Factors Contributing to Expatriate Adjustment to Life in Malaysia

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Abstract

The objective of this study is to determine the factors contributing to expatriate adjustment to life in Malaysia. Drawing on the conservation of resources theory and previous research, the independent variables of cultural intelligence, language ability, open-mindedness, tenure in Malaysia, previous overseas experience and monthly income, are used in this study to predict expatriate adjustment. A survey questionnaire was developed and analysis done on 80 expatriates from four industries in Kuala Lumpur and Selangor. Results of regression analysis using the PROCESS software showed that cultural intelligence, language ability, open-mindedness, tenure in Malaysia and gender explained 76.2% of the variance in expatriate adjustment in Malaysia. Furthermore, tenure in Malaysia moderated cultural intelligence. However, previous overseas assignments and monthly income did not have any relationships with expatriate adjustment. The applicability of the conservation of resources theory to explain expatriate adjustment is clearly established in this study as all the variables that are significant predictors of expatriate adjustment are resources.

Key words: cultural intelligence, language ability, open-mindedness, tenure in Malaysia, expatriate adjustment

Introduction

The term expatriate or expat refers to a temporary immigrant crossing the border of their country to another country, changing his place of residence and work location (Andersen, Bergdolt, Margenfeld & Dickmann, 2014). Therefore, expatriation is a voluntary movement of people who decide to leave their home country and work in another country. In the terminology of international human resource management, expatriate usually refers to managers that are sent abroad by parent companies to their subsidiaries overseas.

Many multinational companies send employees to work in foreign branches or subsidiaries. Foreign managers from the parent company facilitate tighter control over foreign branches. They can improve global coordination. In today's global economy, organizations require expatriates to spend time working internationally to spread talent across borders. Expatriates are usually sent abroad to work on short-term, medium term or long-term contracts to complete organizational goals.

The entire process of expatriation requires extensive preparation and training before departure. Problems can arise when an expatriate is unable to adjust to life in a subsidiary, which will affect their performance and may lead to failure and early return.
Expatriates and their parent country companies face many difficulties relating to expatriate adjustment in foreign countries. There are many causes for the difficulties. It could be due to different management styles, cultural differences or language, inadequate pre-employment training, or lack of family support and inability to work with new employees. Problems encountered by expatriates while abroad may lead to the failure of expatriate, which will lead to early termination of work and return of expatriate to their home country or resignation from his or her job position before completion of the assignment assigned to the expatriate (Dowling & Welch, 2004).

The training and remuneration of expatriates is very expensive. High rewards for an expatriate can cause local employees to feel uncomfortable and even be unsupportive to expatriates. If the expatriate failed to finish the assignment, the company need to send another expatriate to finish the assignment. This will cause the company to spend more money on the assignment. There is therefore a need to understand the expatriate adjustment process.

Torbiorn (1982) highlighted that expatriate adjustments are often used to bring about change where individuals adjust to new conditions and environment in their surroundings. He focuses on the subjective adjustments and links to personal satisfaction. Satisfaction can be achieved when a person meets the demands of assignment and achieves the goals (Waqqar, 2011). Ward and Kennedy (1996) mentioned that adjusting to the social and cultural conditions of being expatriates measure the extent to which expatriates are well integrated into the daily life and work in the host country. This is the ability of expatriates to fit and interact with the host country based on the difficulties encountered in managing daily situations. According to Hippler (2006) expatriate adjustment is closely related to the environment in which expatriates live. Different aspects of the host country environment require adjustment from the expatriates.

Adler (2002) said that multinational assignment is a cycle of different stages when expatriates move from their home country to international assignments and then return to their home countries. This a series of various stages, including country assignments, recruitment, selection, on-the-job training and global assignment. Adler (2002) explained that expatriate adjustment includes job adjustments, interactivity with host country nationals, and adjustments to non-working environments.

This study intends to find out the factors which contribute to expatriate success in adjusting to life in Malaysia. This findings of this study will increase the knowledge and understanding about expatriate adjustment in Malaysia. This can be very useful as guidance for the human resource manager. So far, many of the studies on expatriate adjustment has been done in western countries. The results of this study can be used to guide companies to amend their policies on their expatriates in Malaysia.

**Research Objectives**

The purpose of this study includes general objectives and specific objectives. The general objective is to find out the relationship between specific variables and the expatriate adjustment to life. The specific objectives are:

i. To investigate if the cultural intelligence (CI) of expatriates affect their adjustment to life in Malaysia.

ii. To investigate whether expatriates’ tenure in Malaysia affect their adjustment to life in Malaysia.

iii. To investigate if language ability (LA) of expatriates affect their adjustment to life in Malaysia.

iv. To investigate whether the open-mindededness (OM) of expatriate affect their adjustment to life in Malaysia.

v. To investigate if expatriates’ tenure in Malaysia moderate CI of expatriates to predict expatriate adjustment in Malaysia.

vi. To investigate if previous overseas assignments (POA) affect expatriate adjustment in Malaysia.
vii. To investigate if monthly income affect expatriate adjustment.

Literature Review

The conservation of resources theory

Expatriate adjustment can be viewed from the perspective of a manager from the parent company being sent to a subsidiary to accomplish specific goals in a culturally different setting. This involves adjustment to the new surroundings in which the manager will be unfamiliar with.

In order for this adjustment to take place successfully and for the expatriate to accomplish the tasks that he has been assigned with, certain resources are necessary. Hobfall (1989) categorized these resources into four types. The first are object resources like a house or car, possession of which may be necessary to accomplish certain tasks and lack of which may lead to stress.

The second type of resource, conditions, refer to a situation facing a person, for example the person may be in full-time instead of part-time employment or the person may be a senior instead of a junior manager. The condition of the person therefore, imposes certain constraints and offers certain amount of capacity. For example, a senior manager may be able to make decisions affecting the organization to a greater extent. Thus, in this study the fact that an expatriate may have served overseas or in Malaysia for a longer duration of time is a condition and therefore a resource which affects expatriate adjustment.

The third type of resource are personal traits and skills which can assist in overcoming difficulties. Thus, in the context of expatriate assignments, these would include cultural intelligence (CI), language ability (LA) and open-mindedness (OM).

The fourth type of resource mentioned by Hobfall is labelled energies and include time, money and knowledge. This study has included monthly income of expatriates, which may affect expatriate adjustment.

Halbesleben, Neveu, Paustian-Underdahl & Westman (2014) in their review of the research done on the conservation of resources (COR) theory, found that the following had been operationalized as resources: job security, rewards, autonomy, decision authority, emotional intelligence, resilience, social support, self-esteem, self-efficacy, conscientiousness and emotional stability.

COR theory proposes that people strive to conserve their resources. When they are unable to do so, in the face of job demands, the depletion of resources can lead to stress and burnout (Hobfall, 1989). In the case of expatriates, it can lead to failure to accomplish the goals set in their foreign assignments or in extreme cases, even premature termination of their assignments.

COR theory has been applied widely in studies involving stress and adjustment (Xanthopoulou, Bakker, Demerouti & Schaufeli, 2009; Penney, Hunter & Perry, 2011; Zhu, Harrison, Wanberg & Diehn, 2015).

In this study, CI, OM, LA, monthly income, and years of experience in Malaysia are categorized as resources. Based on COR it would be expected that CI, OM AND LA, monthly income, years of experience in Malaysia and overseas would have a positive relationship with expatriate adjustment.

Cultural intelligence

The term cultural intelligence (CI) refers to a person's ability to successfully fit into new and inexperienced cultural environments and effectively manipulate them in the context of cultural diversity. It is a multidimensional structure consisting of the following aspects: meta-cognitive, cognitive, motivational and behavioural. The meta-cognitive dimension refers to the knowledge or
control over cognitions that enables deep information processing relating to culture. It pertains to planning and monitoring of mental models. The cognitive dimension relates to the knowledge of the norms, practices and conventions in different cultures. The motivational dimension is the ability of the person to adapt to new cultural environments. Finally, the behavioral dimension is the capacity of the person to behave in the new cultural environment (Earley and Ang, 2003).

Much research has underscored the linkage of cultural intelligence to expatriate adjustment. Guomundsdottir (2015) found that CI facilitates cross-cultural adjustment of Nordic expatriates in the United States. Malek & Budhwar (2013) demonstrated the relationship between CI and expatriate performance whereas Huff, Song & Gresch (2014) found that CI explained variation in expatriate adjustment over and above the five factor model of personality. Sri Ramalu, Chuah & Che Rose (2011) found that CI had a positive relationship with cross-cultural adjustment in Malaysia. Finally, Jyoti and Kour (2013) found that CI had a significant relationship with task performance but that this relationship was mediated by cultural adjustment. Therefore, it is proposed that:

**H1: There is a significant positive relationship between CI and expatriate adjustment to life in Malaysia.**

**Tenure in Malaysia**

Zhu, Wanberg, Harrison & Diehn (2016) had found that expatriates experience work adjustment over time. Selmer (2005) found that time in China contributed to a positive relationship with interaction adjustment for western managers of joint venture companies. Waxin (2004) found that time spent in India was a significant predictor of interaction adjustment for French expatriates. It is only logical that a longer period of time should have a positive relationship with expatriate adjustment since the expatriate will become familiar with the host country environment and adapt better after a longer period of time. Thus, it is hypothesized that:

**H2: There is significant positive relationship between years in Malaysia and expatriate adjustment to life in Malaysia.**

It can also be expected that the longer the expatriate serves in Malaysia, the higher will be the CI of this expatriate. Thus, it is hypothesized that:

**H2A: The tenure in Malaysia in Malaysia will moderate the CI to predict expatriate adjustment to life in Malaysia.**

**Language ability**

Language ability (LA) refers to an individual's ability to use a language, and its accuracy conveys meaning in production and understanding (Wang & Tran, 2012). Language knowledge is often considered a key skill to live and work in another country. It helps to communicate with local people and enhance social adaptability, but most importantly, it can help in everyday life such as shopping or renting a house (Wang & Tran, 2012). Language knowledge helps to cope with common situations in culture and show expatriates the right way of doing things. Rodsai, Stoffers, & Talim (2017) said that although English is the primary language of expatriate communication, learning the local language is still necessary. Individuals with different language backgrounds may be excluded from the conversation and experience negative social interactions (Lauing & Selmer, 2010). Language deficiencies can cause problems because expatriates may not be able to establish the social networks they need in their own country and may be classified as belonging to out-group (Grelecka, 2016).

In addition, through interaction, language becomes associated with other social structures, such as group formation, interpersonal attraction, and social communication. Language may be a powerful force that creates a sense of rejection and decision-making for people with weaker language skills.
In order to function effectively in the community, one must learn to communicate in the community in accordance with the group rules. Therefore, expatriates not only need to learn new languages, but also need to learn new rules of behaviour and new value systems (Grelecka, 2016).

Selmer (2006) found that the Chinese language ability of western expatriates in China contributed positively to their socio-cultural adjustment. On the other hand, Xu & Du-Babcock (2012) found that the English proficiency of Chinese expatriates enhanced their adjustment moderately. Peltokorpi & Froese (2012) found that Japanese language proficiency of expatriates contributed to interaction adjustment because it facilitated communication between expatriates and the Japanese they came into contact with. Therefore, it is proposed that:

**H3:** There is a significant positive relationship between LA and expatriate adjustment to life in Malaysia.

**Open-mindedness**

Openness (OM) and impartiality towards an individual with different values and cultural norms is a personality trait. At the crux of this personality trait is support for experimentation and thought exchange, demonstrating common practices and assumptions through acceptance of challenges (Bruning, Sonpar and Wang, 2012). Because it is necessary for expatriates to work in different cultural environments and to strike the balance between effectual decision-making and execution, there is a need for broad-mindedness among them. It may be particularly important that different opinions, behaviours and values are allowed to be shared (Richardson, Tan and Kiumarsi, 2018). Moreover, effective expatriates need to manage people and effective people management requires a deep knowledge and openness to multiple cultures and perspectives. Peltokorpi & Froese (2012) found that open-mindedness contributed significantly to interaction adjustment because when expatriates are open-minded towards people of other cultures, then interaction becomes easier. Ali, Van der Zen & Sanders (2003) provided evidence that open-mindedness contributed to expatriate spouses’ adjustment. Richardson, Tan & Kiumarsi (2018) found that open-mindedness is related to expatriate adjustment. Finally, Huang, Chi & Lawler (2005) demonstrated that openness to experience is positively related to US expatriates’ work adjustment. Therefore, it is proposed that:

**H4:** There is significant positive relationship between OM and expatriate adjustment to life in Malaysia.

**Monthly income**

Previous research has found that there is a significant relationship between perceived organizational support (POS) of the company and expatriate adjustment (Kraimer, Wayne & Jaworski, 2001). Monetary and non-monetary benefits are offered by companies to expatriates as support, which is perceived by expatriates who reciprocate by adjusting to host country conditions. Richardson, von Kirchenheim & Richardson (2006) found that individuals with higher pay satisfaction are better adjusted. Thus, it is hypothesized that:

**H5:** There is significant positive relationship between monthly income and expatriate adjustment to life in Malaysia.

**Previous overseas assignments**

Parker and McEvoy (1993) found that previous international experience was positively related to expatriate adjustment. Shaffer, Harrison and Gilley (1999) found that previous international assignments had a positive relation with expatriates’ interaction adjustment. Okpara & Kabongo (2011) found that previous international assignments of expatriates had a positive link with general
adjustment, work adjustment, interaction adjustment and psychological adjustment. Such previous assignments may not be directly relevant to their life in Malaysia, yet the skills they picked up in adjusting to foreign assignments should help them adjust to life in Malaysia. Thus, it is hypothesized that:

**H6:** There is significant positive relationship between previous overseas assignments and expatriate adjustment to life in Malaysia.

**Demographic variables**

The demographic variables of gender, age, marital status and type of industry are included in this study as control variables. Expatriates in the study came from manufacturing, service, agriculture and education industries, as shown in Table 4.

**Expatriate adjustment**

The dependent variable in this study is expatriate adjustment.

**Conceptual Framework**

The proposed framework for this study is shown in figure 1.

![Figure 1: Conceptual Framework of the Study](image)

CI = Cultural intelligence; EA = Expatriate adjustment; LA = Language ability; OM = Open-mindedness; TIM = Tenure in Malaysia in Malaysia; POA = Previous overseas assignment

**Methodology**

A structured survey with two sections was distributed to 100 respondents who are expatriates in Kuala Lumpur and Selangor. The sampling used was non-probability convenient sampling. The first section
of the survey form consisted of personal variables like age, gender, tenure in Malaysia, previous overseas assignments, and type of industry. The second section contained Likert 5 point scale items on the independent and dependent variables. However, only 80 usable questionnaires were used for final analysis.

Measures were taken from published sources. The first section of the survey form consisted of demographic variables like age, gender, tenure in Malaysia, nationality, and type of industry. The second section contained 5 point Likert scale items on the independent and dependent variables including cultural intelligence, open-mindedness, language ability and expatriate adjustment. Higher scores on the Likert scale indicates higher level of the items being measured.

The five items on cultural intelligence are from Nzitunga & Nyanway (2019) and Evans (2012). The five items on language ability are from Nzitunga & Nyanway (2019). The five items on open-mindedness are from Evans (2012). Finally, expatriate adjustment is measured with four items from Caie (2009).

To reduce common method bias since data are collected from one group of respondents, respondents were informed in the survey form that the survey was anonymous and confidential and to answer as honestly as possible. Secondly, items used to measure variables are taken from published sources with high reliability.

**Exploratory Factor Analysis (EFA)**

In order to ensure that the underlying factor structure of our study is sound, we conducted an exploratory factor analysis with SPSS version 23. The results of our analysis are shown in Table 1. A Principal Components Analysis with Varimax rotation was conducted. Four factors had eigenvalues larger than 1, explaining 69.93% of the variance. The Kaiser Meyer Olkin Measure significant (p value = 0.000). A total of 4 factors were extracted. The first factor is EA, the second factor is CI, the third factor is OM, and the fourth factor LA.

| Table 1: Factor loadings of the Variables in the Study after Varimax Rotation |
|------------------|------------------|-----------------|-----------------|------------------|
|                  | Factor          | 1               | 2               | 3               | 4               |
| C12              |                 | 0.580           |                 |                 |                 |
| C13              |                 | 0.725           |                 |                 |                 |
| C14              |                 | 0.711           |                 |                 |                 |
| C15              |                 | 0.745           |                 |                 |                 |
| OM3              |                 |                 | 0.812           |                 |                 |
| OM4              |                 |                 | 0.745           |                 |                 |
| OM5              |                 |                 |                 | 0.619           |                 |
| LA1              |                 |                 |                 |                 | 0.656           |
| LA2              |                 |                 |                 | 0.667           |                 |
| EA1              |                 | 0.803           |                 |                 |                 |
| EA2              |                 | 0.770           |                 |                 |                 |
| EA3              |                 | 0.654           |                 |                 |                 |
| Eigenvalue       |                 | 8.160           | 1.424           | 1.272           | 1.031           |
| Explained variance |               | 48.000         | 8.377           | 7.484           | 6.065           |
Reliability Analysis

The Cronbach’s alpha for the variables are as follows: CI = 0.825, OM = 0.843, LA = 0.765, EA = 0.811.

Testing for Assumptions of Regression

Three assumptions necessary before conducting regression are checked to ensure that results are valid. The first is multicollinearity. The Variance Inflation Factor (VIF) was calculated and results showed that our VIFs range from 1.096 to 3.834. Since the recommended threshold for the VIF is 10 (Hair Jr. et. al., 2014), our dataset is not affected by multicollinearity.

Next, we examined the normality of the data using the Normal Probability Plot. The plot shows that most of the points lie on the diagonal line from bottom left to the top right, indicating no major deviations from normality. Finally, the scatterplot shows that the independent variables are generally linearly related to the dependent variable. The dots are scattered and do not demonstrate any curvilinear pattern.

Descriptive Statistics

SPSS version 23 was used to perform data analysis on descriptive statistics. There were 41 females (51.25%) and 39 males (48.75%) males in the sample. In terms of age, the majority were in the 31-35 year old to 33 (38.75%), followed by the 25-30 age range with 22 (27.50%), 36-40 range with 17 (21.25%), 41-45 age range with 8 (10%) and more than 46 years with 2 (2.5%). Thus, the sample is biased towards middle-aged people. Nationality wise, there were 35 Americans (43.75%), 21 Chinese (26.25%), 8 Germans (12.5%), 4 Singaporeans (5%), 3 Koreans (3.75%), 3 Indians (3.75%) and the rest from Japan, Australia, Thailand and Britain. Thirty-two or 40% were single and 48 or 60% married. The tenure in Malaysia varied greatly and is shown in Table 2 whereas the length of service overseas is displayed in Table 3.

<table>
<thead>
<tr>
<th>Table 2: Tenure in Malaysia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
</tr>
<tr>
<td>Less than 1 year</td>
</tr>
<tr>
<td>1 – 2 years</td>
</tr>
<tr>
<td>3 – 4 years</td>
</tr>
<tr>
<td>4 – 5 years</td>
</tr>
<tr>
<td>More than 5 years</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 3: Length of Service Overseas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
</tr>
<tr>
<td>Less than 1 year</td>
</tr>
<tr>
<td>1 – 2 years</td>
</tr>
<tr>
<td>3 – 4 years</td>
</tr>
<tr>
<td>4 – 5 years</td>
</tr>
<tr>
<td>More than 5 years</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>
As can be seen in Table 4, the majority of respondents came from the education and service industries. Table 5 shows the monthly income of the respondents. The monthly income of most of the respondents is in the range of RM5000 to RM7000 which consist of 52 respondents (65%). There are followed by monthly income from RM7001 to RM9000 are 14 respondents (17.5%). 12 respondents earn monthly income RM5000 and below whereas 2 respondents earn monthly income more than RM9000.

Table 4: Type of Industry

<table>
<thead>
<tr>
<th>Type of Industry</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>12</td>
<td>15</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Service</td>
<td>32</td>
<td>40</td>
<td>40</td>
<td>55</td>
</tr>
<tr>
<td>Agriculture</td>
<td>2</td>
<td>2.5</td>
<td>2.5</td>
<td>57.5</td>
</tr>
<tr>
<td>Education</td>
<td>34</td>
<td>42.5</td>
<td>42.5</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
<td></td>
</tr>
</tbody>
</table>

Table 5: Monthly Income

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>RM5000 and below</td>
<td>12</td>
<td>15</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>RM5000 – RM7000</td>
<td>52</td>
<td>65</td>
<td>65</td>
<td>80</td>
</tr>
<tr>
<td>RM7001 – RM9000</td>
<td>14</td>
<td>17.5</td>
<td>17.5</td>
<td>97.5</td>
</tr>
<tr>
<td>More Than RM9000</td>
<td>2</td>
<td>2.5</td>
<td>2.5</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Data Analysis**

To carry out the hypotheses tests, we utilized Hayes’ PROCESS software which is very versatile in performing moderation analysis. The results of the regression analysis is shown in Table 6. Cultural intelligence is positively related to expatriate adjustment. This is supported by previous findings Guomundsdottir (2015); Malek & Budhwar (2013); and Huff, Song & Gresch (2014). Thus, hypothesis 1 is supported.

Table 6: Multiple Regression Analysis of Predictors for Expatriate Adjustment

<table>
<thead>
<tr>
<th>Variable</th>
<th>b</th>
<th>SEB</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural Intelligence (CI)</td>
<td>0.215</td>
<td>0.096</td>
<td>2.237</td>
<td>0.029</td>
</tr>
<tr>
<td>Tenure in Malaysia (TIM)</td>
<td>0.188</td>
<td>0.053</td>
<td>3.525</td>
<td>0.000</td>
</tr>
<tr>
<td>TIM x CI</td>
<td>0.105</td>
<td>0.049</td>
<td>2.143</td>
<td>0.036</td>
</tr>
<tr>
<td>Covariates</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA</td>
<td>0.253</td>
<td>0.107</td>
<td>2.356</td>
<td>0.021</td>
</tr>
<tr>
<td>OM</td>
<td>0.214</td>
<td>0.090</td>
<td>2.368</td>
<td>0.021</td>
</tr>
<tr>
<td>Gender</td>
<td>-0.214</td>
<td>0.069</td>
<td>-3.124</td>
<td>0.003</td>
</tr>
<tr>
<td>POA</td>
<td>-0.039</td>
<td>0.047</td>
<td>-0.826</td>
<td>0.411</td>
</tr>
<tr>
<td>MS</td>
<td>0.007</td>
<td>0.076</td>
<td>0.085</td>
<td>0.932</td>
</tr>
<tr>
<td>MI</td>
<td>0.092</td>
<td>0.073</td>
<td>1.251</td>
<td>0.215</td>
</tr>
<tr>
<td>Industry</td>
<td>0.054</td>
<td>0.030</td>
<td>1.786</td>
<td>0.079</td>
</tr>
<tr>
<td>Constant</td>
<td>2.132</td>
<td>0.471</td>
<td>4.522</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Note. $R^2 = 0.762; F(10, 69) = 22.034.$
Next, tenure in Malaysia also has a positive relationship with expatriate adjustment. This finding is supported Zhu, Wanberg, Harrison & Diehn (2016), Selmer (2005) and Waxin (2004). Thus, hypothesis 2 is supported.

Furthermore, tenure in Malaysia or years of service in Malaysia (YSM) moderates the expatriates’ CI to predict executive adjustment. This is only natural since the longer an executive serves in Malaysia, the higher will be the CI. An examination of the PROCESS output shows that tenure in Malaysia (YSM) moderates EA only at medium and high levels, but not at low levels as shown in table 7. Thus, hypothesis 2A is supported at medium and high levels of tenure in Malaysia. This is also shown in Graph 1, where the gradient of the slope is much steeper at medium and high levels of years of experience.

Table 7: Effects of Tenure in Malaysia at Low, Medium and High Levels

<table>
<thead>
<tr>
<th>Tenure in Malaysia</th>
<th>Effect</th>
<th>se</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>0.106</td>
<td>0.114</td>
<td>0.933</td>
<td>0.354</td>
</tr>
<tr>
<td>Medium</td>
<td>0.215</td>
<td>0.096</td>
<td>2.237</td>
<td>0.029</td>
</tr>
<tr>
<td>High</td>
<td>0.324</td>
<td>0.104</td>
<td>3.121</td>
<td>0.003</td>
</tr>
</tbody>
</table>

In order to determine the tenure in Malaysia needed to produce expatriate adjustment, we examine the output from PROCESS and find that the outputs do not contain 0 when the tenure in Malaysia is 2.75 and more. This is also shown in graph 1 where low is equal to 1.82, medium to 2.86 and high to 3.90 tenure in Malaysia. Therefore, expatriate adjustment can be achieved only when the duration of service in Malaysia is 2.75 years or more.

Language ability is positively related to expatriate adjustment as seen in the results. This is in line with previous findings by Wang & Tran, 2012; Rodsai, Stoffers, & Talim (2017) and Lauring & Selmer, 2010. Thus, hypothesis 3 is supported.

There is a significant positive relationship between OM and expatriate adjustment to life in Malaysia. This had been found previously by Peltokorpi & Froese (2012), Ali, Van der Zen & Sanders (2003), Richardson, Tan & Kiumarsi (2018) and Huang, Chi & Lawler (2005). Thus, hypothesis 4 is supported.

To visualise how tenure in Malaysia act as a moderator on expatriate adjustment (EA), the plot of simple slopes is produced in Graph 1 below.
In order to determine the tenure in Malaysia needed to produce expatriate adjustment, we examine the output from PROCESS and find that the outputs do not contain 0 when the tenure in Malaysia is 2.75 and more. This is also shown in graph 1 above since low is equal to 1.82, medium to 2.86 and high to 3.90 tenure in Malaysia. Therefore, expatriate adjustment can be achieved only when the duration of service in Malaysia is 2.75 years or more.

The results also show that gender has a significant relationship with expatriate adjustment. Since females are coded 2 as opposed to males (coded 1), and the coefficient is negative, it means that male expatriates have an advantage in adjusting to life in Malaysia. Finally, the variables of previous overseas assignment and monthly income are not significant in this study. Thus, hypotheses 5 and 6 are not supported.

**Conclusion and Discussion**

The COR has been utilised as the theoretical framework in this study. 76.2% of the variance in expatriate adjustment has been explained by the following variables: cultural intelligence, tenure in Malaysia, YSM x CI, language ability, open-mindedness and gender. Thus, the COR has been able to explain a large amount of the variance in expatriate adjustment in Malaysia since all the variables are resources under the COR, except for gender.

This study highlighted that cultural intelligence is related to expatriate adjustment. Grelecka (2016) mentioned that cultural intelligence is a key factor for expatriate adjustment, as they impact people’s ability to perform successfully in a new environment. Expatriates with higher motivational cultural intelligence find it easier to interact with people of other cultures, and because of their confidence, they may actively seek to build relationships with people of different cultures. These interactions are said to bring information and emotional support and improve the social adaptability of people with high cultural intelligence (Farh, Bartol, Shapiro, & Shin, 2010). Other researchers including Huff, Song & Gresch (2014), Sri Ramalu, Chuah & Che Rose (2011) and Guomundsdottir (2015) found that CI had a positive relationship with cross-cultural adjustment.

Tenure in Malaysia also has a positive relationship with expatriate adjustment. This finding is supported by Zhu, Wanberg, Harrison & Diehn (2016), Selmer (2005) and Waxin (2004).

The interaction between CI and tenure in Malaysia is also significant. This is expected as the longer an expatriate stays in Malaysia, the higher will be the CI. In fact, the results from multiple regression show that the relationship between CI and YSM is only significant at medium and high levels but not at low levels.

Language ability and expatriate adjustment have significant relationship in this study. According to Lauring and Selmer (2010), language ability helps people to cope with difficulties in cultural issues and suggests to them the right way to behave. Language deficiencies can cause problems because expatriates may not be able to implement the required social network in host country and may be classified as outside the group. These findings are consistent with those of Selmer (2006), Xu & Du-Babcock (2012) and Peltokorpi & Froese (2012).

Finally, open-mindedness has a significant relationship with expatriate adjustment in Malaysia. Previous research by Van der Zee, Van Oudenhoven and Grijis (2004) have shown that open-mindedness and expatriate adjustment are related. Other researchers including Peltokorpi & Froese (2012), Ali, Van der Zee & Sanders (2003) and Richardson, Tan & Kiumarsi (2018) have also established the link between open-mindedness and expatriate adjustment. People who are open-minded tend to have greater acceptable of other cultures and are willing to learn their culture. On the other hand, people who are low on open-mindedness tend to be less adept culturally.
The only demographic variable that has a significant relationship with expatriate adjustment is gender. Since females are coded 2 as opposed to males (coded 1), and the coefficient is negative, it means that male expatriates have an advantage in adjusting to life in Malaysia. However, the variable of previous overseas assignment are not significant in this study.

This study has provided human resource managers with useful information to better prepare their expatriate to adapt to life in Malaysia. Since cultural intelligence, open-mindedness and language ability are important factors accounting for expatriate success in Malaysia, the selection of expatriates must give due regard to these factors to ensure successful foreign assignments.

Secondly, pre-departure training in language ability, cross-cultural awareness and open-mindedness can also be undertaken by companies. This is especially important in the case of females expatriates who may benefit more from pre-departure training since the study show that female expatriates are at a disadvantage in adjusting to life in Malaysia.

Finally, appropriate tenure in the country can help the expatriates to adjust themselves. This means that foreign assignments could be designed with suitable tenure to allow expatriates sufficient time to adjust themselves. The results show that expatriates who have served more than 2.75 have better expatriate adjustment. This means that short-term assignments of less than 2.75 years are more likely to create problems in terms of expatriate adjustment.

This study has some limitations. First, the number of expatriates can be greatly expanded to get a wider range of views. The scope of the study could also be expanded to cover more industries. Moreover, for some expatriates who are not conversant in English, the survey questionnaire could be translated to their mother tongues.

Future research can utilize interviews in addition to just surveys. This would allow the researcher to probe deeper to get richer answers than just those provided in surveys. Moreover, other variables not covered in this study such as the role of family support, support from the parent organization and cultural factors could also be included in the study.

References


