Business School, Dept. of Management

Contact Details: (07) 3875 7952 - m.barker@griffith.edu.au

Associate Researcher: **Name:** Peter Woods (PhD Candidate)

Qualifications: B.A., B.Soc. Wk (Hons)

School: Griffith Business School, Dept. of Management

Contact Details: (07) 3382 1419 – p.woods@griffith.edu.au

Information Statement

This research project is part of the examines how the cross-cultural management performance of expatriate managers can be effectively evaluated using self rating and rating by host country national subordinates of the manager. Expatriate managers will rate themselves on a set of performance elements and a host country national subordinate to the expatriate manager will also rate the manager on the same elements by way of an online survey. The survey information will be collated to analyse in what way raters agree and disagree, what is important in rating the cross-cultural management performance of expatriate managers, and how this can be incorporated into the performance appraisal of expatriate managers. The research requires participants to complete an online survey, which will take approximately 15 minutes. Neither the rater or ratee will have access to the other's evaluations under any circumstances and participant coding information will be destroyed after the research has been completed. All of the data will be destroyed after five years of secure storage. A copy of the research report which contains collated information only is available to participants on request to the associate researcher.

The project is research focussed and students will use the results to help complete an assignment on cross-cultural management. The research is also part of the Associate Researcher's PhD program.

This is a research project and is used for academic purposes ONLY and participants are not to indicate their name at any time when completing the survey. Participation is voluntary and refusal to participate will involve no penalty or loss of benefits to which the participant might otherwise be entitled.

If you have any enquiries with regard to this research, please contact the Chief Investigator above. If you have any complaints regarding this research, please contact the Chief Investigator on the above details or:

Appendices

Griffith University Research Ethics Officer
Office for Research, Bray Centre
Griffith University
Kessels Road
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Thank you for your Assistance with this Research Project.

REPLY TO Department of Management, Logan Campus Griffith University, University Drive, Meadowbrook, Queensland
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DEPARTMENT OF MANAGEMENT

Griffith Business School

Telephone (07) 3382 6574

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CONSENT FORM

“Cross-Cultural Management Evaluation”

Information Statement

This research project examines how the cross-cultural management performance of expatriate managers can be effectively evaluated using self rating and rating by host country national subordinates of the manager. Expatriate managers will rate themselves on a set of performance elements and a host country national subordinate to the expatriate manager will also rate the manager on the same elements by way of an online survey. The survey information will be collated to analyse in what way raters agree and disagree, what is important in rating the cross-cultural management performance of expatriate managers, and how this can be incorporated into the performance appraisal of expatriate managers. The research requires participants to complete an online survey, which will take approximately 15 minutes. Neither the rater or ratee will have access to the other's evaluations under any circumstances and participant coding information will be destroyed after the research has been completed. All of the data will be destroyed after five years of secure storage. A copy of the research report which contains collated information only is available to participants on request to the associate researcher.

Participation is voluntary and refusal to participate will involve no penalty or loss of benefits to which the participant might otherwise be entitled.

This is a research project and is used for academic purposes ONLY and participant(s) are not to indicate their name(s) on the survey. A copy of the research report which contains collated information only is available to participants on request to the associate researcher.

Consent

I have read the information sheet and the consent form. I agree to participate in the “Cross-Cultural Management Evaluation” research project and give my consent freely. I understand that the project/study will be carried out as described in the information statement, a copy of which I have retained. I realise that whether or not I decide to participate is my decision and will not affect my normal work duties. I also realise that I can withdraw from the research at any time and that I do not have to give any reasons for withdrawing.

☐ I give my consent

☐ I do not give my consent

Signed _____

Cross-Cultural Management Performance Inventory

1. Please indicate which of the following applies to you (select one only)

- 1 ☐ Expatriate (please complete this survey with reference to your current or most recent assignment)
- 2 ☐ Manager who supervises staff from other cultures/ countries
- 3 ☐ None of the above (please indicate) _____

To what extent do the following statements apply to you in your role as a cross-cultural manager?

		Not at all applicable	Slightly applicable	Moderately applicable	Mostly applicable	Completely applicable
2	I have a good awareness of the local culture.	1	2	3	4	5
3	I know the appropriate way to interact socially with locals without causing offence.	1	2	3	4	5
4	I have an understanding of locals and their motivations.	1	2	3	4	5
5	I have a good knowledge of host country history.	1	2	3	4	5
6	I have a good knowledge of host country religions.	1	2	3	4	5
7	I am interested in other cultures	1	2	3	4	5
8	I am fascinated by other people's opinions	1	2	3	4	5
9	I am curious	1	2	3	4	5
10	I like to try out various approaches	1	2	3	4	5
11	I seek contact with people from a different background	1	2	3	4	5
12	I have a broad range of interests	1	2	3	4	5
13	I am open to new ideas	1	2	3	4	5
14	I read a lot	1	2	3	4	5
15	I avoid adventure	1	2	3	4	5
16	I avoid surprises	1	2	3	4	5
17	I want to know exactly what will happen	1	2	3	4	5
18	I function best in a familiar setting	1	2	3	4	5
19	I feel uncomfortable in different cultures	1	2	3	4	5
20	I like routine	1	2	3	4	5
21	I like change	1	2	3	4	5
22	I seek challenges	1	2	3	4	5
23	I have a good awareness of the local business environment.	1	2	3	4	5
24	I have a good knowledge of host country government.	1	2	3	4	5

25	I have a good knowledge of law and local regulations related to the company's work in the host country.	1	2	3	4	5
26	I consistently show respect for locals and their culture.	1	2	3	4	5
27	I consistently act in a caring and kind manner towards locals.	1	2	3	4	5
28	I am able to show fairness towards locals.	1	2	3	4	5
29	I successfully have empathy for locals and their culture.	1	2	3	4	5
30	I consider myself effective in my organisational role.	1	2	3	4	5
31	I consistently lead subordinates well.	1	2	3	4	5
32	I am able to extract high performance from subordinates.	1	2	3	4	5
33	I am able to integrate different cultural perspectives to produce effective solutions to problems.	1	2	3	4	5
34	Local staff give their best performance for me as their manager.	1	2	3	4	5
35	Host country nationals generally accept and show respect to me as their manager.	1	2	3	4	5
36	As far as I am aware, I am generally held in high esteem by subordinates.	1	2	3	4	5
37	Host nationals seem comfortable to raise issues and concerns with me as their manager.	1	2	3	4	5
38	There is effective communication between myself and host-country nationals both within and outside of the workplace.	1	2	3	4	5

39. Describe your ability to speak the language of this host country

1=I do not know the language of this host country

2=I am limited to very short and simple phrases

3=I know basic grammatical structure, and speak with a limited vocabulary

4=I understand conversation on simple topics

5=I am fluent in the language of this host country

40. Divide 100 points among three categories with respect to the amount of time you spend with the following people:

(1) other expatriates from your home country	
(2) expatriates from other home countries	
(3) host nationals (including friends and colleagues etc.).	
Total	100

41	How much technical knowledge does this job require?	Very little 1	Moderate Amount 2	3	4	5	A great amount 6 7
42	To what extent does the job involve solving problems?	Very little 1	Moderate Amount 2	3	4	5	A great amount 6 7
43	Please indicate the amount of contact you have with people from other cultures?	Very little 1	Moderate Amount 2	3	4	5	A great amount 6 7
44	How complicated is the job?	Not at all 1	2	Moderate Amount 3	4	5	Very complicated 6 7
45	Rate your job performance on: - 'Meeting job objectives'	Very poor 1	2	3	4	5	Outstanding 6 7
46	Rate your job performance on: - 'Technical competence'	Very poor 1	2	3	4	5	Outstanding 6 7
47	Rate your job performance on: - 'Overall job performance'	Very poor 1	2	3	4	5	Outstanding 6 7

48. What is your gender?

- 1 ☐ Male
2 ☐ Female

49. What is your country of birth (home country)?

- 1 ☐ Australia
2 ☐ Overseas

Please name the country if born overseas _____

50. What is the host country where are serving as an expatriate manager?

- 1 ☐ Australia
2 ☐ Overseas

Please name the country if serving overseas _____

51. Are you fluent in any language other than English?

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- 1 ☐ Yes
2 ☐ No

Please Name the Languages _____

- 52. What is the total length of time anticipated in your current posting as an expatriate manager? (if you are currently not on assignment, please indicate the length of your last posting)**

- 0 ☐ Not applicable
1 ☐ Less than six months
2 ☐ Six to twelve months
3 ☐ One year to two years
4 ☐ Two to five years
5 ☐ Over five years

- 53. Please indicate how many postings you have had as an expatriate manager, and length of time of the posting.**

- 0 ☐ Not applicable

Posting	Length of time (approximate)
1	
2	
3	
4	
5	
More (please indicate number)	

- 54. In which industry are you currently serving as an expatriate manager (or if not currently on assignment, your most recent expatriate posting)?
*select one only***

- 1 ☐ Academic / Education
2 ☐ Banking / Finance
3 ☐ Professional Services
4 ☐ Retail / Marketing
5 ☐ Construction / Engineering
6 ☐ Manufacturing
7 ☐ Mining
8 ☐ Government
9 ☐ Media / Entertainment
10 ☐ Medical / Health
11 ☐ Agriculture
12 ☐ Community Service / Religious
13 ☐ Tourism/ Hospitality
14 ☐ Other - please nominate _____

Thank you for your participation and assistance!

Appendix 8.2



DEPARTMENT OF MANAGEMENT

Griffith Business School

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(Please Print and Retain this Sheet)

Information Sheet

“Cross-Cultural Management Evaluation”

Chief Investigator: **Name:** Prof Michelle Barker (Research Supervisor)

Qualifications: B.Soc.Wk (Hons), MA, PhD

School: Griffith Business School, Dept. of Management

Contact Details: (07) 3875 7952 - m.barker@griffith.edu.au

Associate Researcher: **Name:** Peter Woods (PhD Candidate)

Qualifications: B.A., B.Soc. Wk (Hons)

School: Griffith Business School, Dept. of Management

Contact Details: (07) 3382 1419 – p.woods@griffith.edu.au

Information Statement

This research project is part of the examines how the cross-cultural management performance of expatriate managers can be effectively evaluated using self rating and rating by host country national subordinates of the manager. Expatriate managers will rate themselves on a set of performance elements and a host country national subordinate to the expatriate manager will also rate the manager on the same elements by way of an online survey. The survey information will be collated to analyse in what way raters agree and disagree, what is important in rating the cross-cultural management performance of expatriate managers, and how this can be incorporated into the performance appraisal of expatriate managers. The research requires participants to complete an online survey, which will take approximately 15 minutes. Neither the rater or ratee will have access to the other's evaluations under any circumstances and participant coding information will be destroyed after the research has been completed. All of the data will be destroyed after five years of secure storage. A copy of the research report which contains collated information only is available to participants on request to the associate researcher.

The project is research focussed and students will use the results to help complete an assignment on cross-cultural management. The research is also part of the Associate Researcher's PhD program.

This is a research project and is used for academic purposes ONLY and participants are not to indicate their name at any time when completing the survey. Participation is voluntary and refusal to participate will involve no penalty or loss of benefits to which the participant might otherwise be entitled.

If you have any enquiries with regard to this research, please contact the Chief Investigator above. If you have any complaints regarding this research, please contact the Chief Investigator on the above details or:

Appendices

Griffith University Research Ethics Officer
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This is a research project and is used for academic purposes ONLY and participant(s) are not to indicate their name(s) on the survey. A copy of the research report which contains collated information only is available to participants on request to the associate researcher.

Consent

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☐ I give my consent

☐ I do not give my consent

Signed _____

Cross-Cultural Management Performance Inventory

This survey asks a number of questions relating to “X” (the person who asked you to complete the survey). Your assistance would be greatly appreciated.

1. Please indicate your relationship to “X” (select one only)

- 1 ☐ I am a friend of X.
- 2 ☐ I am a relative of X.
- 3 ☐ I am/ was a work colleague of X.
- 4 ☐ X is/ was my manager/ supervisor
- 5 ☐ I am/ was the supervisor/ manager of X
- 5 ☐ None of the above (please indicate) _____

To what extent do the following statements apply to the person you are rating (X)?

		Not at all applicable	Slightly applicable	Moderately applicable	Mostly applicable	Completely applicable
2	X has a good awareness of other cultures	1	2	3	4	5
3	X knows the appropriate way to interact socially with people from other cultures without causing offence.	1	2	3	4	5
4	X has an understanding of people from other cultures and their motivations.	1	2	3	4	5
5	X has a good knowledge of the history of other countries.	1	2	3	4	5
6	X has a good knowledge of the religions of other countries.	1	2	3	4	5
7	X seems interested in other cultures	1	2	3	4	5
8	X seems fascinated by other people’s opinions	1	2	3	4	5
9	X is curious	1	2	3	4	5
10	X likes to try out various approaches	1	2	3	4	5
11	X seeks contact with people from a different background	1	2	3	4	5
12	X has a broad range of interests	1	2	3	4	5
13	X is open to new ideas	1	2	3	4	5
14	X reads a lot	1	2	3	4	5
15	X avoids adventure	1	2	3	4	5
16	X avoids surprises	1	2	3	4	5
17	X seems to want to know exactly what will happen	1	2	3	4	5

Appendices

18	X functions best in a familiar setting	1	2	3	4	5
19	X seems to feel uncomfortable in different cultures	1	2	3	4	5
20	X seems to like routine	1	2	3	4	5

		Not at all applicable	Slightly applicable	Moderately applicable	Mostly applicable	Completely applicable
21	X seems to like change	1	2	3	4	5
22	X seems to seek challenges	1	2	3	4	5
23	X has a good awareness of the overseas business environments.	1	2	3	4	5
24	X has a good knowledge of the government of other countries.	1	2	3	4	5
25	X has a good knowledge of law and local regulations related to business overseas.	1	2	3	4	5
26	X consistently shows respect for people from other cultures and their culture.	1	2	3	4	5
27	X consistently acts in a caring and kind manner towards cultural others.	1	2	3	4	5
28	X is able to show fairness towards cultural others.	1	2	3	4	5
29	X successfully has empathy for cultural others and their culture.	1	2	3	4	5
30	As a manager, X is effective in their organizational (work) role.	1	2	3	4	5
31	As a manager, X consistently leads subordinates well.	1	2	3	4	5
32	As a manager, X is able to extract high performance from subordinates.	1	2	3	4	5
33	X is able to integrate different cultural perspectives to produce effective solutions to problems.	1	2	3	4	5
34	Cultural others give their best performance for X	1	2	3	4	5

	as their manager.					
35	People from other cultures generally accept and show respect to X as their manager.	1	2	3	4	5
36	As far as I am aware, X is generally held in high esteem by subordinates.	1	2	3	4	5
37	People from other cultures seem comfortable to raise issues and concerns with X as their manager.	1	2	3	4	5
38	There is effective communication between X and cultural others both within and outside of the workplace.	1	2	3	4	5

39. Describe X's ability to speak another language (host country language)

1=X does not know another language

2=X is limited to very short and simple phrases

3=X knows basic grammatical structure, and speaks with a limited vocabulary

4=X understands conversation on simple topics

5=X is fluent in another language

40. In relation to X :-

1 ☐ I have the same cultural background.

2 ☐ I have a different cultural background

41. What is your gender?

1 ☐ Male

2 ☐ Female

42. What is your country of birth (home country)?

1 ☐ Australia

2 ☐ Overseas

Please name the country if born overseas _____

43. Are you fluent in any language other than English?

1 ☐ Yes

2 ☐ No

Please name the languages _____

44. How long have you known "X"?

1 ☐ Less than six months

2 ☐ Six to twelve months

Appendices

- 3 [] One year to two years
- 4 [] Two to five years
- 5 [] Over five years

Thank you for your assistance!