CULTURAL ADJUSTMENT OF EXPATRIATES IN MALAYSIA: THE RELATIONSHIP BETWEEN EMOTIONAL INTELLIGENCE, SOCIAL COMPETENCIES AND SELF-MOTIVATION.

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Research Highlights

The aim of this study was to examine the influence of emotional intelligence and social competencies towards cultural adjustment of expatriates in the ICT sector in Malaysia. Additionally, the mediation role of self-motivation was examined. In this quantitative study, random sampling was used to collect data from a sample of 301 expatriates. Questionnaires were sent either by hand or electronically. This study used PLS SEM to estimate the model. The study revealed that emotional intelligence and social competencies are significant predictors of job performance. This study further presented an expanded theoretical and empirical evidence base to help future researchers. The findings may be helpful to organizations and consultants who work to prepare expatriates. Organizations involved in managing expatriates for global assignment can implement policies and processes to select and prepare the right expatriates for global assignments. Emotional intelligence and social competencies should be part of the selection criteria and development plan of expatriates.

Graphical Abstract

Research Objectives

The number of expatriates have increased by 25% and a further 50% growth in assignments by 2020 is predicted (PWC, 2010). In a study by KPMG (2012), 55% of the respondents stated that up to 5% of assignees were recalled from the host country or dismissed because of inability to perform effectively. Failure in global assignments is both very costly and risky (Perkins, 2006). Maladjustment can result in failure and based on Mercer's Worldwide survey (2013), around 41% of respondents cited assignees' difficulty in adjusting to the host nation as a primary reason for assignment failure. Despite the importance of cultural adjustment, there is a dearth of studies on the relationship between emotional intelligence, social competencies, self-motivation and cultural adjustment of global assignees. The aim of this study was to examine whether emotional intelligence and social competencies can lead to successful cultural adjustment and the mediating role of self-motivation between the two. A clear understanding of the impact of social competencies and emotional intelligence would aid organizations to design their expatriates' selection, talent management and support practices to address the challenges and failure of expatriates.

Methodology

This was an explanatory study to test the hypothesis of a causal relationship between variables (Kothari, 2004). This study was based on positivism philosophy and the researcher used existing theory to develop the research hypothesis (Saunders, et al. 2012). A deductive approach and a quantitative method was used to collect primary data in numerical form from large samples (Saunders et al., 2012). In this cross sectional study, the data was collected using self-administered questionnaires from a sample of 301 respondents. The SPSS and SmartPLS tools were used to generate descriptive and inferential statistics. As stated by Garson (2016), outer model loadings were the focus in this reflective model by the researcher. The average variance extracted (AVE) was used by the researcher to test convergent validity. The researcher used bootstrapping to assess the path coefficients' significance. In this study, the minimum number of bootstrap samples was 1,000.

Results

Majority of the respondents were males (71%). There were 87 females. Most of the respondents were married (57%). In the age range, most of the respondent were between the age range of 26 to 30 years old (41%). Another 29% were in the age range of 31 to 35 years. The path coefficients showed that emotional intelligence had a positive influence on the cultural adjustment of expatriates. Support was found for the propositions made by several researchers who stressed the importance of emotional intelligence in predicting the cultural adjustment of expatriates (Moon, 2010). Support was also found for the positive role of social competencies. The greater the social competencies, the better the cultural adjustment of expatriates will be. The results of this research were consistent with past studies that found social competencies as a predictor of cultural adjustment (e.g., Bhaskar et al., 2005). Self-motivation was a mediator between emotional intelligence and cultural adjustment.

Findings

The findings found a significant influence of emotional intelligence and social competencies towards cultural adjustment. The expatriates' social competencies and emotional intelligence plays a critical role in the cultural adjustment of expatriates in the ICTs sector in Malaysia. The results of this study shows the importance of self-motivation. Therefore, other than technical skills, EI, social competencies and self-motivation should be included in the selection criteria and training of expatriates sent on global assignments. In addition, companies should send people who are culturally literate.

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