A model of expatriate withdrawal-related outcomes: Decision making from a dualistic adjustment perspective

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Abstract


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with international assignments. The proposed model provides a theoretical framework for considering criteria for examining these outcomes. Propositions and implications for future research and practice are discussed. © 2005 Elsevier Inc. All rights reserved.

Keywords: Withdrawal-related outcomes; Expatriate; Decision-making; Dualistic adjustment perspective

1. Introduction

As organizations become more deeply integrated into the global economy, employees in multinational corporations move around the world continuously, as shown by the frequency firms send their employees on expatriate assignments (Caligiuri, 2000). According to a recent survey with a sample of companies which collectively managed 35,150 expatriates worldwide (GMAC Global Relocation Services, National Foreign Trade Council (NFTC), & Society of Human Resource Management (SHRM) Global Forum, 2003), there is a continued growth in the number of expatriates being sent abroad. In a 2002 survey, 35 % of respondents indicated that expatriate population’s growth rate was up (as compared to 26% in 2001) and 37 % expected higher growth rate in 2003 (as compared to 23% in 2001 survey). With this increase in the number of expatriates sent abroad, understanding the different behavioral outcomes associated with expatriate assignments is critical.

Given this continuing trend toward the use of expatriates, the consequences of expatriates’ international assignments are of great importance, both to the employing organization and to the expatriates themselves (Garonzik, Brockner, & Siegel, 2000). Expatriate failure, typically defined as the premature return (or its antecedent, premature return intention) of an expatriate employee (e.g., Black & Stephens, 1989; Dowling, Welch, & Schuler, 1999; Shaffer & Harrison, 1998), may have been one of the most frequently studied types of outcomes. The importance of expatriate employees’ premature return can be partly attributed to the significant costs associated with it, which are estimated to range from $250,000 to $1.25 million per expatriate (Swaak, 2002). Similarly, respondents to the NFTC/SRI survey estimated the cost of a poor staffing decision could range from $200,000 to $1.2 million, which only includes the identifiable costs associated with compensation, training, development, orientation and, where applicable, termination (Swaak, 2002). These estimates do not consider indirect costs that range from reduced productivity of the repatriates, reduced productivity for the foreign subsidiaries, lost market opportunities, and relational difficulties with host country stakeholders (Adler, 1997). In addition, personal costs of unsuccessful assignments include loss of self-esteem, self-confidence, and prestige among one’s peers, and reduced motivation and unwillingness to provide support to other expatriates (Garonzik et al., 2000).

It is not surprising that the amount of research on expatriates has been increasing over the past decade (e.g., Caligiuri, 2000; Caligiuri, Hyland, Joshi, & Bross, 1998; Kraimer & Wayne, 2004; Kraimer, Wayne, & Jaworski, 2001; Shaffer & Harrison, 1998; Shaffer, Harrison, & Gilley, 1999; Shaffer, Harrison, Gilley & Luk, 2001; Takeuchi, Tesluk, Yun, & Lepak, 2005; Takeuchi, Yun, & Tesluk, 2002). However, previous theoretical as well as empirical research on expatriate adjustment has not considered expatriate outcomes from a decision-making perspective. When premature return and turnover are considered as just two of several possible different decision outcomes that expatriates may make with regard to their international assignment, the underlying processes of cultural adjustment on outcomes can be uncovered.
The primary objective of this research is to develop a model of expatriate decision outcomes. We draw on the findings from cross-cultural psychology (e.g., Berry, 1980) to examine cross-cultural adjustment from a dualistic perspective wherein expatriate adjustment is considered as bi-directional, and includes not only adjustment to the foreign culture but also the changes in the expatriates’ view of their home culture. In addition, we also draw upon recent developments in turnover theories such as the unfolding model of voluntary turnover (e.g., Lee & Mitchell, 1994; Lee, Mitchell, Holtom, McDaniel, & Hill, 1999; Mitchell, Holtom, Lee, Sablynski, & Erez, 2001), the motives approach to turnover (Maertz & Campion, 2004; Maertz & Griffeth, 2004), the evolutionary search model of employee turnover (Steel, 2002), as well as research on cognitive dissonance theory (e.g., Festinger, 1957) and coping (e.g., Folkman & Lazarus, 1988; Lazarus & Folkman, 1984) to provide a parsimonious set of criteria and theoretical perspectives that influence expatriates’ decision making patterns and associated behavioral outcomes. We then present a detailed discussion of the components of the model (dualistic adjustment perspective, and different decision paths and outcomes) and associated propositions. Finally, we discuss implications for expatriate adjustment and international human resource management research.

2. Theoretical review

Cross-cultural adjustment refers to the degree of psychological comfort and familiarity that an individual has with different aspects of foreign cultures (e.g., Black, Mendenhall, & Oddou, 1991; Church, 1982; Mendenhall & Oddou, 1985). Cross-cultural adjustment has been conceptualized as multifaceted to consist of at least three (general, work, and interactional) dimensions (Black & Stephens, 1989). Cultural or general adjustment refers to the degree of psychological comfort with regard to various aspects of the host cultural environment (e.g., Black & Stephens, 1989; Shaffer & Harrison, 1998, 2001). Work adjustment reflects the degree of psychological comfort regarding different work values, expectations, and standards (e.g., Black & Stephens, 1989). Interactional adjustment refers to the degree of psychological comfort regarding different communication and interpersonal styles used in the host culture (e.g., Black & Stephens, 1989). For the proposed model, however, we focus on the overall level of cross-cultural adjustment to the foreign culture and not the specific facets because previous research has shown that all three facets of adjustment affect withdrawal intentions (see meta-analytic results by Bhaskar-Shrinivas, Harrison, Shaffer, & Luk, 2005). For example, Kraimer and Wayne (2004) used this approach and examined the relationship between overall adjustment and withdrawal intentions and found a significant relationship between the two.

Within the cross-cultural psychology literature, Berry (e.g., 1980, 1994) and Szapocznik and Kurtines (1980) have utilized the concept of duality and argued that different types of adjustment made by immigrants depend on two dimensions with regard to the host and the home culture that can be adapted to expatriates in an international assignment. Their perspectives are associated with the following two questions, respectively. The first question focuses on the adjustment to the host culture and asks, “Are positive relations with the larger (dominant or host) society to be sought?” The second question focuses on a reassessment of an immigrant’s home culture and asks, “Is my cultural identity of value to be retained?” Depending on the responses to these questions, Berry (1980) differentiates four different types of acculturation possibilities: 1) assimilation, which refers to openness toward changing cultural identity and seeking frequent interaction with host-culture nationals; 2) integration, which refers to maintaining cultural identity to an extent while seeking frequent interaction with host-culture nationals; 3) rejection/
separation, which refers to the desire to keep one’s own cultural identity and avoid contact with host nationals; and 4) deculturation/marginalization, which refers to neither maintaining cultural identity nor frequently interacting with host nationals.

Similarly, Szapocznik and Kurtines (1980) argue that the process of acculturation can be bicultural when individuals move to a location where a significant number of foreigners exist within that location. In this case, the acculturation process takes place along two independent dimensions: the linear process of accommodating to the host culture and a complex process of relinquishing or retaining characteristics of the culture of origin. More recently, their frameworks have been empirically supported (e.g., Kwak & Berry, 2001; Neto, 2002; Piontkowski, Floracka, Hoelker, & Obdrzálek, 2000) and are consistent with the dual commitment perspective developed by Gregersen (1992) and Gregersen and Black (1992).

Cognitive dissonance theory is an additional theoretical perspective that may explain different types of adjustment as a result of different coping strategies utilized by expatriates. According to Festinger (1957, p. 3), cognition is “any knowledge, opinion, or belief about the environment, about oneself, or about one’s behavior.” The cognitive dissonance theory by Festinger (1957) posits that 1) an aversive state of dissonance exists when an individual holds a cognition that is inconsistent with his or her other cognitions in the same domain; 2) dissonance puts strain on the individual who will take measures to reduce, as well as to avoid increases in, the dissonance; and 3) an individual strives for consistency and attempts to reduce dissonance by changing the discrepant cognition to bring it in line with his or her other cognitions (Doran, Stone, Brief, & George, 1991).

Lazarus and Folkman (1984; Folkman & Lazarus, 1988) have extended this perspective to provide a theory of psychological stress and coping where two processes, cognitive appraisal and coping, are identified as “critical mediators of stressful person–environment relations and their immediate and long-range outcomes” (Folkman, Lazarus, Gruen, & DeLongis, 1986b, p. 992). Cognitive appraisal is defined as “a process through which the person evaluates whether a particular encounter with the environment is relevant to his or her well-being and, if so, in what way” (Folkman, Lazarus, Dunkel-Schetter, DeLongis, & Gruen, 1986a, p. 572) and is comprised of two cognitive appraisal processes-primary and secondary.

In primary appraisal, the person evaluates if one has anything such as personal values that are at stake in the encounter (Folkman et al., 1986b). Although there are three kinds of outcomes for primary appraisal (irrelevant, benign-positive, or stressful: Lazarus & Folkman, 1984), given the large scope and the significant failure associated with cross-cultural changes (Kreitner, 2003), we consider cross-cultural encounters to fall generally under the stressful category. In secondary appraisal, an individual evaluates if various coping strategies can be taken to overcome or to improve the situation. Thus, if the encounter is deemed stressful, expatriates are compelled to reduce the psychological discomfort by coping, defined as “changing cognitive and behavioral efforts to manage specific external and/or internal demands” (Folkman et al., 1986b). During international assignments, expatriates learn more about the appropriate behaviors in the host culture and the cultural values, attitudes, beliefs, and norms behind these behaviors (e.g., Black & Mendenhall, 1990), as they spend more time on assignment (Takeuchi et al., 2005). However, some of these values, attitudes, beliefs, and norms are bound to be different and sometimes inconsistent with the expatriates’ own (home) cultural values, attitudes, beliefs, and norms that may lead to cognitive dissonance by the expatriates.

There are several coping strategies that an individual can employ to reduce dissonance (Festinger, 1957; Wicklund & Brehm, 1976) or to alleviate a taxing encounter (Lazarus & Folkman, 1984). The individual may change one’s own cognitive or behavioral elements to be in line with the new
requirements; change the cognitive element related to the environment that is causing the dissonance; add new cognitive elements that reduce the perceived inconsistency; and/or withdraw from the situation. As these instances of cognitive dissonance accumulate over time, the use of particular coping strategies is likely to lead to different behavioral patterns (e.g., Folkman & Lazarus, 1988).

Based on the dualistic adjustment, dissonance, and coping perspectives, the adjustment of employees in international assignments might be viewed with respect to their adjustment to their host culture and their adjustment to or cognitive reevaluation of the home culture and their outcomes as reactions to coping with stressful situation or cognitive dissonance. When these two dimensions are considered together, different outcomes are likely to result depending on the type of coping that expatriates take on. The difficulty of repatriates in making adjustment back home (e.g., Adler, 1997; Dowling et al., 1999; Gregersen & Stroh, 1997) appears congruent with this perspective. The point is that individuals may become comfortable with only one culture (home or host), both cultures, or neither culture. Following this logic, we propose a typology of expatriate adjustment, which is presented in Fig. 1.

This typology of expatriate adjustment views both adjustment to the host and adjustment to or reevaluation of the home cultures as important criteria in understanding different outcomes resulting from expatriates’ decisions. The degree of the expatriates’ overall adjustment to the host culture and of the home culture can range from (very) high to (very) low. Expatriates can reevaluate the home culture in a positive or a negative light. Accordingly, expatriates can make any one of the following types of adjustment: dual high adjustment (well-adjusted to the host and positive evaluation of the home culture); unilateral home culture maladjustment (well-adjusted to the host culture but evaluating the home culture negatively); unilateral host culture maladjustment (not well adjusted to the host culture but evaluating the home culture positively); or dual low adjustment (not well adjusted to the host as well as evaluating the home culture negatively).

<table>
<thead>
<tr>
<th>High adjustment to the host culture</th>
<th>Low adjustment to the host culture</th>
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<tbody>
<tr>
<td>Changing one’s own values, attitudes, beliefs, and norms</td>
<td>Changing one’s view of the host culture’s values, attitudes, beliefs, and norms</td>
</tr>
<tr>
<td>Unilateral Maladjustment to the Home Culture</td>
<td>Dual High Adjustment</td>
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<tr>
<td>Cell 2</td>
<td>Cell 1</td>
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<tr>
<td>Adapting cognitions, which minimize the inconsistency of values, attitudes, beliefs, and norms</td>
<td>Withdrawal from the dissonance-causing situation</td>
</tr>
<tr>
<td>Dual Low Adjustment</td>
<td>Unilateral Maladjustment to the Host Culture</td>
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<td>Cell 4</td>
<td>Cell 3</td>
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<tr>
<td>Relatively Negative</td>
<td>Relatively Positive</td>
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Re-appraisal of the home culture

Fig. 1. Dissonance reduction and types of dualistic adjustment.
3. Coping strategies and dual cultural adjustment

When expatriates are well adjusted to a host culture, their overall evaluation of that culture will likely be positive. If this evaluation is combined with a positive reappraisal of the home culture, expatriates can be considered to be making a “dual high adjustment” (Fig. 1, cell 1). This is similar to integration (Berry, 1980), where immigrants maintain their cultural identity as well as assimilate values to become an integral part of a larger society. In the case of integration, people retain their own cultural identity while adapting some of the cultural values and norms associated with the host culture. This dual high adjustment would be the ideal case for the individual expatriate as well as the parent company and the local firm because a variety of benefits can accrue from these positive attitudes. For example, when expatriates return to the parent company, if their evaluations of the home culture are positive, they are more likely to be able and willing to readjust smoothly without jeopardizing their performance. At the same time, if their evaluations of the host culture are positive and have adjusted well to the host culture, they may maintain the network established with the employees at the local firm and provide them with valuable information such as explicit as well as tacit knowledge (Nonaka, 1994) of global management know-how.

This type of adaptation is likely when expatriates reduce any sources of dissonance through changes in their own views of the host cultural values, attitudes, beliefs, and norms that seem inconsistent with their own. For example, expatriates from more individualistic cultures may reconsider teamwork and collaboration as an acceptable method of working because it also advances their self-interests (perhaps, because the team as a whole can come up with more creative ideas: cf. Taggar, 2002), rather than just a hindrance to individual performances due to longer time requirement and the need for coordination, for example. Because this method does not involve changing their own views about the home culture’s values, attitudes, beliefs, and norms, it suggests more interests in maintaining their cultural identities. However, changing their views that provide a positive spin on the host cultural values, attitudes, beliefs, and norms are likely to lead to more frequent interaction with the host country (cf. Tsui, Egan, & Ryan, 1992).

**Proposition 1a.** Expatriates’ use of coping strategy of changing their views positively regarding host cultural values, attitudes, beliefs, and norms to achieve dissonance reduction is positively associated with dual high adjustment.

Second, when there is an imbalance between the two dimensions, expatriates can be viewed as making a “unilateral maladjustment” (cells 2 and 3). For instance, expatriates may become a “native” when they re-appraise the home culture in a negative light and forgo the cultural identity obtained from the home culture for another identity derived from the host culture (cf. Adler, 1997; Littlewood, 1985) (cell 2). In essence, expatriates may assimilate the values and lifestyle of the host culture (Adler, 1997; Berry, 1980; Littlewood, 1985), while relinquishing their home cultural values. In this case, expatriates are well adjusted to the host culture but not to the home culture.

In these scenarios, expatriates are likely to change their own views of their home culture as not as positive as they once thought. For instance, Asian expatriates working in the U.S. may come to value having independence and autonomy more than familial ties and kinship networks (cf. Kwak & Berry, 2001) because caring for familial ties and maintaining kinship networks carry certain amount of obligations that they have to fulfill, which supersedes their own interests. For expatriates using this method of coping, they are less likely to perceive inconsistencies that once provoked culture-related
cognitive dissonance. In other words, they are likely to assimilate the values, attitudes, beliefs, and norms of the host culture into their own identity.

**Proposition 1b.** Expatriates’ use of coping strategy of changing their views negatively regarding their home cultural values, attitudes, beliefs, and norms and positively regarding their host culture to achieve dissonance reduction is positively associated with unilateral maladjustment to the home culture.

Similarly, expatriates may be “unilaterally maladjusted to the host culture” if they only see the negative aspects of the host culture and “reject” the values of the host culture (cf. Berry, 1980) while maintaining or increasing the positive attitudes toward the home culture (cell 3). In fact, negative experiences in the host culture may prompt expatriates to view their home culture unrealistically positive (cf. Aycan, 1997). Expatriates are maladjusted in a sense that they only adopt a one-sided view of the host culture and evaluate the host culture negatively.

In these situations, expatriates maintain their own cultural identities based on the values, attitudes, beliefs, and norms of the home culture. For example, American expatriates may not like the housing situations in a host country where people live in very close proximity (such as is the case in Hong Kong or Japan). Rather than reconsidering this as an opportunity to interact with the host country nationals on a more frequent and personal basis and learn their values, attitudes, beliefs, and norms, they may consider this as unacceptable and may choose to live in an “expatriate ghetto” (Aycan, 1997). This creates an undesirable situation for expatriates because it reduces the interaction with host country nationals and exposure to different aspects of host culture, which creates barriers to understanding host nationals (Adler, 1997; Aycan, 1997). In addition, withdrawing from the situation in this way is bound to create additional encounters where the cognitive dissonance that expatriates have is reinforced repeatedly.

**Proposition 1c.** Expatriates’ use of coping strategy of changing their views negatively regarding their host cultural values, attitudes, beliefs, and norms to achieve dissonance reduction is positively associated with unilateral maladjustment to the host culture.

Finally, expatriates can be “deculturated” (Berry, 1980) when they do not adjust well to the host culture and, at the same time, become disenchanted about the home culture as well. In this scenario, expatriates may experience a great amount of psychological turmoil. They become “rootless” in this situation by losing their own identity and feeling alienated from the host culture (cell 4, Fig. 1). Although marginalization or dual low adjustment is the least likely type of cross-cultural adjustment, it can happen when there is prejudice against the expatriates by the host country nationals which make it more difficult for them to get assimilated (Aycan, 1997) in addition to connecting with individuals from a third culture, for example. This may require adding a new rationalization initially such as the international assignment being a necessary stint for promotion to the executive suite (e.g., Daily, Certo, & Dalton, 2000) to endure the inconsistencies, although this does not reduce the origins of cognitive dissonance itself.

For expatriates experiencing this type of cognitive dissonance, adapting their perception that international assignment leads to positive outcomes, such as once the expatriates endures the hardship of international assignment, it will lead to promotion to the executive suites in the parent company, may be in order such that they may revise it to be more consistent with their adjustment type. For example, expatriates may perceive international assignment as critical in obtaining high level positions for more global firms (than the current firm that they work for) to justify their being in international assignments.
Proposition 1. Expatriates’ use of coping strategy of adapting new cognitions, unrelated to adjustment to the host and the home culture, which minimize the discrepancy between expatriates’ views of the home and host cultural values, attitudes, beliefs, and norms to achieve dissonance reduction is positively associated with dual low adjustment.

Each type of adjustment is likely to be associated with different decision outcomes for expatriates. For instance, when expatriates are unilaterally maladjusted to the home culture (e.g., “gone native”), it is less likely that they would want to return to the home country (cf. Dowling et al., 1999). They may be more likely to seek employment in the host country by working for a local company or other multinationals in the host location. In this regard, unilateral maladjustment to the home culture may lead to turnover from the organization at the host location. At the same time, when expatriates are unilaterally maladjusted to the host culture (i.e., unadjusted to the host culture), they may be more likely to leave the assignment early, leading to premature return. Building on this logic, we expect that different types of dualistic adjustment lead to different expatriate decisions with varying consequences or outcomes. We discuss specific expatriate withdrawal-related decision outcomes below.

4. Proposed model of expatriate withdrawal-related decision outcomes

Broadly speaking, there are several possible outcomes of international assignments from the expatriate employees’ perspective. An expatriate may decide to return early before the assignment period is over without accomplishing the objectives or meeting the goals set for the assignment. This early return has been the predominant focus of expatriate adjustment research. However, there are other decision outcomes at the foreign location. First, the distinction between early return and turnover has been made previously. Black and Gregersen (1990) noted that early return refers to a situation where an expatriate leaves the international assignment early and returns home but generally stays within the same firm. In contrast, expatriate turnover occurs when the employee departs from the employing company while on international assignment (Black & Gregersen, 1990; Naumann, 1992). The expatriate may decide to work for another multinational in the same foreign location or a different company in a third country location. These differences in the types of “withdrawal” outcomes (cf. Hulin, 1991), as well as the location of expatriates after turnover, are important because they are likely to have different implications for the company. For expatriates who return early, the company may be able to reassign them and still retain the human capital, whereas when expatriates quit, the company loses the human capital as well as incurs replacement costs.

Another possible decision outcome for international assignments is turnover at home where expatriates return to the home culture but quit the parent company to work for another corporation in the home location. Alternatively, if expatriates neither want to stay in the host culture nor return to the home culture, while not inclined to leave the company, they may request relocating to another foreign subsidiary within the same company. In addition, when the expatriates want to stay in the same location within the same firm for a longer time, they also may raise an extension request. They can also choose to simply complete the assignment. The latter options highlight what Steel (2002) calls “intraorganizational alternatives”.

These distinct possibilities highlight the fact that there are numerous decision outcomes that expatriates may choose regarding their status as expatriates. Given the large number of decision
alternatives, our focus is on decision outcomes with employment consequences for the organization within a pre-specified assignment length. While repatriate turnover (turnover after some time has passed after the expatriate returns home: Black, 1993) may also be an important outcome associated with expatriates, we do not examine it here primarily because there is a time lag between expatriate return and repatriate turnover, and there are a number of additional factors that influence their turnover decisions in addition to the dual adjustment type (cf. Gregersen & Stroh, 1997; Harvey, 1989). Therefore, we do not examine repatriate turnover in this paper.

Research on the turnover and withdrawal decisions provides important insights for understanding when expatriates are likely to adopt these different decision outcomes. In this literature, turnover and withdrawal decisions are dependent on factors such as job search and evaluation of job alternatives (e.g., Hom, Caranikas-Walker, Prussia, & Griffeth, 1992; Hulin, 1991; Lee & Mowday, 1987; Mobley, 1977). However, despite its critical role, perceived job alternatives tend to lack predictive utility (Steel & Griffeth, 1989). To advance turnover theories, there have been recent developments in models of turnover (e.g., Lee & Mitchell, 1994; Lee et al., 1999; Maertz & Campion, 2004; Maertz & Griffeth, 2004; Mitchell et al., 2001; Steel, 2002) that are informative in articulating the different types of withdrawal behaviors for expatriates.

Integrating both the typology of dualistic adjustment derived from findings in cross-cultural psychology and more recent development in turnover theories (Lee & Mitchell, 1994; Lee et al., 1999; Maertz & Campion, 2004; Maertz & Griffeth, 2004; Mitchell et al., 2001; Steel, 2002), we propose a model of expatriate withdrawal-related decision outcomes to describe the decision criteria used by expatriates and decision paths that lead to alternative outcomes of international assignment. The model is shown in Fig. 2 and discussed below.

![Fig. 2. The model of expatriate withdrawal-related decision outcomes.](image-url)
5. Multiple decision paths

There are four different paths considered in the proposed model. Paths 1 through 4 consider situations of different types of adjustment (dual high adjustment, unilateral maladjustment to the host culture, unilateral maladjustment to the home culture, and dual low adjustment), which become critical as the distinguishing factor for subsequent decision outcomes. Paths 1a and 1b examine the decision outcomes associated with unilateral maladjustment to the host culture whereas Paths 2a and 2b observe the decision outcomes related to dual low adjustment where an expatriate is comfortable with aspects of neither the host nor the home culture. Paths 3a and 3b describe the decision outcomes made by expatriates when they are in a balanced state (i.e., dual high adjustment). Paths 4a and 4b result from maladjustment to the home culture. Finally, no search decision paths are discussed in light of newer theories of turnover (Maertz & Campion, 2004; Maertz & Griffeth, 2004; Steel, 2002).

Given that the proposed model is based partially on the unfolding model of voluntary turnover, it is important to identify similarities as well as differences between the original model and our proposed model of expatriate decision outcomes. Consistent with the unfolding model of turnover, we consider job search and/or evaluation of job alternatives as an important criterion for expatriates’ decision outcomes. Based on these criteria, expatriates may experience different decision paths similar to those that are predicted by the unfolding model of turnover. We also consider this process to be more cumulative than acute in that multiple instances of cognitive dissonance events lead expatriates to initiate decision-making processes depicted. There are, however, several important differences, which are discussed below.

First, the proposed model considers organizational turnover as one of several outcomes that result from expatriates’ decision-making, thereby expanding the behavioral outcomes to include (a) different types of turnover (turnover at home, turnover at host, and turnover at third country), (b) early return, (c) internal transfer, (d) extension requests, and (e) completion of the assignments. Previous research on turnover tends to consider voluntary turnover as the only dependent variable without considering other outcomes, differences in location included.

Second, the proposed model utilizes different criteria from the unfolding model of voluntary employee turnover: 1) inclusion of cross-cultural adjustment to the host culture; 2) inclusion of reevaluation of the home culture; and 3) exclusion of shock and job (dis)satisfaction. Given the importance of cross-cultural adjustment to the host culture as antecedents to employee attitudes and behaviors such as job satisfaction, organizational commitment, and intent to return early (Naumann, 1992; Shaffer & Harrison, 1998), adjustment to the host culture is an important criterion. However, according to the typology of dualistic adjustment and its potential influence on expatriate behaviors, reevaluation of the home culture is considered as another important criterion that differentiates expatriate outcomes. In addition, cross-cultural adjustment is a process that requires experiences with the host culture such that we consider accumulation of experiences as more critical to expatriate outcomes, rather than any one incidence or shock (cf. Takeuchi et al., 2005). Similarly, image violation is subsumed under evaluation of culture because the evaluation of the cultures entails consideration of image violation or cognitive dissonance elements where employees compare host cultural values, attitudes, beliefs, and norms to their own. Otherwise, the evaluation of cultures would not occur. Lastly, given previous empirical findings that found cross-cultural adjustment to be antecedents to job satisfaction, the current model excludes job (dis)satisfaction. This is not to deny the importance of job (dis)satisfaction on withdrawal behaviors (e.g., Hom et al., 1992; Lee et al., 1999). However, we view cross-cultural...
adjustments to be more critical for expatriates on international assignments (e.g., Shaffer & Harrison, 1998).

Brehm and Cohen (1962) extended cognitive dissonance theory and asserted that the magnitude of cognitive dissonance is a direct function of the degree to which a person feels that he/she has a choice in engaging himself/herself into a situation in which cognitive dissonance may exist. Thus, when perceived choice is high, pressures toward cognitive consistency are greater (Doran et al., 1991). In line with Steers and Mowday (1981), we construe perceived choice in two ways, as the absence of externally imposed constraints (i.e., lack of alternatives) and pressure to stay on the job (i.e., organizational commitment).

Finally, the search for alternative and likelihood of an offer is specified as a search for and an offer for external employment in the proposed model to distinguish it from internal employment opportunities (such as early return, and internal transfer and extension requests) and other alternatives (such as becoming full-time graduate students or full-time homemaker). Thus, we consider this distinction to be important for accurately portraying the different decision outcomes likely to happen when external vs. internal employment opportunities exist. We describe our model and each specific path in detail next.

5.1. Path 1: returning home

Path 1 occurs when incidences of cognitive dissonance lead expatriates to evaluate the cultures in which they have experiences. We consider an evaluation of the host culture to occur, given the physical proximity principle (Porter, Lawler, & Hackman, 1975), which suggests that proximal elements of the environment exert greater influence on the individuals’ attitudes and behaviors than distal elements. Thus, evaluation of the host culture is more likely to occur first, followed by “re-evaluation” of the home culture. When an expatriate’s adjustment to the host culture is deemed low but his/her evaluation of the home culture remains positive (i.e., unilateral maladjustment to the host culture), it is likely to entail search and/or evaluation of alternatives targeted more toward the home culture. If there is a high probability of external employment opportunities at the home culture, the expatriate returns home but turns over, leading to Path 1a. If the likelihood of finding external employment at the home location is not high, an expatriate returns home early but stays with the same company, leading to Path 1b (early return).

For example, an expatriate may find out that one of the host nationals was not happy with the way the expatriate was managing subordinates (for example, due perhaps to differences in the power distance perceptions between expatriate’s home culture and the host culture: cf. Hofstede, 1980) and had communicated this to the superiors in the parent company who may in turn provide negative feedback to the expatriate employee. This may come as a surprise to the expatriate who views himself/herself as a competent manager, thus, violating the expatriate’s self-image, and leading to cognitive dissonance. In turn, this image violation may lead to the expatriate’s finding herself/himself maladjusted to the host culture without other alternatives for external employment. One of the most likely ways of dealing with this situation is to terminate the assignment early and come home. On the other hand, if an expatriate finds himself/herself in the same situation with other employment opportunities, he/she is more likely to quit the organization but work for a firm in the home location.

Proposition 2. In Path 1a, if early return to the parent company is undesirable and when the likelihood of external employment in the home country is high, maladjustment to the host culture leads to the expatriates’ decision to turnover from the parent company to find a job at home (turnover at home).
Proposition 3. In Path 1b, when the likelihood of external employment in the home country is low, maladjustment to the host culture leads to the expatriates’ decision to return home and stay in the same company (early return).

5.2. Decision path 2: turning to a different culture

If expatriates evaluate their own adjustment to the host culture as low, but also hold a negative view toward the home culture (dual low adjustment, Fig. 1, cell 4), the decisions they make are likely to be different from those where individuals maintain a favorable view of the host culture, the home culture, or both cultures. While this type of maladjustment may be relatively rare according to recent evidence (cf. Lee, Sobal, & Frongillo, 2000; Van De Vijver, Helms-Lorenz, & Feltzer, 1999), it is important to consider the possibility because of the substantial, detrimental effects that dual low adjustment may have on the organization as well as on the individual (cf. Berry, 1980).

When expatriates are neither well adjusted to the host culture nor hold positive views about the home culture, their job search and/or evaluation of alternatives will have an entirely different focus. Given that they become “rootless,” expatriates will seek locations that are different from either the home or the host culture (i.e., third country). Thus, if there are external employment opportunities at a third country, wherever that may be, expatriates will be more likely to quit the organization and move to the third country (Path 4a). On the other hand, if the prospect for external employment opportunities seems grim, the expatriate may request internal transfer to a different foreign subsidiary (Path 4b) as this can be considered as an alternative employment option.

Proposition 4. In Path 2a, dual low adjustment leads expatriates to seek means of relocating to a third country that is different from the home or the host culture. Specifically, when the likelihood of securing external employment is high, it leads to turnover where the expatriates relocate to a third country (3rd country turnover).

Proposition 5. In Path 2b, dual low adjustment leads expatriates to seek means to relocate to a third country. Specifically, when the likelihood of securing external employment is low, it leads to internal transfer request to a third country.

5.3. Decision path 3: to stay or not to stay at the host culture

In Path 3, expatriates evaluate themselves to be in a dual high adjustment situation (i.e., a high level of adjustment to the host culture and a positive reevaluation of the home culture). In this case, expatriate turnover is not limited to any geographical location or given culture precisely because expatriates evaluate themselves to be comfortable in both the home and the host culture (i.e., in a dual high adjustment situation). If a likely offer from external employment is not particularly lucrative, expatriates simply continue with or complete the assignment and return home (Path 3b). On the other hand, if the external offer of employment is satisfactory, expatriates are more likely to turnover from the current firm (e.g., Hom et al., 1992) (Path 3a). For instance, an American expatriate working in Japan may be approached to manage a foreign subsidiary in Japan. If this alternative is considered to be desirable by the expatriate, turnover occurs but the expatriate remains in the same host country location. This particular decision path is similar to comparison quitting (Maertz & Campion, 2004) in which employees...
compare decision alternatives and may be attracted to new organizations. However, if this likely offer is not deemed attractive, then the expatriate will remain in the current post and more likely to finish the assignment.

**Proposition 6.** In Path 3a, evaluation of cultures that results in dual high adjustment without likely external offer, continuation/completion of the assignment is likely to result.

**Proposition 7.** In Path 3b, even when expatriates’ evaluation of cultures is favorable (dual high adjustment), an attractive external offer will likely lead to expatriate turnover.

5.4. Path 4: staying in the host culture

In Path 4, unlike Paths 1a and 1b, expatriates feel well adjusted to the host culture. However, when evaluating the home culture, the expatriates regard the home culture in a negative light due to changes in the way they view their own cultural values, attitudes, and beliefs, and norms. In such scenarios, expatriates are considered to be unilaterally maladjusted to the home culture. When expatriates assimilate the values and lifestyle of the host culture and view the home culture in a negative light, they are less likely to return home and more likely to search for and evaluate available alternatives geared toward remaining in the host culture. If the probability of acquiring employment at the host culture appears high, such as working for a domestic company in the foreign country or working for a subsidiary of a multinational, expatriates may quit the organization and stay at the host country (Path 4a). On the other hand, if the prospect of external employment in the host country is not promising, the first decision that the expatriates are likely to make is to request for an extension in the assignment in hope of “buying” more time (Path 4b).

**Proposition 8.** In Path 4a, when the likelihood of external employment in the host country is high, maladjustment to the home culture leads to the expatriates’ decision outcome to turnover from the parent company to find a job at the host location (host country turnover).

**Proposition 9.** In Path 4b, when the likelihood of external employment in the host country is low, maladjustment to the home culture leads to the expatriates’ decision outcome to remain in the host culture and to request an extension (extension request).

6. No (search alternative) decision

There are additional considerations that need to be made with regard to the no search and/or evaluation of the alternatives. First, only a single path is identified in the proposed model where no search and/or evaluation of the alternative leads to a particular decision outcome for expatriate (i.e., to maintain status quo and complete the assignment). Newer theories of turnover (Maertz & Campion, 2004; Maertz & Griffeth, 2004; Steel, 2002) are informative in delineating these paths further. For example, Maertz and Campion (2004) found support for the existence of impulsive quitting, where employees quit without a job offer in hand and without an advance plan, and for conditional quitting where employees quit when a certain precondition is met. Impulsive quitting (e.g., Maertz & Griffeth, 2004) or unplanned quitting (Steel, 2002, p. 356) may occur when expatriates have “control over
substitute resources (e.g., alternative sources of income).” Similarly, an expatriate who is maladjusted to the host culture (i.e., low adjustment to the host culture but a favorable view of the home culture) may quit the company without any search or evaluation of alternatives if he/she has a precondition such as “I will quit the company if the headquarter asks me to stay longer than the initially agreed time period,” or “I will quit the company if my spouse is still unhappy with the international assignment after another year.” Given that the spousal/family adjustment tends to have the strongest impact on expatriate attitudes and behaviors (Bhaskar-Shrinivas et al., 2005), it might be the case that family-related issues are more dominant reasons for this path to occur.

Second, we expect that some of the criteria and the associated outcomes for repatriate turnover would be slightly different from those shown in Fig. 2. Thus, we explicitly focused on the expatriation phase of the international assignment. However, the dual adjustment concept appears to be also applicable to repatriate adjustment situation, which future theoretical and empirical research could investigate. Furthermore, the proposed model may be extended to include repatriate turnover (and other outcomes) when different stages of job search process are explicitly recognized (e.g., Steel, 2002). For instance, if an expatriate requests an extension (Path 2b) but the headquarter does not approve an extension and repatriates the employee, this may lead the repatriated employee (i.e., expatriate) to advance in their search stages from passive scanning of the environment to contacting prospective employers at the host country and subsequently quit the organization (repatriate turnover) (e.g., Steel, 2002).

7. Discussion

In their review of the expatriate adjustment literature, Harrison, Shaffer, and Bhaskar-Shrinivas (2004, p. 240) noted, “Research on expatriate experiences seems to have evolved into reliance on a comfortable… paradigm and well-worn road,” which point to the dominant use of the stress perspective used in this area. Kraimer and Wayne (2004) also noted this trend. As Harrison et al. (2004) recommended as one approach for the future, the proposed model highlighted different features of cross-cultural adjustment (dual adjustment perspective), which provides new insights into the consequences of expatriate adjustment.

More specifically, the proposed model contributes to the expatriate adjustment literature in three ways. First, it underscores the importance of the possible changes in the way expatriates view their own culture as a result of an expatriate experience. In the present research context, we incorporated this as a dualistic adjustment perspective with the newer theories of turnover to describe the possible decision paths that expatriates might choose during international assignments. Second and related, the proposed model extends the literature on expatriate adjustment by providing insights into different decision patterns that lead to certain expatriate behaviors, including early return, turnover, internal transfer, and extension request. Finally, the model provides avenues for future research that are different from the typical expatriate adjustment research that has been conducted thus far.

It is possible that the proposed model may be considered as a focused application of the unfolding model of voluntary employee turnover (e.g., Lee & Mitchell, 1994; Lee et al., 1999) to the expatriate setting. The proposed model, however, is not a simple application of the unfolding model of voluntary turnover. It adapts and extends the unfolding model by incorporating the dualistic adjustment perspective (e.g., Berry, 1980, 1994) for international assignment context and differentiates among multiple decision outcomes. In addition, we incorporated information obtained from evolutionary search model of
turnover (Steel, 2002) and motives approach (Maertz & Campion, 2004; Maertz & Griffeth, 2004) to suggest possible reasons and outcomes for no search decision paths.

For example, despite empirical evidence that shows relationships among different typologies of turnover (voluntary vs. involuntary: e.g., Stumpf & Dawley, 1981; functional vs. dysfunctional: e.g., Dalton, Krackhardt, & Porter, 1981; and avoidable vs. unavoidable: Abelson, 1987) and a call to include reasons for voluntary turnover (Campion, 1991), previous research on turnover has traditionally focused on one type of turnover (voluntary turnover) without explicitly acknowledging the different reasons/motives underlying the turnover decision (see McElroy, Morrow, & Rude, 2001; Shaw, Delery, Jenkins, & Gupta, 1998 for notable exceptions). Thus, understanding the reasons/motives underlying different turnover/retention-related decisions may provide more realistic picture of the expatriate adjustment process and turnover phenomena.

The proposed model also provides several new research directions for the expatriate adjustment literature. An obvious first step is to empirically test the proposed model and the validity of different paths, given the criteria outlined above. As Lee et al. (1999) have done, a qualitative research can be followed by a quantitative approach to investigate and refine the proposed model. Although an empirical testing of the proposed model may be a significant endeavor, requiring significant time, effort, and resources, it may provide additional insights into the adjustment processes and its consequences. Even though providing a comprehensive list of factors that may influence the mobility pattern of turnover/retention-related outcomes is beyond our scope, future research can expand and/or refine the criteria and/or decision paths included in the proposed model. Moreover, incorporating dual adjustment perspective may also be applicable to explaining repatriate turnover and, perhaps, is also a way to connect expatriation and repatriation phases of international assignments together. As Yan, Zhu, and Hall (2002) have noted, the expatriation and repatriation phases of the international assignments have typically been theorized separately, which needs to be integrated in the future.

We also encourage research that examines the antecedents of dualistic adjustment that may have differential effects on the type of adjustment made and consequences of the type of adjustment made. For instance, different sources of support (parent company support, expatriate community support, coworker or host country national support, and family support) and their independent as well as synergistic influence on the type of adjustment expatriates make (cf. Kraimer et al., 2001) would be a worthwhile line of research. Similarly, different types of support such as emotional (which involves providing empathy, caring, love, and/or trust), instrumental (which involves providing assistance at work or taking care of another), informational (which involves providing data that helps a person to cope with personal and environmental problems), and appraisal (which includes providing feedback) (cf. Olson & Shultz, 1994; Zellars & Perrewe, 2001) may be associated with different types of adjustment made by expatriates.

In addition, we also encourage studies that adopt multi-level research designs to investigate the influence of environmental (or national cultural)-, firm-, and individual-level variables. In particular, the impact of cultural characteristics as represented by the “cultural syndrome” (Triandis, 1996), which can be used to organize the complex, multidimensional nature of national culture (individualism/collectivism, masculinity/femininity, uncertainty avoidance, power distance, time dimension, for example) around a particular theme (e.g., Chen, Chen, & Meindl, 1998), on the levels of cross-cultural adjustment to the foreign culture and reappraisal of the home culture can be explored. For instance, the individual level of a certain cultural orientation in an expatriate employee can be expected to interact with the home and host country cultural paradigms in predicting adjustment. Sending an employee who
is extremely high on individualism to an assignment in a strongly collectivistic company and/or country context is more likely to be associated with failure. By comparison, an employee whose home country paradigm is high on individualism but whose individual preference is for collectivism may be better off being sent to an assignment in a collectivistic culture and/or collectivistic company context in another country. However, in the long run this employee may become maladjusted to the home culture and turnover at the host location. All of these different alternatives and decision paths highlight the importance of the dual adjustment perspective.

In a similar vein, the influence of firm-level variables such as organizational culture can be investigated as well. In particular, person–organization fit has been shown to affect socialization or work adjustment outcomes (e.g., Chatman, 1991). Thus, the effects of person–organizational culture fit and person–national culture fit on dual adjustment levels might be an interesting avenue for future research. The parent company may, thus, utilize the dual adjustment perspective to forecast possible assignment outcomes, and to make informed decisions that are in the best interest of both the individual employee and the company.

Individual demographic variables such as age may also weaken the relationship between the types of dualistic adjustment and decision outcomes such that older employees may not follow the decision paths because they tend to have fewer external employment opportunities than younger employees. Another potential moderator may be the time since arrival at the host country. Given the U-curve adjustment theory (cf. Adler, 1997; Black & Mendenhall, 1991) where expatriates go through stages of cross-cultural adjustment called honeymoon, culture shock, adjustment, and mastery, the stages of adjustment may weaken some of the relationships between types of dualistic adjustment and their outcomes. Clearly, there are many more issues that can be examined regarding expatriate adjustment and international assignment outcomes.

Lastly, given multiple decision outcomes, future research may examine the factors that influence the adoption of these different outcomes. For example, Gregersen and Black (1992) examined organizational commitment to the parent company and to the local unit as antecedents to intent to stay in the international assignment and complete the assignment. Their framework on dual commitment (Gregersen, 1992; Gregersen & Black, 1992) along with ours may be extended to examining multiple decision outcomes outlined in the current model.

### 8. Practical implications

This framework also has practical implications for organizational interventions. Organizations may be able to implement interventions to reduce or avoid the undesirable outcomes of international assignments. For instance, if the reason for voluntary turnover is maladjustment to the host culture (Path 1a), the organization may provide realistic job previews (e.g., Phillips, 1998) to manage the expectations of expatriates prior to the actual departure, or the parent company may be able to provide pre-and post-arrival training along with instituting a support system that includes host country national as the primary mechanism to foster adjustment to the host culture (cf. Black & Mendenhall, 1990; Earley, 1987; Harrison, 1992; Kraimer et al., 2001).

Related, if the reason for voluntary turnover is maladjustment to the home culture (Path 2a), mentoring program where the expatriate is assigned to a parent company mentor who retains close contact with the expatriate employees can be used as an integral component of international assignments.
Also, offering relocation assistance during expatriation, finding a job for trailing spouses, or reducing role ambiguity and role conflict at the host country assignment may improve or help retain expatriates’ commitment to the parent company (cf. Gregersen & Black, 1992; Guzzo, Noonan, & Elron, 1994), thereby helping the parent company to retain human capital instead of losing it (through turnover) even when the outcomes of the assignment are not the best (early return, internal transfer, or extension, for example). Simply put, the type of expatriate adjustment and decision outcomes has important implications for the actions that multinationals must take to address these outcomes.

9. Conclusion

“Globalization continues to be the biggest trend going, something easy to forget because it has had such a long run. What is missing is a way to think about it” (Stewart, 1999, p. 170). As the quote indicates, increasing our understanding about global management issues is becoming ever more critical with each passing day. The proposed model contributes to this new way of thinking by providing new insights and research directions for international assignments. As such, additional research in this area is warranted.

Acknowledgements

We would like to thank Cynthia Stevens, Lisa Dragoni, Jennifer Marrone, the anonymous reviewers and the acting editor for their insightful comments on earlier drafts of this paper.

References


