

MOTIVATIONAL FACTORS OF CZECH CORPORATE EXPATRIATES TO AN INTERNATIONAL ASSIGNMENT

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Abstract: Expatriation has become a natural part of internationalization process for many companies and a source of their global success. The article presents the results of research focusing on expatriates assigned abroad from their parent organization based in the Czech Republic. Dataset of 164 Czech expatriates was analyzed with the aim to identify the motivational factors to relocate. Based on the findings, the motivational factors can be summarized as personal growth, professional growth and financial benefits. Personal and professional development were quantified as the most important determinants for expatriation. Family reasons proved to be very disunited factor depending on an individual situation.

Keywords: adaptation, Czech, expatriate, international assignment, internationalization, mobility, motivation.

1. Introduction

International mobility of employees is becoming a part of companies' global success and their tool of competitiveness. Nevertheless, international assignments can be very challenging thanks to its intercultural dimension and to fulfill corporate aims, firms require expatriates to devote a certain effort to adjust and perform effectively. Findings show that a large proportion of assigned employees fail to complete their assignments satisfactorily (Romero, 2002) which is a consequence of their difficulties in adjustment, lack of social and organizational support, and a gap between reality and expectations they had before arriving to the host environment. Failing to achieve company objectives is very costly matter, especially for the sending organization and it can critically affect a firm's bottom line (Lazarova and Caligiuri, 2001). Next to other factors that might influence the final outcomes, as Selmer and Luring (2012) state, the intentions motivating a certain action most often have an impact on the results of the behavior. As such, motivation of an expatriate to cross-cultural context may play a significant role in adaptation process and performance during international assignment (Paik et al, 2002).

Although salary and financial benefits are indisputably important motives because they can increase personal status of an individual, Richardson and McKenna (2001) claim that these factors are usually secondary and the core of motivation belongs to the higher level of needs as stated by Maslow's hierarchy of needs (Brooks, 2006).

According to annual survey of InterNations (2016), the most important reason (in 89 %) of employees to relocate was an impulse by the employer that sent them abroad. However, under more detailed examination, many other aspects usually play a part in the decision making. This applies to non-career-related reasons that every twentieth expatriate considered. Motives that are not related to career might be for example: looking for a better quality of life, an improved financial situation, the wish to live in their partner's country or to move to a particular destination.

Richardson and McKenna (2001) defined four main categories classifying the expatriates based on their primary motives to relocate as an explorer, refugee, mercenary and architect. These categories are briefly characterized as follows:

- Explorer – reflects the inner desire of an individual for personal fulfillment, development and living in a new country and experiencing its culture.
- Refugee – has a desire to escape from home environment and search opportunities, which are possible through expatriation.

- Mercenary – has explicit considerations about salary and financial benefits as the main motive to accept an assignment abroad.
- Architect – focuses on career building and the incentives to expatriate are linked to the professional life.

These motives can be generally organized as push or pull factors. Important to note, that four categories above depicting different reasons to relocate abroad are based on survey on self-initiated expatriates.

In contrast to expatriate assignments that are initiated and funded by the organizations themselves and with expectations of certain business goals accomplishment in a limited period of time; self-initiate expatriates and qualified immigrants undertake a work abroad by their own initiative, both long term or on temporary basis (Inkson et al, 1997; Suutari and Brewster, 2000). Of course, international mobility of human capital can have multiple forms overlapping for the same individual as well changing over time.

Maybe one of the most comprehensive approach exploring the motives to expatriation is done by research of Doherty et al (2011). This study compared motives of company-assigned and self-initiated expatriates. According to the findings, self-initiate expatriates are more influenced by the location and the host country reputation, while career factors are more influential among expatriates assigned by companies. Moreover, family situation plays very influential role in case of self-initiate expatriates, in contrast to push factors, such as economic necessity or unemployment in a home country (Doherty et al, 2011).

2. Research Method and respondents

The aim of the survey was to identify motives of assigned expatriates to an international assignment. Data for the present study were extracted from a mail questionnaire targeted at Czech expatriates. Targeted sample was chosen based on two criteria stated from literature review (Thomas and Lazarova, 1996) as well as consultations with experts from organizational department of international assignments. The sample of Czech expatriates consisted of two categories:

- Current expatriates with experience of minimal three months already on assignment.
- Repatriates with maximal 6 months after return from assignment.

By other words, the targeted sample were expatriates that have already got the experience of living abroad for at least three months and then repatriates that returned from assignment however their experience is still a living memory.

The sample was contacted regardless the host country of the assignment. In order to maintain the time stated criteria of the targeted sample, a snow-ball technique was not applied.

Distribution and data collection were carried out in three phases from March 2016 to January 2017. A total of 302 Czech expatriates received the mail questionnaire through the internal distribution system in the organization. Out of 302 Czech expatriates, 164 expatriates and repatriates completed the questionnaire. The response rate was 54,3 %.

For statistical purposes, the Kendall rank correlation coefficient was chosen as appropriate measure. It is a non-parametric test that does not depend upon the assumptions of various underlying distributions.

2.1 Research participants

The specific age was not investigated and therefore the exact average age cannot be calculated. The largest group of respondents (48 %) was in range 36-46 years old, next (40 %) in a range 35-35 years. This result corresponds with previous studies that indicate average age of expatriate as upper 30' and lower 40' (Bright, 2008; Shmueli et al, 2005).

The gender split was 85 % male and 14 % female, which is similar to other studies with foreign assignees (Bhaskar-Shrinivas et al, 2005; Hechanova et al., 2003). Findings of Brookfield's study (2015) show that relatively constant share of assigned women worldwide is about 20 %. The dominance of men can be explained by certain prejudices of foreigners towards women, lower willingness of companies to relocate women, last of interest from women's sight or their family reasons (Harris, 2004).

For better identification of respondents, the company department within organization was under examination. The majority of them worked in Technical development (32 %), Logistics (25 %), Finance, Informational technologies and Law (19 %). The rest of respondents were from Sale and marketing, Purchasing, Human Resources.

The host country that expatriates were assigned to was hardly surprisingly Germany (41 %), a traditional business partner of the Czech Republic, followed by China (23 %), Russia (18 %) and India (5 %). Other countries were United Kingdom, Slovakia, Spain and Poland. To a certain extent, the countries' representation reflects company needs as well its business strategy.

Respondents also ranked the size of their social contacts with foreigners including for example friends, colleagues, and family members. This question aimed to examine the level of international and intercultural environment in which an employee live. Relationships with foreigners hold rather minor position (0-25 % share on total relationships) for almost 3/4 of respondents.

3. Findings

Respondents evaluated their level of motivation in total eight motivational factors: career growth, language improvement new country/culture, personal development, financial benefits, professional development, family reasons, other. Named motivators were ranked on the scale from 1 to 7, where number 1 stood for "completely without motivation" and number 7 symbolized "completely motivating".

Tables no. 1 and 2 display the statistical characteristics for variables of motivation that help to interpret the results. Firstly, the table 1 shows total motivation averaged from eight motivation factors with the same given weights, next table presents results for single motivational variables.

Tab. 1: Statistical characteristics for total motivation

	Min	Max	Modus	Median	Average
Total motivation	2,25	6,25	4,75	4,62	4,57

Note: Scale 1 to 7, where 1 is completely without motivation, 7 is completely motivating
Source: Own calculations

Tab. 2: Statistical characteristics for single variables of motivation

Category	Modus	Median	Average	Variance	Deviation
Career growth	6	5	5,22	2,20	1,48
Language improvement	7	6	5,63	2,29	1,52
New country/culture	7	5	4,98	2,70	1,65

Personal development	7	6	6,05	1,33	1,15
Financial benefits	5	5	4,73	2,15	1,47
Professional development	7	6	6,01	1,23	1,11
Family reasons	1	2	2,40	2,89	1,70
Other	1	1	1,53	1,68	1,30

Note: Scale 1 to 7, where 1 is completely without motivation, 7 is completely motivating

Source: Own calculations

The most important motivator for expatriation is Personal development with the highest average value 6,05 and then Professional development. Moreover, these two variables have the lowest variance. Contrary, the highest variance was calculated in Family reasons. Language improvement and New country/culture follow the personal and professional developments which only naturally supports the importance of those first two incentives.

Financial benefits that is undoubtedly interesting part of the expatriate package showed an important to be slightly above average (value 4,73 on scale 1 to 7). This factor might be also influenced by the wage policy in single companies. Considering the fact that 62 % of respondents were on their first assignment, it is possible to state that the absence of financial benefits can be felt more after their return to home country.

A given factor "other" offered in case if other options were not sufficient is characterized by the value of modus 1. It is the same as in variable of Family reasons however variance is significantly lower. We can therefore claim that there is a minimal of other factors influencing the expatriates' motivation to international assignment.

Following figure no. 1 illustrates the average motivation of each examined variable. Its shape clearly displays the motivational structure of the corporate expatriate.

Fig. 1: Average motivation to expatriate



Source: Own calculations

Human resource managers should pay attention to every single factor that might influence the motivation to foreign assignment and consequently their performance abroad. Family reasons is actually a determinant that can make expatriate's situation more difficult, and this concerns not only to a decision to relocate but also the adaptation process afterwards. It could be said that younger employees that do you have own family yet or their kids are of pre-school age have easier circumstances. Moreover, the adjustment process of the accompanying family plays a crucial role as well.

Variables Professional development and Career growth have been proved to be significant motives and therefore a professional career path after repatriation should be clearly defined and agreed in a home company so the expatriate does not suffer from job uncertainty after repatriation.

Highly evaluated factor of Personal development shows how assigned employees are aware of benefits that work stay in foreign country and different culture can mean to them. This

finding can be related to the development of intercultural competences and importance of intercultural trainings including language courses, as supported by Language improvement variable.

To conclude the results, the motivational factors can be summarized into three categories:

- personal growth,
- professional growth and
- financial benefits.

Moreover, size of social relationships with people of different nationality (foreign social network) was examined as a determinant of motivation to relocate abroad. Respondents identified this size as percentage share of their relationships (friends, colleagues, family members) that are with foreigners. The linear dependency between variables was not confirmed.

Based on this finding we can draw the conclusion that the size of foreign social network is not a factor influencing the decision of corporate expatriates to relocate. Values are displayed in table no. 3.

Tab. 3: Relation between size of foreign social network and motivation to relocate

Category	Kendall coefficient	p- value
Career growth	0,168	0,060
Language improvement	-0,075	0,409
New country/ culture	0,137	0,119
Personal development	0,131	0,173
Financial benefits	0,041	0,642
Professional development	0,087	0,362
Family reasons	0,062	0,502
Other	0,030	0,825

Source: Own calculations

As suggestion for future research, it would be interesting to investigate this factor further in terms of self-assigned expatriates where we can assume that foreign social network could be more significant determinant of expatriate motivation.

4. Conclusion

International mobility is a significant trend accompanying globalization and internationalization of labor markets. In recent years, multinational companies rapidly demand skilled professionals, globally available and flexible. Not every talented employee is however willing to relocate abroad, as for personal reasons and family situation.

Professionals that are motivated to relocate by their own are therefore becoming an important asset of the organizations. In order to attract the right people and take advantage of their mobility, to know their motivation is crucial. Moreover, importance of particular motivational factors can change over generations. With this regard, these changes can be expecting in the generation of so called millennials (born between 1980 and 2000) that are currently reaching the top stage of their economic activity.

Naturally, the situation of potential corporate expatriates is deeply influenced by company's will. A future international assignment is often a part of the job contract and then employee's motivation does not matter that much. However, motivation determinates the adaptation process in foreign location. The overall adjustment then influence the expatriate's performance and consequently the (in)ability to reach organizational goals abroad.

As this study revealed, the development, both personal and professional is the most important motivational factor. This finding is supported by the above-average values of language improvement and motive of meeting new country and culture. Although low values of a variable of family reasons prove to be rather disincentive factor, together with the largest variance

suggest an important influence and therefore the attention of human resource managers should be directed to family situation of assigned employees as well.

These findings extend understanding of determinants of expatriate adjustment identifying their motivation. From a practical point of view, some implications can be drawn from the results of the study. Any company may want to inquire about the reasons of their employees to relocate abroad. Knowledge regarding to their motivation or demotivation could contribute to selection process.

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