Expatriates Self-Motivation, Competencies, Job Performance and Cultural Adjustment: Empirical Evidence from the ICT Sector in Malaysia

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Abstract

The purpose of this paper is to investigate the impact of self-motivation and competencies towards job performance of expatriates working within the ICT sector in Malaysia. Additionally, this study examines the mediating effect of cultural adjustment. A survey strategy associated with a quantitative method using a self-administered questionnaire was carried out. Data was collected through simple random sampling from a sample of 301 expatriates. The AMOS software developed for analyzing the Structure Equation Modeling (SEM) was utilized. Emotional and job related competencies were found to have a significant effect on expatriate job performance. However, the impact of self-motivation on job performance was found to be not significant. The findings also supported the role of cultural adjustment as a mediator. The theoretical framework emerging from this study support the results from some earlier studies and also brings out several new ideas such as the importance of competencies and cultural adjustment. The findings have significantly contributed to the advancement of knowledge as it is evident that expatriate emotional and job related competencies facilitate job performance and cultural adjustment. By investigating self-motivation and competencies, this study informs organizations on ways they can implement improvements in the areas of expatriate hiring, training and support practices. It is recommended that organizations consider both emotional and job related competencies and implement suitable HR policies when selecting, training and motivating the right candidate.

Keywords: Cultural adjustment; performance; expatriate; self-motivation

1. Introduction

1.1. Background

To compete effectively in global markets, organizations must select and develop employees who can function successfully in a global context (1). Global assignments have become increasingly important for MNCs (2). Therefore, organizations are now focusing on creating a pipeline of future leaders with global management experience (3). To achieve their objectives, MNC’s have engaged a high number of expatriates for their global operations (4). As highlighted by Palthe (5), MNCs depend on expatriates for growth and advantage. This effort therefore, requires the selection of globally competent people. In addition to that, having the right people manage these MNCs is a critical success factor for international operations (6). However, nearly 80% of organizations do not formally assess the adaptability of expatriates on global assignments (3). In addition, one-fifth (20%) of organizations are unsure if they have enough internationally experienced talent to meet their business needs (3). Furthermore, organizations find deploying and developing talent in emerging markets as a major challenge (7). This has spurred (MNCs) to fill the gap by recruiting expatriates from other countries (Liu & Lee, 2006).

The Information and Communications Technology (ICT) has become an important sector in Malaysia. In the global ranking of the ICT Development Index (ID1) 2016, Malaysia is ranked second in Southeast Asia and eighth in the Asia Pacific (TheSunDaily, 2016). The ICT sector contribution to the GDP was expected to grow from RM152.1bil in 2015 to about RM164bil in 2016, which is four times the value in 2007 (The Star Online, 2017). The overall projected share of the ICT industry to the economy in 2016 would be about 18.2% which is an increase from 17.8% in 2015 (The Star Online, 2017). In the ICT sector, the year 2015 witnessed a 7.4% increase in jobs compared to 2014. The total number of jobs in 2015 rose to 158,549 jobs. Knowledge workers of non-Malaysian origin accounted for 13.6% of the total workforce in the ICT sector in 2015 (MSC Malaysia, 2015). However, in the ICT sector in Malaysia, the availability of innovative local talents for research and innovation activities is a major challenge. This problem is addressed by importing foreign talents (PIKOM, 2012). This has made the expatriate population in the ICTs sector in Malaysia worth studying.

1.2. Problem Identification

A survey by Brookfield GRS (3) reported that 26% of the assignees going abroad to take leadership positions did not possess the necessary skills for leadership positions in the host country. Nearly one in five assignees experienced notable difficulties in adapting to the host country. Adjustment difficulty in the host country can lead to diminished performance or assignment failure (3). MNCs therefore, face the risk of failure and cost related to that failure (8). Direct costs of expatriation were estimated as high as three times the domestic salary (6). Companies reported that 6% failure of international assignments fail (9). A survey done by Tung (10) found that more than half of the companies in USA had...
failure rates of 10% - 20%. Following that, based on a survey by KPMG (2012), 55% of the respondents stated that up to 5% of assignees were recalled from the host country or dismissed because of inability to perform effectively. Due to the growth and importance of global assignees, research on expatriate cultural adjustment and performance has received considerable attention (e.g., (11, 12). Past research has revealed that expatriate job performance during global assignment plays an important role in the success of MNCs (e.g., (13, 14). Expatriate cultural adjustment has received attention because expatriates may face cultural challenges while working for MNCs (15). Unsuccessful cultural adjustment by expatriates is one of the top three most commonly cited reasons leading to the failure of global assignments (9). To improve performance and cultural adjustment, researchers attest to the importance of several individual factors and competencies in predicting cultural adjustment and job performance (e.g., (4, 16). Past research has shown a positive relationship between emotional competencies, job related competencies and job performance (11, 17, 18). Motivating and getting expatriates to do their best can also be challenging. Earley and Ang (19) introduced motivation as a key element for cultural adjustment. However, the impact of competencies and self-motivation towards cultural adjustment and job performance of expatriates engaged in the ICT sector in Malaysia has not been empirically tested. This research thereby investigates whether such competencies and self-motivation can lead to successful job performance. In addition, this study aims to identify the mediating role of cultural adjustment.

2. Literature Review
2.1. Job Performance
Several authors have defined performance and the related parameters (e.g., (20). Despite its importance, relatively little is known about the latent structure of performance (21). Campbell (22) coming from the psychological perspective described performance as behavior. Past definitions of job performance (e.g., (20) pointed out that work behaviors are no longer considered to consist strictly of those that are associated with results or task performance, but also behaviors associated with contextual performance, such as volunteering for additional work. Research indicates that behaviors are becoming an increasingly important component of job requirements (23). Campbell (22) further asserted that job performance is also multidimensional. This view is shared by many other researchers (e.g., (20). Viswesvaran (24) listed 486 performance measures that were later grouped into ten dimensions. McClow, Campbell and Cudeck (25) proposed a model that specifies three determinants of performance namely declarative knowledge, procedural knowledge and motivation. Lees and Donohue (26) tested the model developed by Campbell (22) and further amended the model of performance with six components. It can be assumed that what constitutes performance differs amongst jobs. As a result, there are a high number of measures as indicators of job performance. Many conceptualizations of employee performance focus only on task performance which may be deficient because they exclude the contextual performance construct (27). Since performance is multidimensional, it should include both contextual and task performance (23).

Researchers have made several attempts to identify the dimensions that contribute to effective job performance by expatriates. Past literature indicates individual differences such as personality, international experience, cultural sensitivity and social networking are related to job performance by expatriates (e.g., (4, 28). However, as stated by Arthur and Bennet (21), these initiatives have been somewhat informal and have not been formulated into any formal theoretical models. One of the meaningful contributions was by Arthur and Bennet (29) which identified five factors namely family situation, job knowledge, relational skills, extra-cultural openness and flexibility plus adaptability. A study by Downes et al., (28) found expatriate personality traits to be significant predictors of expatriate job performance. Andersen (13) found that community embeddedness to be positively related to job performance. Different expatriate job performance dimensions were identified among different researchers. This lack of understanding on which factors are important contributors towards job performance by expatriates’ indicated a paucity of research (21). Therefore, for this research, the job performance dimensions are based on past research by Caligiuri, (14). The performance dimensions are differentiated between the contextual variables that are prosocial and the contextual variables that are managerial (14).

2.2. Cultural Adjustment
In expatriation literature, there are different conceptualizations of cross-cultural adjustment. Cultural adjustment is one of the prominent concepts in expatriation research (16). Black and Gregersen (30) conceptualized cross cultural adjustment as the absence of stress or the degree of comfort that is associated with being an expatriate. Pathe (5) further stated that cross-cultural adjustment is the process of living and working in a foreign country. Bhaskar-Shrinivas et al., (16) defined cultural adjustment as a low level of negative attitudes and low level of stress associated with living in the host country culture. Aycan (31) conceptualized cultural adjustment as the degree of fit between the expatriate manager and the new environment in both non-work and work domains. Hofstede (32) stated that adjustment is “the forced exposure to alien cultural environment that can put people under heavy stress”. Despite the numerous definitions, the popular model of cultural adjustment is the tripartite model of adjustment facets that encompasses general, work and interactional dimensions (33, 34). Most definitions of cultural adjustment refer to the adaptation in another host country culture. In this research, cultural adjustment can be generally defined as the process of adjustment to working and living in a foreign country. All expatriates crossing cultures experience mild paranoia and anxieties while on global assignment (35). Expatriates will become distressed if they are not successful in mastering new skills while on international assignments. Matsumoto, LeRoux, Bernard, and Gray (36) stressed that culturally adjusted expatriates exhibit a positive mood, self-confidence, self-esteem and stress reduction. On the contrary, maladjusted assignees are not willing to adjust to the host country’s norms and behaviors (16). Other researchers have also stated that maladjustment or inadequate cultural adjustment can be a determinant of low job performance by expatriates (e.g., (2). Malaysia is still a difficult place for integration by expatriates and as stated in the HSBC Expat Explorer Survey (2012), just over half (56%) of expats are reported to be integrated with the local community, while two thirds (67%) choose to make friends with other expats instead. Therefore, to prevent prematurity return or failure, global organizations should assist expatriates in adjusting for these international assignments. Several past empirical studies have tried to identify the factors that have a positive influence on cultural adjustment (12, 37). For instance, stronger exploratory motives for expatriation were reported to have a positive impact on cultural adjustment (12). Other factors such as awareness of cross cultural communication (38) and past international experience (16); have been examined as antecedents of cultural adjustment of expatriates. Feitosa et al. (37) found language skills, cultural intelligence, technical skills and learning orientation to be the most significant predictors of expatriate adjustment. Despite the contributions of previous studies, there are still some areas of research that need to be explored to understand the dynamics of an expatriate’s cultural adjustment that is essential for expatriates who want to optimize their experience working in other countries. Therefore, cultural adjustment is a critical skill for expatriates who want to adapt and work in Malaysia and acquire knowledge of the cultural differences.
2.3. Emotional Competencies

Several researchers (39, 40) have examined the role emotional intelligence plays in leadership and performance. EI is the ability to monitor a person’s own and other people emotions, to discriminate amongst them and to use this information to determine the person’s own thinking and actions (41). EI is also the ability to manage one’s emotions and it includes the perception of feelings, their use in complementing a person’s thinking process and of controlling them to improve personal growth and logical development (42). EI is a cross-sectional interrelationship of emotional and social skills and competencies that influence intelligent behavior (Bar-On, 2006). The ability based model by Salovey and Mayer (43) defined EI as “intelligence” that is, as a set of mental abilities to do with emotions and the processing of emotional information. Unlike the ability based model by Salovey and Mayer (43) which proposes that individuals vary in their ability to process information of an emotional nature, Goleman (39) focuses on EI as a wide array of competencies and skills that drive performance. According to Goleman, (39), EI is the capacity for recognizing a person’s own feelings and those of others, in motivating themselves, and for managing emotions both in themselves and in relationships with others. Stein and Book (44) further argued that EI is a set of emotional and social skills that influence the way we perceive and express ourselves, develop and maintain social relationships and cope with challenges. Hence, there are several definitions of EI and there is an ongoing debate about EI.

Several studies suggest that EI is a strong predictor of job performance (e.g., (45, 46)). Goleman (39) stated that EI increases productivity and performance in an occupational setting. Goleman (39) further asserted that EI not IQ, predicts success at the workplace. Momm et al., (45) found that emotional abilities enable people to be more successful at work. Several other researchers tested and found evidence to support EI as a determinant of job performance (e.g., (46)). However, there has been a general lack of independent, systematic analysis substantiating this claim (47). Some researchers contest the validity of EI by claiming that EI is closely related to personality and intelligence (48). Zeidner, Matthews and Roberts (49) were of the opinion that EI is the potential at learning certain emotional responses but EI does not ensure that people will manifest competent behaviors. (50) argued that EI is not a form of intelligence but merely a moral quality. Petrides and Furnham (50) further proposed a differentiation between the trait model of EI and the ability model of EI. Locke (2005) also argued that EI is defined so broadly that it has no intelligible meaning. Locke (40) supported the critical role played by cognitive intelligence and rational thinking. Ashkansy and Daus (51) stated that EI is distinct from, but positively related to other intelligences. Therefore, past studies provide negative, positive and mixed results. There is no consensus amongst researchers about EI and there is still an ongoing debate about the measurement and usefulness of EI.

2.4. Job Related Competencies

A wide array of concepts related to job related skills have been stated by researchers (21, 52). According to W Arthur and Bennet (21), job knowledge includes managerial and organization ability, creativity, administrative skills, alertness, responsibility, industriousness, initiative and other competencies. Similarly, Feldman and Bolino (52) examined skills that are particularly critical to expatriate success: supervisory skills, administrative skills, cross-cultural skills and decision making skills. Tung (53) pointed out that it is very important for the expatriates to be flexible, resourceful, creative and possess strong negotiating skills. Tung (54) further asserted that expatriates must possess both technical and managerial skills.

Research to identify the skills required by expatriate ICT professionals to do their job effectively is ongoing (55). For expatriates in the ICT sector, several studies stated that a combination of technical and soft skills is required (11). According to Zmud (56), the skills required by technology or information systems professionals is organizational overview, organizational skills, target organizational unit, general IS knowledge, technical skills, and IS product skills. Similarly, Lee, Trauth and Farwell (57) stated four categories of skills that include technology management. The results of the study by Templer (11) partly support common company practice of using job knowledge and technical skills as a predictor in selection decisions. The study by Templer (11) showed that job knowledge and technical skills is by no means a sufficient criterion and organizational decision makers should not only focus on technical expertise when selecting and training expatriates. Shen (58) asserted that lack of technical skills is seldom a cause of expatriate failure. Robles (55) suggested that soft skills are just as good an indicator of job performance as traditional job qualifications (hard skills). Therefore, for expatriates in the ICT sector, the hard and soft skills must complement one another (55).

2.5. Self-Motivation

Motivation refers to the forces within a person the affect the direction, intensity and persistence of voluntary behaviour (59). Kanfer (60) defined motivation as “the psychological forces that determine the employees’ behaviour, effort, and level of persistence for reaching goals”. Motivation is also getting people to do their best work even in trying circumstances (61, 62). Adler and Gunderson (62) defined motivation as the employee’s determination to perform well, to consistently attain high productivity and produce high-quality work. According to Adler and Gunderson (62), motivation is the foundation for inspiring people to give their best, whether on a personal level or on a professional level. Based on the definitions, expatriates like other individuals, need the drives and passion for work where they seek out creative challenges, love to learn, and take great pride in a job well done (39). As stressed by Goleman (39), motivation is one trait that virtually all effective expatriates should have, and they are driven to achieve beyond expectations (39). Based on the review, there are several definitions of self-motivation.

Past research on expatriates has examined several motivational constructs such as intrinsic motivation and willingness to work abroad (e.g., (63). The willingness to work abroad can be due to the motivation to escape, the motivation to use the experience for career advancement to the motivation to explore, and financial motivators(64). Past research also suggests that compensation incentives attract the expatriates’ willingness to work abroad (65, 66). A career growth opportunity is another factor driving the decision to travel (66). Some researchers have stressed the importance of extrinsic and intrinsic motivation as predictors of motivation (e.g., (63, 67). Haines III et al. (63) found that higher intrinsic motivation for an international assignment may be associated with greater willingness to accept an international assignment. Some researchers stated that the most desirable characteristic of an expatriate may be the willingness to travel (68). Dowling (6) also stressed the importance of willingness to travel. Richardson and McKenna (69) stated that an expatriate is an explorer with willingness to live abroad. Based on a survey by Tungli and Peiperl (68), the most important expatriates’ selection criterion in Germany was “the expatriate’s willingness to go”.

2.6. Hypotheses of the Study

2.7. Emotional Competencies and Job Performance

Several researchers found a significant relationship between emotional intelligence and job performance (70, 71). George and Zhou (72) claimed that leaders with higher levels of emotional intelligence made better decisions. O’Boyle, Humphrey (73) further stressed that EI created innovational inventiveness and thus, assisted in the improvement of job performance. Cote and Miners (74) stated that based on emotional intelligence, top performers
could be differentiated from low performers. The emotion regulation ability enabled employees to maintain higher positive effect (75). A research by Stein and Book (44) further revealed that the correlation between EI and performance in a variety of careers ranged up to .45 attributable to EI with an average of .30. According to Lopes et al., (70) EI was related to numerous indicators of job performance and emotionally intelligent individuals received better performance ratings relating to their interpersonal facilitation and stress tolerance. In a study by Wong and Law (71), it was assumed that EI was a significant predictor of job performance beyond the effect of the general mental ability on job performance. However, only two dimensions of EI namely social awareness and relationship management were found to have a positive impact on employee’s performance (76). Thus, as found in the past research, there is a positive relationship between emotional intelligence and job performance of employees.

Past studies have shown that emotional competencies play a pivotal role in the success of expatriates. Based on research, expatriates with higher levels of emotional intelligence have the ability to regulate their emotions and this may help them cope with the stress arising from emotional labor (73). Expatriates with higher emotional intelligence are able to regulate their own emotions and the emotions of others and use emotional information in decision making to achieve positive performance outcomes (51). In addition, people with high EI were also more likely to perceive context-driven emotion patterns and therefore better able to adapt to these situations which was an important competency for expatriates (77). A study by Fernandez-Araoz (78) found that despite having a high IQ and international experience, unsuccessful managers were found to have lower emotional capabilities. Stahl et al., (66) also cited emotional immaturity as one of the reasons for unsuccessful expatriation. Furthermore, a study by Cote and Miners (2006) revealed that while EI was a predictor of job performance, it did not have a linear effect. Cote and Miners (74) found that as cognitive intelligence increased, EI become a stronger predictor of task performance. Taking the above into consideration, it is posited that:

H1. Emotional competencies exert a positive influence on job performance.

2.8. Job Related Competencies and Job Performance

Several studies have shown the importance of technical competences especially when selecting employees for foreign assignments (14). Past research has shown positive relationships between job related competencies and job performance (11, 68). Tung (54) stressed that expatriates had to possess superior technical skills. Suutari and Brewster (79) asserted that technical expertise was the most important factor when selecting an international assignee. Expatriates who possessed job knowledge were more likely to adjust better to their work (11, 79).

A wide array of technical and job related skills have been stated by researchers (29, 52). Technical competence increases the expatriates’ self-confidence and this in turn encourages the expatriate to learn and execute new behaviors (31). Researchers stressed that IT professionals need to continually align their competencies with new technological innovation and changing organizational technological climates (80). Technical related competences were considered one of the critical criterions for expatriate assignments (81). However, researchers have also argued that technical skills were by no means a sufficient criterion and decision makers should not only focus on technical expertise when selecting expatriates (11). Sparrow, Brewster and Chung (82) stressed that many MNCs still undervalued ‘soft skills’ and continued to rely on technical skills. Robles (55) suggested that soft skills were just as good an indicator of job performance as traditional job qualifications. Tung (53) pointed out that it was important that the expatriates be flexible, resourceful and creative. In the ICT sector, technical job knowledge is regarded as critical. Lack of innovative talents and know-how may be the reasons why many managers were sent overseas (83). Hence, expatriates required technical competence but it need not be the sole criteria utilized for selecting expatriates. Taking all the above into consideration, it is posited that:

H2. Job Related competencies exert a positive influence on job performance.

2.9. Self-Motivation and Job Performance

The four drive theory can serve as a starting point to determine whether expatriates are motivated. The four drive theory by Lawrence and Nohria (84) provides practical advice on motivating expatriates. Drawing on motivation theories, a motivated workforce means better corporate performance (61). The expectancy theory for instance is based on the idea that work effort is directed towards behaviors that people believe will lead to desired outcomes (85). There is some similarity between the drives stated by Lawrence and Nohria (84) and passion for work (86). The drive to acquire or achieve can be related to motivation. The strength and direction of emotions determine whether a goal appeals to a person or repels him or her (86). All the motivators share a common neural pathway which is passion for work (86).

In the host country where expatriates are subjected to a different cultural context, motivation may play an important role in job performance (87, 88). Considerable past research has indicated a relationship between self-motivation and performance of expatriates (e.g., (65, 88). For instance, researchers have found that intrinsic motivation has a positive effect on employees’ performance (63, 89). Motivation triggers effort and proactive behaviors that enable expatriates to deal effectively with the challenges inherent in international assignments (Chen, et al., 2010). Career development and advancement for instance was positively related to performance (65). In general, results from past research showed that self-motivation was positively related to performance. Scholars and researchers have stated that employee motivation affects the overall efficiency of organizations and motivation determines the potential employee performance (87, 88). In line with prior work on the drives that motivate people (84), intrinsic motivation (67) and career development (65), it is posited that:


2.10. Mediating Role of Cultural Adjustment

The relationship between cultural adjustment and job performance has been widely studied by several researchers (e.g., (2, 90). Caligiuri and Tung (90) found a positive relationship between the general adaptation dimension and the self-assessment of performance adaptation at work. Kraimer et al. (2) provided initial evidence that expatriates who were comfortable interacting with host-country citizens and who were well adjusted at work and perceived to be better performers. Bhaskar-Shrinivas et al. (16) found that higher levels of adjustment were related to improved task execution and improved performance. A positive relationship between the dimensions of cultural adjustment and improved work performance by expatriates was found by Shay and Baack, (91). Maladjustment can be translated into stress and poor performance (92). Bhaskar-Shrinivas et al. (16) stated that stress coming from work and non-work domains tended to induce fatigue and which resulted in maladjustment and poor performance. P. Caligiuri (93) further argued that performance depends on not only the content of jobs but also on the expatriates’ ability to function in the cross-cultural context of their jobs. Hence, based on past research findings, cultural adjustment is critical for job performance by expatriates on global assignments.

Higher EI was reported to contribute to better cultural adjustment and job performance (94, 95). Koveshnikov et al. (95) found a significant relationship between EI and expatriates’ cultural adjustment. Lii & Wong (96) also found that an expatriate with higher EI have better emotional control. This may be due to the
fact that expatriates with greater emotional resilience competency possessed the psychological hardiness which allowed them to carry on through difficult challenges (97). EI has also been established as a predictor of intercultural growth via changes in intercultural communication apprehension and international awareness by Gullekson and Tucker (94). Poor adjustment in the host country manifests itself in intentions to quit the assignment prematurely or foster other forms of input reduction (16). Hence, it is likely that expatriates who were high in EI were selected as they are more likely to perceive context-driven emotion patterns and are therefore better able to adapt to these situations (77). This point towards the importance placed on emotional competencies.

Research has revealed that higher technical skills contributed positively towards better cultural adjustment (e.g., (11, 21)). In the ICT sector, technical skills play an important role in determining expatriate work adjustment (31). With technical skills, expatriates could increase their self-confidence and minimize stress (31). Higher technical competence will result in increase of trust of coworkers and the expatriates’ credibility (Ayean, 1997). However, the level of importance placed on technical criteria compared to other competencies had been questioned in various studies (e.g., (11, 31). Acquiring technical skills sets often requires expatriates to broaden their technical knowledge beyond what is required of a domestic job (19). Hence, research has shown that there is a relationship between job related competencies, cultural adjustment and performance (11, 21).

Research has examined motivational constructs such as intrinsic motivation, cross-cultural motivation and willingness to work abroad. However, there is little research on the relationship between self-motivation, cultural adjustment and job performance (e.g., (63). Past research has shown that there is a relationship between self-motivation and adjustment (98). Researchers have also long recognized the importance of motivation for attaining their goals and cultural adjustment (88). In a study by Chen et al. (88), it was found that expatriate cross-cultural motivation was related to job performance through work adjustment, but that work adjustment is more likely to mediate the positive relationship between expatriate cross-cultural motivations. Rose, Ramalu (99), also found that expatriates in Malaysia with greater meta-cognitive and motivational CQ fared better in their general adjustment. Although past research is limited, but research has shown that there is a relationship between certain constructs of self-motivation, competencies, cultural adjustment and job performance.

However, the role of cultural adjustment as a mediator between competencies and self-motivation towards job performance has not been widely studied in Malaysia. The following hypotheses were formulated for testing.

**H4a:** Cultural adjustment mediates the relationship between emotional competencies and job performance

**H4b:** Cultural adjustment mediates the relationship between job related competencies and job performance

**H4c:** Cultural adjustment mediates the relationship between self-motivation and job performance

### 3. Methodology/Materials

#### 3.1. Research Design and Conceptual Framework

A survey was conducted to test the hypotheses generated for this research. The survey strategy is associated with the deductive approach (100). The research choice was mainly quantitative since the data collection and analysis was in numerical format. For this explanatory research primary data was collected through self-administered questionnaires (100). The data analysis using SPSS and AMOS software encompassed getting a feel for the data, testing the goodness of data, and testing the hypotheses.

#### 3.2. Sampling and Sample Size

The target population for this study was expatriates working in the ICT sector in Malaysia. The probability sampling technique of simple random sampling was used to collect data from a sampling frame of 1,130 units. With simple random sampling technique, a sampling frame of 1,130 respondents was prepared. A total of 900 questionnaires were distributed to the target respondents. Sample size was based on formula by Krejcie and Morgan (101). The acceptable margin of error was set as 5% and the confidence level was set at 95%. There are 119,138 jobs in the ICT sector in Malaysia and 13% of these jobs are held by non-Malaysians. In the ICT sector, highly skilled workers accounted for 82 percent of the total employment. Based on the population of 12000 expatriates in the ICT services sector in Malaysia, the sample size based on the formula by Krejcie and Morgan (101) was 373.

#### 3.3. Instrumentation

Self-administered questionnaires were distributed directly by hand and through mail. The respondents were requested to respond to the items by indicating their level of agreement using a five-point Likert scale. Four demographic variables (gender, marital status, age and length of stay) were included. The questionnaires encompassed items measuring emotional competencies, job related competencies, job performance and cultural adjustment.

#### 3.4. Data Collection

Email response rates may only approximate 25% to 30% without follow-up. Initially a total of 846 mails were sent through e-mail. A multimode approach to e-mail survey administration can enhance response rates. The direct distribute and collect method was used for respondents that could be reached personally. After one month, reminders were sent via email to the target respondents. The response rate was only 25 percent (225 respondents) at the end of the third month. The data collection was extended by another month and reminders were sent plus attempts were made to make direct appointments. Finally, 318 questionnaires were completed. A total of 247 questionnaires were received through mail and the rest were through direct distributed and collect method.

#### 3.5. Data Analyses

The AMOS software developed for Structural Equation Modeling was used to analyze the causal effect between variables. Confirmatory Factor Analysis (CFA) which employs a set of measures to achieve the model fit was utilized (Hair et al., 2006). The CFA method was chosen because of its ability to assess the validity, unidimensionality, and reliability of a latent construct (Hair et al., 2006). SEM is an efficient method to perform CFA for measurement models, analyze the causal relationships in a structural model, and test the hypotheses for mediators (102). Using Amos Graphic interface, path diagrams were created to test causal effects and the mediation effects.
4. Results

4.1. Demographic profiles of the Cultural Adjustment

Respondents

The respondents included 71% (n=214) male 29% (n=87) female. Majority of the respondents, 57% (n=172) were married. The respondents age included 41% (n=123) between the age range of 26 to 30 years, 29% (n=87) between the age range of 31 to 35 years and 3% (n=9) above the age of 45 years. The majority of the respondents, 34% (n=102) stayed for more than 3 years. The participants come from various countries with majority 59 (19.6%) were from India, 47 (15.6%) from Europe, 51 (16.9%) from ASEAN countries, 29 (9.7%) and the rest from other countries.

4.2. Reliability

Reliability is the extent to which a variable is consistent in what it is intended to measure (103). The Cronbach alpha coefficient for the dependent variable was 0.919 and 0.924, 0.910 and 0.910 for emotional competencies, job related competencies and self-motivation respectively. The Cronbach alpha value was above 0.7 is acceptable (104). Pilot testing was done and this provided some idea of the questionnaire’s face validity (100). For face validity, experts were asked to comment on the representativeness and suitability of the questions.

4.3. Descriptive Statistics

Based on Table 1, the values of skewness and kurtosis values are within +3 and -3 standard deviations from its mean (105). The mean of all the variables is above 4 and the standard deviation is low.

<table>
<thead>
<tr>
<th>Name of Category</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>4.1971</td>
<td>.54171</td>
<td>.204</td>
<td>-.370</td>
<td>-.212</td>
</tr>
<tr>
<td>Emotional Comp.</td>
<td>4.1100</td>
<td>.49065</td>
<td>.241</td>
<td>-.282</td>
<td>.453</td>
</tr>
<tr>
<td>Job Related Comp.</td>
<td>4.1302</td>
<td>.52249</td>
<td>.273</td>
<td>-.240</td>
<td>.087</td>
</tr>
<tr>
<td>Self-Motivation</td>
<td>4.2030</td>
<td>.56373</td>
<td>.318</td>
<td>-.638</td>
<td>.571</td>
</tr>
<tr>
<td>Cultural Adj.</td>
<td>4.1845</td>
<td>.55170</td>
<td>.304</td>
<td>-.374</td>
<td>-.003</td>
</tr>
</tbody>
</table>

4.4. Structural Equation Modeling

Analyzing the Causal Effects

In Table 2, the regression weights indicate the estimate of beta coefficient which measures the effects of every exogenous construct on the endogenous construct. The path coefficient of Emotional Competencies to Performance is 0.516 and the effect is significant (p<0.05). Thus, the hypothesis H1 is supported. The path coefficient of Job Related Competencies to Performance is 0.347 and the effect is significant (p<0.05). Thus, the hypothesis H2 is supported. The path coefficient of Self-Motivation to Performance is 0.038 and the effects is not significant (p>0.05). Thus, the hypothesis H3 is not supported.

Table 2: The Regression Path Coefficients between the constructs and its significance

<table>
<thead>
<tr>
<th>Hypothesis Statement for Path Analysis</th>
<th>Estimate</th>
<th>P</th>
<th>Significance</th>
<th>Result of Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Emotional competencies exert</td>
<td>.516</td>
<td>***</td>
<td>Significant</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Evaluating the Fitness of the Measurement Model

In SEM, the Fitness Indexes reflect how fit is the model to the data (Hair et al., 2006). There are three model fit categories namely Absolute Fit, Incremental Fit, and Parsimonious Fit (102). The measures include Goodness of Fit Index (GFI), Root Mean Square Error of Approximation (RMSEA), Tucker Lewis Index (TLI) and Comparative Fit Index (CFI). The results shown in Table 3 indicates that the model adequately fits the data and the indices indicates a good fit to the model (CFI=.926, TLI=.919, RMSEA=.050).

A RMSEA value of 0.052 indicates that only the model has not explained 5.2% of the variance in the data (102).

Table 3: Categories of model fit, level of acceptance and Index Values

<table>
<thead>
<tr>
<th>Name of Category</th>
<th>Name of Index</th>
<th>Level of Acceptance</th>
<th>Actual Index Value</th>
<th>Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Absolute Fit</td>
<td>RMSEA</td>
<td>RMSEA&lt;0.08</td>
<td>.052</td>
<td>Level achieved</td>
</tr>
<tr>
<td></td>
<td>GFI</td>
<td>GFI&gt;0.09</td>
<td>.0882</td>
<td>Level achieved</td>
</tr>
<tr>
<td>2. Incremental Fit</td>
<td>CFI</td>
<td>CFI&gt;0.09</td>
<td>.919</td>
<td>Level achieved</td>
</tr>
<tr>
<td></td>
<td>TLI</td>
<td>TLI&gt;0.09</td>
<td>.912</td>
<td>Level achieved</td>
</tr>
<tr>
<td>3. Parsimonious Fit</td>
<td>Chi-Square/df</td>
<td>Chi-Square/df&lt;3.0</td>
<td>1.802</td>
<td>Level achieved</td>
</tr>
</tbody>
</table>

Final Structural Model with Standardized Path Coefficients

The factor loading for each item in a measurement model to measure the latent constructs are shown in Figure 2 below. The entire items are having a factor loading of at least 0.6 and as such the fitness indexes for that measurement model are achieved.
Analysing the Mediator Variable

When analyzing the mediator, there are two effects involved namely direct effect and indirect effect (103). Firstly, the direct effect of IV on DV was tested. The output in Table 2 shows the results. The mediator variable was entered to test the effect as shown in Table 4 below. When the mediatory variable M enters the model, the value of path coefficient for IV is expected to reduce (102).

Table 4: Path Regression Coefficient: Emotional Competencies

<table>
<thead>
<tr>
<th>Performance</th>
<th>Emotional Comp</th>
<th>Est.</th>
<th>S. E.</th>
<th>C. R.</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>.77</td>
<td>.09</td>
<td>4.90</td>
<td>4</td>
<td>**</td>
</tr>
<tr>
<td>Adjustment</td>
<td>Emotiona Comp</td>
<td>.283</td>
<td>4</td>
<td>.32</td>
<td>3</td>
<td>0.02</td>
</tr>
<tr>
<td>Performance</td>
<td>Adjusment</td>
<td>.193</td>
<td></td>
<td>2.51</td>
<td>5</td>
<td>0.01</td>
</tr>
</tbody>
</table>

Table 4 shows the direct effect of Emotional competencies is still significant after the mediator variable is entered. The path coefficient for emotional competencies was reduced from 0.516 to 0.48 (in Figure 1) but remain significant. Therefore, Hypothesis 4a is supported.

Table 5: Path Regression Coefficient: Job Related competencies

<table>
<thead>
<tr>
<th>Performance</th>
<th>Job Related</th>
<th>Est.</th>
<th>S. E.</th>
<th>C. R.</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>.265</td>
<td>.08</td>
<td>2.83</td>
<td>5</td>
<td>0.01</td>
</tr>
<tr>
<td>Adjustment</td>
<td>Job Related</td>
<td>.314</td>
<td>.10</td>
<td>3.42</td>
<td>2</td>
<td>**</td>
</tr>
<tr>
<td>Performance</td>
<td>Adjusment</td>
<td>.193</td>
<td>.06</td>
<td>2.51</td>
<td>5</td>
<td>0.01</td>
</tr>
</tbody>
</table>

Table 5 shows the direct effect of Emotional competencies is still significant after the mediator variable is entered. The path coefficient for emotional competencies was reduced from 0.347 to 0.265 (in Figure 1) but remain significant. Therefore, Hypothesis 4b is supported.

The test for mediator is only meaningful only if the direct effect is statistically significant (Awang, 2012). Therefore, Hypothesis 4c was not supported.

5. Conclusion

The results of this study revealed that emotional competencies have the most influence on performance of expatriates followed by job related competencies. However, it was found that self-motivation has no impact on job performance. The findings emphasize the criticality of competencies, expatriate performance and cultural adjustment in the ICT sector in Malaysia. The evidence from this study suggests that the greater the emotional and job related competencies, the greater the job performance will be. The findings of this study concurs with past research that found evidence to support emotional competencies (17, 73). Past research also showed that job related competencies have a predictive effect on job performance (11). The influence of self-motivation deviated from earlier studies (63). A Harvard study by Chamorro-Premuzic (106) also found that the motivational effect of money alone is not sufficient. The Harvard study concluded that personality is more important and the more emotionally stable, extraverted, agreeable or conscientious people are, the more they tend to like their jobs (106). Another possible explanation for these findings is that the respondents’ for this study were already working in Malaysia and for in-country adjustment; competencies may have a much higher impact than self-motivation. Self-motivation such as willingness to travel may be an important predictor during the anticipatory adjustment phase of expatriation. During the in-country adjustment phase, the expatriates’ emotional stability and technical skills may be more important to overcome uncertainty and stress. The results of this study further support the notion that competencies are particularly important and play a pivotal role in the job performance and cultural adjustment of expatriates in the ICT sector in Malaysia. Theoretically, this research provides empirical evidence in the domain of job performance and cultural adjustment. This research provides an alternative viewpoint and adds to the existing literature on expatriates performance and cultural adjustment. In terms of practical implications, human resource practitioners in the ICT sector should focus on appraising emotional competencies and job related competencies when selecting international assignees. Organizations should consider the use of appraisal and selection methods that include testing for emotional intelligence of potential international assignees. During the in-country adjustment phase when expatriates are in the host country, focus should be placed on developing emotional and job related competencies. In addition, cross-cultural training should also be undertaken before departure and during in-country adjustment phase. This could be an important criterion to enhance the success of international assignees job performance and cultural adjustment. A successful assignment starts with an appropriate selection and training of expatriates and the attributes highlighted in this study should become the key selection criteria and the design and content of the training plan.

Based on the findings of this study, several recommendations for further research are proposed. Firstly, the theoretical model of this study should be replicated in other sectors, such as the manufacturing sector. Contrasting different economic sectors could offer data that can reveal differences in competencies and the impact of these competencies on job performance and cultural adjustment. Secondly, contrasting between the expatriates country of origin could also reveal differences. Thirdly, a longitudinal study would be of greater value because expatriates may face different challenges during the cycle of adaptation in the host country. Fourthly, future research should consider expatriates who failed in their assignment or expatriates who returned prematurely to their home country. Studies on expatriates who failed in their assignments can yield further evidence and different findings. Lastly, future research should include assessment from multiple sources including superiors and peers. These limitations of this study provide directions for future research.

References


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