

Cross-Cultural Adjustment: A Case Of Thai Expatriates In Indonesia

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ABSTRACT

This study empirically examines individual and organizational factors that influence expatriates' cross-cultural adjustment and job performance. The study was a quantitative research from 117 Thai expatriates who work in Thai multinational companies (MNC) located in Indonesia.

The results of the study indicated that financial perceived organizational support influence positively towards Thai expatriates' overall cross-cultural adjustment in Indonesia. This study found that cross-cultural training influenced positively towards Thai expatriates' adjustment. A causal relationship between the predicting variables of cross-cultural adjustment and Thai expatriates' job performance was not found.

Results suggest important consequences for management strategies providing support to Thai expatriate employees increasing their adjustment in Indonesia.

Keywords: Cross-Cultural Adjustment; Job Performance; Cultural Intelligence; Language Ability; Perceived Organizational Support; Thai Expatriate; Indonesia

INTRODUCTION

To create a presence and also sustain a competitive advantage in the global arena, multinational corporations (MNCs) are establishing subsidiaries around the world (Moran, Palmer & Borstorff, 2007). Establishing subsidiaries overseas involves an increased proportion of sending employees on external assignments. The globalised economy makes that more workers have been sent on long-term international assignments (Hechanova, Beehr & Christiansen, 2003), dubbed as expatriates (Mcevoy & Buller, 2013).

Within expatriate literature, the constructs that have been most commonly used to examine the “success” of an expatriate’s assignment are cross-cultural adjustment but also the expatriate’s performance on the foreign assignments. Cross-cultural adjustment can be defined as “the process of adaptation to living and working in a foreign culture” (Black, Mendenhall & Oddou, 1991). It indicates the psychological well-being and understanding persons experience with various characteristics of a different culture (Black & Stephen, 1989). In the Black and Gregersen’s (1991) model, expatriate adjustment predicts better job performance.

Of all developing countries, Southeast Asian countries obtain most of Foreign Direct Investment (FDI), and that is why these countries have been increasingly explored by researchers. Due to low labour costs and abundant natural resources, South Asian investors have shown an interest in Indonesia in particular. Thai MNCs also tend to invest more in Indonesia. This leads to a rise in the number of Thai expatriates, employed to control the subsidiaries on behalf of the parent company. However, with exception to Pruetipibultham (2012), no study has been yet conducted on Thai expatriates in Indonesia. Therefore, it is believed that this phenomenon is interesting, especially since Indonesia has a high level of FDI within Southeast Asia.

Expatriates’ effective performance on international assignments are crucial drivers for competitive advantage (Poonpol, 2014) and the success of multinational organisations (Selmer, 2006). Statistically, half of expatriates face severe problems during their international assignment due to inadaptability and an inability to perform well, both

associated with working and living in the host countries' environment (Poonpol, 2014). Therefore, we study the influence of Thai expatriates' adjustment towards their performance and to explore the influencing factors of expatriate cross-cultural adjustment.

The purpose of this research is to examine individual factors of Thai expatriates (cultural intelligence and language ability) and an organisational aspect (perceived organisational support) on cross-cultural adjustment and job performance during their international assignment in Indonesia. This leads to the following research question: Do individual and organisational factors influence cross-cultural adjustment and job performance of Thai expatriates based in Indonesia?

LITERATURE REVIEW

Cross-Cultural Adjustment

Previous research defines cross-cultural adjustment in various ways. Early on, Oberg (1960) conceptualised definitions of cross-cultural adjustment in terms of overcoming culture shock. Culture shock has been defined as "the period of anxiety before an individual feels comfortable in a new culture" (Oberg, 1960). Church (1982) followed on from this and described cross-cultural adjustment as "a normal process of adaptation to cultural stress involving symptoms of anxiety, helplessness, irritability and longing for a more predictable and gratifying environment". However, various studies indicated that expats experience anxiety at different levels and for different periods of time (Church, 1982). Next, Black (1988) indicated that cross-cultural adjustment is a specific personal difference. Black and Gregersen (1991) characterised cross-cultural adjustment as "the degree of perceived psychological comfort with various aspects of a new setting". They proposed that host nationals, the new culture and environment have an influence on the employees' cross-cultural adjustment, herewith considering it as a multifaceted construct.

Individual Factor: Cultural Intelligence

According to Ang et al. (2007), cultural intelligence (CQ) characterises "an individual's capacity for successful adaptation to new and unfamiliar cultural settings and their ability to function easily and effectively in situations characterised by cultural diversity". Cultural Intelligence has four core elements; meta-cognitive intelligence, cognitive intelligence, motivational intelligence and behavioural intelligence (Earley & Ang, 2003). The meta-cognitive intelligence (strategy) is defined as "one's knowledge or control over cognition that leads to deep information processing related to culture" (Ang, Van Dyne, Koh & Ng, 2004). Cognitive intelligence (knowledge) is described as "knowledge and informational structure" (Wanatishart, 2014). Motivational intelligence (drive) can be described as motivation (Wanatishart, 2014). It demonstrates a focus of engaging with other people and the aspiration to adjust the new culture (Ang et al., 2007). Behavioural intelligence (action) can be described as "the individual capability action level" (Earley & Ang, 2003). This element refers to the capability to adjust behaviour to diverse cultures. Individuals with high behavioural intelligence are capable of exhibiting proper behaviours grounded on a wide range of verbal and nonverbal competences, examples are culturally suitable words, tones, gestures and facial expressions (Earley & Ang, 2003).

Various studies (Ramalu, Rose, Kumar & Uli, 2010; Poonpol, 2014) consistently show a significant relationship between CQ and cross-cultural adjustment. Understanding CQ and CCA have vital implications for employees and organisations performing in multicultural environments (Ramalu *et al.*, 2010). Therefore, it would be reasonable to argue that:

H1: Cultural intelligence influences overall cross-cultural adjustment of Thai expatriates in Indonesia.

Individual Factor: Language Ability

Even though the English language is the main language expatriates use for communication, learning the local language remains necessary. Indonesia has 250 regional languages, with Indonesian as an official language. Before an international assignment, most Thai expatriates have no knowledge of Indonesian. Thus, Thai expatriates may face difficulties in language while communicating with Indonesians.

Language ability is defined as “the expatriate’s ability in communicating in host languages with local nationals”, enhancing interpersonal relationships (Mendenhall & Oddou, 1985). For expatriates, being fluent in the host language and culture leads to better opportunities to become part of the group (Takeuchi, Yun & Russell, 2002).

Recent studies among expatriates in several countries show that language skills have a positive relationship with interaction adjustment (Shaffer, Harrison & Gilley, 1999). For instance, Takeuchi et al. (2002) stated that English proficiency of Japanese expatriates contributed to work adjustment in the USA. The proficiency of the Chinese language for expatriates in China contributed to general interaction and also work adjustments (Selmer, 2006). For this study, it is expected that:

H2a: English language ability influences the overall cross-cultural adjustment of Thai expatriates in Indonesia.

H2b: Indonesian language ability influences the overall cross-cultural adjustment of Thai expatriates in Indonesia.

Besides individual aspects, such as cultural intelligence and language ability, the organisational factor perceived organisational support can also affect expatriate adjustment.

Organisational Factor: Perceived Organisational Support

Perceived organisational support has been characterised as “the employees’ global beliefs that the organisation values their contributions and cares about their well-being” (Eisenberger, Huntington, Hutchinson & Sowa, 1986).

Previous literature shows that perceived organisational support has a positive relationship with expatriates’ adjustment (Caligiuri, 1997). Kraimer and Wayne (2004) examined three dimensions of perceived organisational support (POS) against the expatriate success criteria. Organisational support on adjustment is defined as “the extent to which the organisation cares about the employee’s adjustment (including family) following a job transfer”. Career perceived organisational support is described as “the extent to which the organisation cares about the employee’s career needs” (Kraimer & Wayne, 2004), such as career planning, and also career-oriented measurement systems. Financial perceived organisational support is interpreted as “the extent to which the organisation is attentive to the employee’s financial needs and the amount to which the company rewards the employee’s contributions in terms of compensation and employment benefits” (Kraimer & Wayne, 2004). Examples like cost of living allowances, assignment bonuses and free time are included in the perception of financial support. Therefore, it is expected that:

H3: Perceived organisational support influences the overall cross-cultural adjustment of Thai expatriates in Indonesia.

Job Performance

Black, Mendenhall and Oddou (1991) stated that factor associated with the individual and organisational level have been associated with expatriate performance in foreign countries (Kawai & Strange, 2014).

Even though, understandably, expatriates’ adjustment and job performance are connected, research shows there is a need for empirical evidence (Claus, Lungsu & Bhattacharjee, 2011). Generally, job performance comprises both task and contextual performances. Task performance refers to “the expatriate’s conduct on meeting job objectives and other technical aspects of the job”, while contextual performance refers to “the expatriate’s efficiency on aspects beyond job specific duties”, an example is adjusting to the business customs (Kraimer & Wayne, 2004).

As well as the review of Thomas and Lazarova (2006), other authors indicate the positive relationship between cross-cultural adjustment and job performance. For instance, Mol, Born, Willemsen and Van der Molen (2005) mentioned that cross-cultural adjustment positively interacts with expatriate’s job performance. Expatriates’ adjustment relates to improved task execution (task performance) and relationship development (contextual performance) (Bhaskar-shrinivas, Harrison, Shaffer and Luke, 2005). Empirically, Kraimer, Wayne and Jaworski (2001) found evidence that expatriate adjustment has a positive relationship with job performance. Therefore, it could be argued that:

H4a: Overall cross-cultural adjustment influences the task performance of Thai expatriates in Indonesia.

H4b: Overall cross-cultural adjustment influences the contextual performance of Thai expatriates in Indonesia.

METHODOLOGY

The research method used in this study was a survey. This study focuses on Thai expatriates who work at Thai companies in Java Island, Indonesia between November 2016 and January 2017. The questionnaire was translated into Thai and then used as a data-collecting instrument. The structured questionnaire was based on previous research and adapted suitably for this research. Subsequently, the obtained data were analysed using frequency, percentile distribution, mean, standard deviation (SD), and multiple linear regressions.

In this study, independent variables comprise individual and organisational factors. Individual aspects included cultural intelligence and language ability. An instrument made up of 20 items, developed by Ang et al. (2007) measured cultural intelligence. Responses were scored on a scale from “1 = strongly disagree” to “7 = strongly agree”. Language ability was measured by an instrument of 5 items, developed by Takeuchi et al. (2002). Responses to these items were made on a scale from “1 = very poor” to “5 = outstanding”. The organisational factor in this study is perceived organisational support. The measurement of perceived organisational support comprises 3 dimensions (adjustment support, financial support, and career support) taken and adapted from Kraimer and Wayne (2004). Responses were judged on a scale from “1 = strongly disagree” to “7 = strongly agree”.

A measurement for cross-cultural adjustment was altered from 14 questions to 11. This was taken from Black (1988) measuring adjustment to work, the general environment, and interactions with Indonesian citizens. Thai expatriates scored on a scale from “1 = very unadjusted” to “7 = very adjusted”.

In this study, the dependent variable is job performance, it consists of task performance and contextual performance. To measure job performance, 11 items (5 items for task performance and 4 items for contextual performance) developed by Kraimer and Wayne (2004) were used (scale from “1 = very poor” to “5 = outstanding”).

In this study, the control variables are tenure in the current company in Indonesia, previous international experience and also cross-cultural training received.

The population of this study was Thai expatriates who work at Thai companies in Java Island, Indonesia between November 2016 and January 2017. Approximately 165 Thai expatriates work on Java Island (based on an interview of an attaché of Thai embassy in Jakarta, September 2016). They were mostly men and working in the capital city (Jakarta), West Java province and East Java Province. To clarify, Thai businesspeople who briefly visited Indonesia for business trips and locally hired Thai workers were not included in this study.

Data collection was conducted using three instruments: literature studies, a questionnaire, and an interview. Literature studies were used to search and review the theories associated with research hypotheses that will be examined in this study. In this study, a questionnaire was developed studying expatriation literature in the English language. It was translated into Thai by the author. Two native speakers proofread the Thai version of the questionnaire (one Thai manager and one Thai researcher). To ensure the questionnaire’s correctness, a native Thai speaker with sufficient knowledge of the English language back translated the Thai version into English. Interviews were used to understand the real work issues Thai expatriates faced during work and in daily life in Indonesia and is incorporated in the discussion of the study.

RESULTS

117 questionnaires were completed and returned from the Thai expatriate pool in Java Island. The response rate was 70.9%, which was high compared with other rates (20%–30%) in expatriate studies (Harrison & Shaffer, 2005). The 117 respondents included 100 males and 17 females. The lower degree of female respondents might be due to women being unwilling for international assignments (Bhatti, Battour & Ismail, 2013) or the stereotypical perceptions of

women’s incapacity for international assignments that leads to less women selected for those missions (Salmin & Davoine, 2015).

The 117 respondents work in different industries, such as general construction, automotive construction, banking, machinery, and the fuel industry to name a few. In total, 45 questionnaires returned were Thai expatriates who had Thai subordinates. They rated their Thai subordinates’ job performance. In this study, these questionnaires are used to measure job performance (supervisor rating) of Thai expatriates in Indonesia.

70% of the respondents (82 out of 117) didn’t receive previous cross-cultural training. Respondents’ tenure in the current company in Indonesia was 47 (out of 117) expatriates who have been working in 25-60 months (40%) followed by 30 expatriates who have been working in the 6-24 months (26%).

Most of the respondents were over 30 years old. This is consistent with their current position, education level, and work experience in the parent company. They were mostly in managerial levels, such as general manager and had a graduate degree. More than half of them had been working within the parent company for over 10 years.

Furthermore, 41% of the respondents had no international experience before working in Indonesia, even though they are in a managerial position with the possibility of supervising Indonesian subordinates.

The period of international assignments in Indonesia were mostly 2 – 5 years, followed by either less than 2 years but always more than 6 months. The majority of respondents had been working in Indonesia for more than 6 months. According to Black and Mendenhall (1991), it can be said that they pass the honeymoon stage (0-3 months) and culture shock stage (4-7 months) of the U-curve of cross-cultural adjustment. They would be in the third stage, the adjustment stage, which is about the partial adaptation to the different culture and behavioural aspects towards cultural norms of the host country. The respondents that were present for over 2 years would be coming into the fourth stage, the mastery stage, which is characterised by minor incremental changes regarding the employee’s capacity to be successful within a new culture (Black & Mendenhall, 1991).

Table 1. Frequency distribution by language used during work

Language	Frequency during work	Percentage (%)	Frequency used in daily life	Percentage (%)
Thai	2	1.7	6	5.1
English	50	42.7	31	26.5
Indonesian	2	1.7	15	12.8
Thai and English	6	5.1	10	8.5
Thai and Indonesian	2	1.7	4	3.4
English and Indonesian	27	23.1	32	27.4
Thai, English and Indonesian	28	23.9	19	16.2
Total	117	100.0	117	100.0

Table 1 and 2 show the language respondents used. It indicates that Thai expatriates mainly used English in their working correspondences. In daily life, most of the respondents used both English and Indonesian to interact with locals.

Table 2. The recapitulation of reliability test in the questionnaire

No.	Coefficient Reliability	Cronbach’s Alpha
1	Cultural Intelligence	0.920
2	Language Ability	0.850
3	Perceived Organisational Support	0.924
4	Cross-Cultural Adjustment	0.940
5	Job Performance	0.930

Table 3. Results of the influencing factors on cross-cultural adjustment

Variable	General Adjustment				Interaction Adjustment			
	Model 1		Model 2		Model 5		Model 6	
	β	t-value	β	t-value	β	t-value	β	t-value
Control variable								
Previous international experience	-0.064	-0.695	-0.089	-0.987	-0.070	-0.820	-0.048	-0.57
Tenure in the current company	0.043	0.444	0.092	0.985	0.026	0.273	-0.015	-0.158
Cross-cultural training received	0.132	1.367	0.247	2.635**	0.196	2.212*	0.090	1.026
Predicting variables								
Metacognitive cultural intelligence					0.142	1.256	0.141	1.256
Cognitive cultural intelligence					-0.054	-0.523	-0.177	-1.722
Motivational cultural intelligence					0.023	0.162	0.094	0.664
Behavioural cultural intelligence					0.085	0.657	0.215	1.682
English language ability					0.140	1.557	0.076	0.853
Indonesian language ability					-0.033	-0.351	0.036	0.389
Financial perceived organisational support					0.497	4.176**	0.426	3.618**
Career perceived organisational support					-0.180	-1.381	-0.102	-0.786
Adjustment perceived organisational support					-0.179	-1.324	-0.094	-0.706
N	117		117		117		117	
F	1.035		3.747**		3.074**		3.192**	
Range of VIF	1.000-1.089		1.071-3.042		1.000-1.089		1.071-3.042	
R2	0.027		0.321		0.075		0.287	
Adjusted R2	0.001		0.235		0.051		0.197	
Δ R2			0.294					

Table 3 continued

Variable	Work Adjustment			
	Model 3		Model 4	
	β	t-value	β	t-value
Control variable				
Previous international experience	-0.045	-0.500	-0.018	-0.211
Tenure in the current company	0.076	0.808	0.034	0.358
Cross-cultural training received	0.239	2.534*	0.184	2.041*
Predicting variables				
Metacognitive cultural intelligence			0.111	0.964
Cognitive cultural intelligence			-0.039	-0.368
Motivational cultural intelligence			0.055	0.380
Behavioural cultural intelligence			0.112	0.857
English language ability			0.049	0.535
Indonesian language ability			-0.015	-0.15
Financial perceived organisational support			0.513	4.256**
Career perceived organisational support			-0.196	-1.479
Adjustment perceived organisational support			-0.196	-1.432
N	117		117	
F	3.732**		3.499**	
Range of VIF	1.000-1.089		1.071-3.042	
R2	0.090		0.306	
Adjusted R2	0.066		0.219	
Δ R2			0.216	

Notes: ** 0.01 level of significance, * 0.05 level of significance

The regression analysis was performed to test the hypothesised relationships.

Metacognitive cultural intelligence correlated positively with overall cross-cultural adjustment (general adjustment with $r=0.350$, $p<0.01$; interaction adjustment with $r=0.254$, $p<0.01$; and work adjustment with $r=0.279$, $p<0.01$). Cognitive cultural intelligence did not show an interaction with overall cross-cultural adjustment. Motivational cultural intelligence correlated positively with general adjustment ($r=0.359$, $p<0.01$), interaction adjustment ($r=0.243$, $p<0.01$), and work adjustment ($r=0.218$, $p<0.05$). Behavioural cultural intelligence had a positive interaction with general adjustment ($r=0.372$, $p<0.01$), interaction adjustment ($r=0.258$, $p<0.01$), and work adjustment ($r=0.223$, $p<0.05$).

As reported in Table 3, Model 1 and Model 2 show the results of the relationship between the variables and general adjustment. Model 1 did not find an interaction between control variables and general adjustment (F-statistics=1.035, $p<0.05$). In Model 2, the predicting variables were added into Model 1. As for Model 2, the calculated F-test (3.747) was larger than the appropriate table value (2.45, $df=112$, and $p<0.05$). With an extremely low p-value, this regression result is indeed conclusively significant. The adjustment Model 2 was 23.5 % of variation for general adjustment. This was explained by the predicting variables while the remaining 77.5% was not. Moreover, the results show that financial perceived organisational support ($=0.426$, $p<0.05$) influenced general adjustment.

As reported in Table 3, Model 3 and Model 4 demonstrate the findings regarding the relationship between the variables and interaction adjustment. In Model 3 the overall regression result was statistically significant (F-statistics=3.074, $p<0.05$). Model 3 accounted for 5.1% of the variance, such that only this amount of interaction adjustment was explained by the control variables. Moreover, it expresses that only the interaction adjustment positively correlated to the cross-cultural training received ($=0.239$, $p<0.05$). In Model 4, the predicting variables were included into the baseline, Model 3, accounted for an additional 21.2% of variance within interaction adjustment. The calculated F-test (3.192) in Model 4 was larger than the appropriate table value (2.45, $df=112$, and $p<0.05$). 19.7% of Model 4 was accounted for by the predicting variables, whereas 80.3% was not. From Model 4, the results show that the interaction adjustment related positively to cross-cultural training received ($=0.239$, $p<0.05$). Moreover, the findings indicate that financial perceived organisational support ($=0.513$, $p<0.05$) influenced interaction adjustment positively.

Turning to Table 3, Model 5 and Model 6 showcase the result of the interaction amongst the variables and work adjustment. The overall regression result was statistically significant (F-statistics = 3.732, $p<0.05$), where Model 5 accounted for 6.6% of the variance, thus only 6.6% of interaction adjustment was explained by the control variables. It shows that only work adjustment positively related to the cross-cultural training received ($=0.247$, $p<0.05$). In Model 6, the predicting variables were included into the baseline Model 5 explained an additional 21.6% of variance within the interaction adjustment. The calculated F-test (3.499) in Model 6 was larger than the appropriate table value (2.45, $df=112$, $p<0.05$). The adjustment of Model 6 was 21.9% of the variation for work adjustment. From Model 6, the findings show that work adjustment had only positively related to cross-cultural training received ($=0.196$, $p<0.05$). Moreover, the result shows that financial perceived organisational support ($=0.497$, $p<0.05$) influenced work adjustment positively.

The statement of the null and alternate hypotheses:

H₁₀: Cultural intelligence does not influence cross-cultural adjustment.

H₁₁: Cultural intelligence influences cross-cultural adjustment.

Table 3 shows that no dimensions of cultural intelligence influenced general adjustment because the calculated t-statistic of these predicting variables were smaller than the appropriate table value (1.9814, $df=112$, $p<0.05$), with the significance level being larger than the confidence level, $p<0.05$. This means the null hypothesis was accepted - cultural intelligence did not influence overall cross-cultural adjustment of Thai expatriates in Indonesia in this study.

English language ability correlated only positively with work adjustment ($r=0.186$, $p<0.05$) while Indonesian language ability did not have a correlation with the facets of cross-cultural adjustment.

The instantiation of the null and alternate hypotheses are presented below:

H2a₀: English language ability does not influence cross-cultural adjustment.

H2a₁: English language ability influences cross-cultural adjustment.

H2b₀: Indonesian language ability does not influence cross-cultural adjustment.

H2b₁: Indonesian language ability influences cross-cultural adjustment.

From Table 3, it shows that the Indonesian language ability and English language ability did not influence overall cross-cultural adjustment (including general-, interaction- and work adjustment) as the calculated t-value was smaller than the appropriate table value (1.9814, and $p < 0.05$) and did not reach significance. Therefore, the null hypothesis was accepted. It means that language ability (Indonesian and English language) did not determine overall cross-cultural adjustment (general adjustment, interaction adjustment, and work adjustment) of Thai expatriates in Indonesia.

Reiterating the null and alternate hypotheses such that:

H3₀: Perceived organisational support does not influence cross-cultural adjustment.

H3₁: Perceived organisational support does influence cross-cultural adjustment.

Table 3 shows that only financial perceived organisational support influenced overall cross-cultural adjustment (general adjustment, interaction adjustment, and work adjustment) due to the measured t-statistics (3.618; 4.256; and 4.176, respectively) being larger than the appropriate table value (1.9814, and $p < 0.05$) with significance levels (0.000; 0.000; and 0.000, respectively) that are lower than the confidence level $p < 0.05$. Relationships among other dimensions of perceived organisational support and general cross-cultural adjustment were not found. For other perceived organisational support dimensions', the calculated t-statistic was smaller than the appropriate table value and had a significance level that was larger than the confidence level $p < 0.05$.

Financial perceived organisational support correlated positively with general adjustment ($r = 0.436$, $p < 0.01$), interaction adjustment ($r = 0.358$, $p < 0.01$), and work adjustment ($r = 0.357$, $p < 0.01$). Career perceived organisational support correlated positively with general adjustment alone ($r = 0.218$, $p < 0.05$). Moreover, perceived organisational support interacted positively with only general adjustment ($r = 0.268$, $p < 0.01$). From this, the null hypothesis was rejected partially.

Other findings in this study were that cross-cultural training positively influencing interaction adjustment and work adjustment.

Hypothesis 4 tested the direct effects of three facets of cross-cultural adjustment on the two dimensions of job performance (task and contextual performance). With the standardised regression results, based on hierarchical regression analysis, we will describe explanatory variables, standardised coefficients, and t-values. The F-statistic demonstrates the overall statistical model fit. The results of the tests are as shown below.

Table 4. Results of the influence of cross-cultural adjustment on job performance

Variable	Task Performance				Contextual Performance			
	Model 7		Model 8		Model 9		Model 10	
	β	t-value	β	t-value	β	t-value	β	t-value
Control variable								
Previous international experience	0.063	0.676	0.088	0.925	0.066	0.704	0.087	0.91
Tenure in the current company	0.016	0.165	0.017	0.174	0.029	0.297	0.031	0.315
Cross-cultural training received	-0.080	-0.823	-0.055	-0.536	-0.068	-0.694	-0.042	-0.414
General adjustment			0.204	0.996			0.199	0.967
Interaction adjustment			0.758	1.715			0.664	1.498
Work adjustment			0.521	1.361			0.434	1.131
N	117		117		117		117	
F	0.377		0.709		0.325		0.571	
Range of VIF	1.000-1.089		1.042-22.321		1.000-1.089		1.042-22.321	
R ²	0.010		0.037		0.009		0.030	
Adjusted R ²	-0.016		-0.015		-0.018		-0.023	
ΔR^2			0.027				0.021	

Notes: **p<0.01, *p<0.05

As reported in Table 4, Model 7 and Model 8 indicate the results of the relationship between three facets of cross-cultural adjustment and task performance. In Model 7, the calculated F-test (0.377) was smaller than the appropriate table value (2.45, df=112, p<0.05). The p-value of this model is 0.770, which is far above p<0.05. It showcases that Model 7 was not significant. In Model 8, the predicting variables were added to Model 7. This did not confirm the relationship among control variables, predicting variables and task performance. Model 8 calculated F-test (0.709) was smaller than the table value (2.45, df=112, and p<0.05). As the p-value is p=0.643, which is much higher than p<0.05, it indicates that Model 8 is not significant.

Model 9 and Model 10 demonstrate the findings of the relationship between the three facets of cross-cultural adjustment and contextual performance. In Model 9, the calculated F-test (0.325) was lower than the appropriate table value (2.45, df=112, p<0.05). Moreover, Model 9 is deemed not significant with a p-value of p=0.807. In Model 10, the predicting variables were added to Model 9. From this, no interaction was found among control variables, predicting variables and the contextual performance. The F-test value (0.571) was smaller than the appropriate table value (2.45, df=112, p<0.05). Thus, demonstrating that Model 10 is also not significant with a p-value of p=0.753.

The result of the explanatory variables, standardised coefficients, t-values and F-statistics from Table 4 answer Hypothesis 4 as below.

Hypothesis 4: Cross-Cultural Adjustment (CCA) influences Job Performance (JP)

Presented below are the null and alternate hypotheses:

H4₀: Cross-cultural adjustment does not influence job performance.

H4₁: Cross-cultural adjustment influences job performance.

After considering the individual regression coefficient (t-test) and p-value in Table 4, it can be interpreted that the null hypothesis 4 is accepted.

CONCLUSION AND DISCUSSION

Individual and Organisational Factors affecting Cross-Cultural Adjustment and Job Performance

In this study, individual and organisational factors included expatriates’ cultural intelligence, language ability (English and Indonesian), perceived organisational support. These factors were analysed in relation to the Thai expatriate’s

cross-cultural adjustment and job performance in order to provide insight into the hypotheses by using both regression and correlation analyses. The results were compiled and presented as follows:

Cultural Intelligence

Hypothesis 1 studied whether cultural intelligence influences Thai expatriates' cross-cultural adjustment. Hypothesis 1 was rejected on the basis that there was no influence of cultural intelligence on Thai expatriates cross-cultural adjustment in Indonesia. The results from this study were inconsistent with a previous study conducted by Poonpol (2014) who studied cultural intelligence as an influential factor on cross-cultural adjustment and job performance among expatriates in Thailand, and who stated that cultural intelligence was a predictor for expatriate cross-cultural adjustment for all three dimensions of adjustment. Ramalu et al. (2010) also found that the cultural intelligence of expatriates was an important cross-cultural competency that facilitated expatriate's adjustment in an international assignment.

From the data, most of Thai expatriates worked in Indonesia for more than 6 months. They passed the adjustment stages of the U-curve adjustment (Black & Mendenhall, 1991) and were coming into the mastery stage. Therefore, they were in the stage where they would gradually adapt to the foreign culture and learn appropriate behaviour given the cultural norms of Indonesia. They might have become accustomed to and function effectively within the Indonesian culture and therefore not perceive the importance of the cultural knowledge that affects their adjustment, especially for their work. For instance, a Thai expatriate who worked in Indonesia almost 6 years argued that the cultural knowledge was not likely to be related with adjustment to his work. He felt that he did not have to alter himself when interacting with Indonesians because they would generally contact the regular customers who knew each other for a long time, but also that the Indonesians would compromise with the foreigner in term of culture and norms. Furthermore, Thai expatriates worked with other Thai expatriates and/or customers and suppliers from other nations. In other words, they may be working more globally and therefore worry less about culture.

However, it cannot be said that cultural intelligence does not affect Thai expatriates' adjustment in Indonesia in all companies. This study found that there was a weak positive correlation between some cultural intelligence dimensions and cross-cultural adjustment. Furthermore, some of the Thai expatriates mentioned they need to know about Indonesian culture, such as the work style in particular. They argued that their suppliers and customers are Indonesian; therefore, they need knowledge about the Indonesian work culture. Thai expatriates told that they adapt themselves and accept the Indonesian working style in order to maintain a healthy cooperation with Indonesian staff, co-workers, suppliers and customers. Therefore, cultural intelligence may be a criterion in selecting the employee for overseas assignment in the company.

Language Ability

Hypothesis 2 examined whether language ability influences Thai expatriates cross-cultural adjustment. The results revealed that Indonesian language ability and English language ability did not affect Thai expatriates' cross-cultural adjustment in Indonesia. For the Indonesian language ability, the results from this study were differed to previous studies, which showed a positive relationship between local language ability and cross-cultural adjustment. For instance, Takeuchi et al. (2002) stated that English language ability of expatriates from Japan had a positive effect on work-related adjustment in the USA. Furthermore, Selmer (2006) found that Western business expatriates' language ability had a positive relationship with their sociocultural adjustment (general, interaction, and work adjustment). When considering the data for this study, it shows that more than half of the Thai expatriates use the English language during work or in their daily life. The apparent difference in results for this study when compared to previous studies might be because of a lack of Indonesian language training before working in Indonesia. A Thai expatriate mentioned in the interview that they were assigned this assignment urgently, thus they had very little time for preparation. The vast majority did not get an Indonesian language course before working in Indonesia. Additionally, a Thai expatriate who did receive a language course mentioned that they got valuable information in the course besides the language, such as information about the Indonesian working style and how to work effectively with Indonesians. They stated that the language course should be extended to more than only a few times per month. As for the English language ability, the primary data in this study shows that the English language is also used during both work and in daily life. Thai expatriates stated that their English language ability is very important in adjusting to work in Indonesia. This is

also consistent with the results of this study, which showed that the English language ability correlated with work adjustment positively. Moreover, the Thai expatriates argued that using the English language might not influence the communication with locals because Indonesians generally speak English very well.

Perceived Organisational Support

Hypothesis 3 studied whether perceived organisational support influences Thai expatriates' cross-cultural adjustment. The results showed that only financial perceived organisational support impacts on Thai expatriates overall cross-cultural adjustment. However, there is some contention within the field. For instance, Kawai and Strange (2014) studied expatriates working at the German subsidiaries of Japanese MNCs and found that career perceived organisational support positively affected work adjustment and affective commitment.

Working in Indonesia, Thai expatriates commented that organisations financial support was very important in their adjustment and that of their family in Indonesia. They told it is fair in repaying their sacrifice by accepting an international assignment in Indonesia. To make up for the costs made on clean and fresh food, the ability to get medical treatment in Thailand, and other activities that are more expensive, they expect financial support from the company. They specified some needs that international insurance included like sending the patient to a particular hospital and their accompanying spouse, relocated allowances, tickets and rest days for travelling back to home and so on.

Influence of Cross-Cultural Adjustment on Job Performance

Hypothesis 4 explored if cross-cultural adjustment influences Thai expatriates job performance. The results show there is no influence of cross-cultural adjustment on Thai expatriates job performance (supervisor-rated). The findings from this study, therefore, agree with a previous study done by Kraimer and Wayne (2004), which found that the relationship between expatriate adjustment and (supervisor-rated) job performance (task performance and contextual performance) was not statistically significant. In contrast, this observation is inconsistent with Kawai and Strange (2014) who found that work adjustment was positively related to (self-rated) task performance.

Rejection of this hypothesis may be due to job performance not being evaluated by supervisors as a corollary of limited access to the information source. Thus, those who answered job performance questions were the supervisors of the Thai expatriates. One supervisor may have more than one Thai subordinate, but they had to evaluate their subordinate's performance as a whole. There are other factors affecting Thai expatriates' job performance besides cross-cultural adjustment. For instance, the big five personal traits, "cultural flexibility, selection board ratings, tolerance for ambiguity, ego strength, peer nominations, task and people leadership, social adaptability, and interpersonal interest" all play a role (Mol et al. 2005).

Cross-Cultural Training

This study found that cross-cultural training influenced interaction and work adjustment. Thai expatriates did not receive any cross-cultural training before working in Indonesia. Some Thai expatriates remarked, however, that they would have prepared and adjusted themselves better if they had received an amount of training and information about working with Indonesians and about the working environment before starting work. Besides language training courses, this study found that Thai expatriates had too little information and cultural knowledge (cognitive cultural intelligence) about Indonesia and working with Indonesian staff. This affected their work in Indonesia. Not all of the local residents have the skill the company requires, which leads to increasing expenses from technical skill training as a Thai manager in an automotive company said. Therefore, it is important that Thai companies place an emphasis on cross-cultural training courses which providing cultural information about working with Indonesian people and the working environment, especially in the region where the company is located, with an element of language training included.

Practical Implications

This study contributes to HR practices by focusing on: (a) cross-cultural training, (b) selection and (c) organisational support. The details of the implications are described below:

In this study, it shows that almost all of the Thai expatriates did not receive any training of the Indonesian language or culture before starting the assignment. The results of this study demonstrate the significance of cross-cultural training in adjusting to Indonesia and in the interaction with Indonesian co-workers and subordinates.

Language ability is a type of training that may affect the motivation to complete the assignment. Both knowledge of English and/or Indonesian influenced the Thai expatriates' decision to return to Thailand earlier. Thai expatriates usually use English during work and in daily life more due to a lack of training in the local language. Although the level of English can be considered high in Indonesia, knowledge of the Indonesian language is still important, especially for employees assigned to work in rural areas. Besides language courses, this study also found that Thai expatriates had little information and cultural knowledge about Indonesia and the Indonesian work ethic. Due to cultural diversity in Indonesia and democratic decentralisation, the district government of each province has an influence on foreign businesses and their expatriates. Therefore, HR staff should provide cross-cultural training that enhances the employees' English language ability and otherwise needed information, such as how to work with Indonesians in terms of culture and norms. Alongside information on local legal processes and regulations so the employees can prepare themselves before starting their employment. To provide the cross-cultural training, HR staff should understand the basic knowledge about Indonesia and should visit the company. Additionally, the cross-cultural training should be provided before the Thai employees arrive in Indonesia and when they are working in Indonesia several times per month.

HR staff should emphasise on the English language ability as a criterion in selecting employees for an international assignment. Furthermore, the company should not neglect the importance of cultural intelligence in selecting Thai expatriates for an international assignment in Indonesia especially when considering employees who do not have previous international experience and have never visited Indonesia.

The HR department in the company should provide the acceptable amount of support, in particular financial support for the relocation and adjustment of the entire family. Thai expatriates did specify some examples of the support needed, such as the international insurance included when sending the patient to a particular hospital for them and their accompanying spouse, relocating allowances, tickets and rest days for going back home, and so on. For career support, this study shows that Thai expatriates, required the company to care more about their career development. HR staff should monitor their work and provide assistance properly when a problem arises. Moreover, HR should update the information available to them, such as vacant positions, relevant training, conditions required for advancement, and so on.

Limitations and Suggestions for Future Research

The data were collected from Thai expatriates working at Thai companies in Indonesia. There are differences between Thai expatriates and other national expatriates in Indonesia. Also, this may differ with Thai expatriates working in other countries. Besides that, the sample in this study is small.

Future research can focus on random sampling from a larger number of organisations and on another Indonesian island where Thai companies are located and send employees to work, such as the Kalimantan Island and Sumatera Island as the data in this study was collected from the Thai expatriates working at Thai companies on Java island, Indonesia alone. There may be contrasts with Thai expatriates working in other countries and it will develop broader insights for Thai businesses in the underexplored business region of Southeast Asia.

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