

Cultural Intelligence and Cross-Cultural Adjustments: Impact on Global Mobility Intentions

Selvarajah Krishnan^{*}, Gowri Kirubamoorthy

International University of Malaya-Wales, Kuala Lumpur, Malaysia

Abstract Many had joined the bandwagon and followed suit with the global mobility trend in recent years. Some triumphed, some struggled while others simply failed to succeed. The global businesses and individuals alike are beginning to realize that having job-related skills and paper qualifications alone have not been sufficient to tackle the challenges posed in considering international assignments. Whether it is the traditionally common, organization-initiated expatriation or the relatively newer self-initiated expatriation, the intentions of both in considering a business venture or an international assignment depends on many factors. This concept paper would discuss the cultural intelligence (CQ) and cross-cultural adjustments (CCA) as well as their implications on the global mobility intentions (GMI). Guided by the Theory of Reasoned Action (TRA), we discuss the role of both CQ and CCA as well as their interactions in affecting with GMI. This concept paper sets a pertinent groundwork and contributes to deeper understanding of CQ and CCA and their importance with regards to the implications on the intentions of mobility of the global workforce.

Keywords Cultural Intelligence, Cross-Cultural Adjustments, Global Mobility

1. Introduction

In this present globalized era, distance has been reduced, geographical barriers relaxed or removed to facilitate the flow of people, goods and ideas (Chanda, 2007; Ritzer, 2003a, 2003b). The desire to improve one's life has stimulated (Chanda, 2007) both the interconnectedness and interdependence of people across the world. This increasing flow towards integration of the world is termed as globalization (Ritzer, 2003a).

Globalization has fostered many organizations as well as individuals to tap the potentials of lucrative opportunities beyond the borders of their homeland. With the robust growth among the emerging markets, we witness a significant shift in mobility patterns, as skilled workforce from these emerging markets are increasingly moving across their borders to foreign lands, creating greater diversity in the global talent pool. These population shifts are likely to have a strong influence on where global organisations will take their business in the future (PwC, Talent Mobility 2020-The Next Generation of International Assignment, 2010).

Despite the appeal and lure, global mobility has posed severe challenges to many in adjusting to a foreign culture and resulted in many to have regretfully failed. Among the top 3 most challenging factors in managing international

assignments based on the 2016 Global Mobility Trends Survey by Brookfield Group is 'Assignee and family adjustment'. Additionally, the Mercer Group's global Worldwide Survey of International Assignment Policies and Practices (WIAPP) which included responses from over 830 multinational companies, found that top four (4) reasons why international assignees failed were: poor candidate selection (44%), difficulty in adjusting to host country (41%), poor job performance (41%) and spouse/ partner unhappiness (41%). The above findings not only point towards the importance of cross-cultural adjustment (CCA) and cultural intelligence (CQ) for individuals in the pursuit for international assignments but also the key role of these two cultural aspects in influencing expatriation intentions. Therefore, in this conceptual paper, we discuss and focus on the role and relationship of CQ and CCA and their impact on the global mobility intentions.

2. Literature Review

2.1. Global Mobility

There has been growing interest in the field of global mobility and the many related constructs that play a part in shaping its role in the past, present as well as future. Caligiuri and Bonache (2015) in their article on the review of the global mobility in the past half a century (1965-2015), stated that global mobility simply denotes relocation of individuals (sometimes their families included) from one country to another for a fixed duration of time.

* Corresponding author:

kselvarajah@iumw.edu.my (Selvarajah Krishnan)

Published online at <http://journal.sapub.org/economics>

Copyright © 2017 Scientific & Academic Publishing. All Rights Reserved

Caligiuri and Bonache (2015) further went on to highlight in their review that global mobility is no longer restricted to the traditional means of organization-initiated expatriation (OIE) as it was back in the 1960s, where individuals are identified by their company and sent on a foreign posting in view of enhancing and fulfilling the company's strategic purpose and reach globally. These OIE basically was represented by a relatively homogenous and prototypical group (Brewster *et al.*, 2014). However, in recent times, the pattern has shifted to an increasing trend of self-initiated expatriation (SIE) which cover a diverse group of individuals from various background and discipline (Global Mobility Trends Survey, 2016). We are also seeing the rise of the category called protean career (Hall, 1998).

Hall & Moss (1998) established that the protean career is a process in which the person and not the organization is managing the career, which includes the person's varied experiences in education, training, work in several organizations, changes in occupational field, etc. The protean person makes personal career choices and searches for self-fulfillment by taking charge of his or her future goals, with the criterion of success being very much an intrinsic factor (psychological success).

2.2. Global Mobility Intentions

Global mobility intentions (GMI) in this context is may also be referred to as expatriate career intentions. According to Presbitero & Quita (2016) expatriate career intentions may be summarised as the want and motivation to establish a career for oneself away from one's home country. There have been several studies on the effect of demographic variables such as gender (Tharenou, 2008) and age (Selmer and Luring, 2010) but not sufficient focus on individual-level characteristics when it comes to expatriation and global mobility (Presbitero & Quita, 2016).

There is still lack of clarity in terms of understanding on how global mobility intentions are formed or cultivated amongst expatriates and the current active workforce (Selvarajah and Sulaiman, 2014).

2.3. Cultural Intelligence (CQ)

The term cultural intelligence (CQ) was first coined by Earley and Ang (2003) in their book *Cultural Intelligence: Individual Interactions across Cultures*. According to them, CQ is defined as one's capability to function effectively in situations which are subject to cultural diversity (Earley and Ang, 2003 and Earley and Mosakowski, 2005).

According to Earley & Ang (2003), CQ is an important variable in predicting cross-cultural effectiveness and is key tool in measuring a person's intelligence in adapting to new cultural situations. This notion is supported by Sternberg and Detterman (1986) that intelligence should not only be viewed in limited context and settings but instead should also be apparent at other domains, such as social intelligence. The initial CQ framework developed by Earley and Ang (2003) included only three (3) categories; Meta-cognitive,

Cognitive, Motivational, and Behavioral CQ. However, later, the CQ four factor model consisting of meta-cognitive, cognitive, motivational and behavioral components, was developed (Ang *et al.*, 2007).

The first factor, *Meta-cognitive CQ* is defined as a mental process of high order which has the capability to recognize other cultural preferences and process the required information effectively and as well as apply the cultural knowledge acquired (Ang *et al.*, 2007). The second factor, *Cognitive CQ* relates to general knowledge and cultural knowledge structures, whereby the knowledge of cultural customs, rituals and conventions of different cultures are acquired through personal and educational exposure and experiences. These first two components represent the elements of having the knowledge of different cultures and its influence on an individual's thoughts and behaviors. According to authors, Ang *et al.* (2007), those with higher cognitive CQ are found to be able to interact better with people of different culture. Knowledge of culture influences a person's thoughts and behaviors. People with higher Cognitive CQ are better able to interact with those from a different culture (Ang *et al.*, 2007).

The third factor, *Motivational CQ*, reflects an individual's desire to adapt to an unfamiliar or foreign cultural environment. Ang *et al.* (2007) also pointed out that the motivational CQ reflects the individual's capability to concentrate on understanding cultural diversity, as well as on learning and working effectively in different cultural situations and environment (Ang *et al.*, 2007). Therefore, one who possesses a higher Motivational CQ has the drive and desire to overcome challenges to adjust to an unfamiliar culture. The fourth and he last factor of this CQ model, *Behavioral CQ*, is defined as one's capabilities in terms of one's behavioral level, such as ability to demonstrate appropriate verbal and nonverbal deeds and mannerisms in culturally diverse situations which include choice of appropriate words spoken, tone, gestures, facial expressions, and body language in intercultural interactions (Ang *et al.*, 2007). Ng, Van Dyne & Ang (2009) argue that individuals who possess higher levels of CQ are more capable and ready to face the challenges that arise from being in a foreign cultural environment.

2.4. Cross-Cultural Adjustment (CCA)

Cross-cultural adjustment (CCA) refers to one's adaptation in terms of degree of comfort he /she feels in a new role and the extent to which one feels adjusted to the role requirements (Black, 1988). Takeuchi *et al.* (2005) described CCA as the degree of ease or difficulty that expatriates face with regards to the situations at work as well as life abroad.

The three (3) dimensions model depicting the CCA developed by Black (1988) is a key tool in measuring adjustment across cultures and has been used in many cross-cultural studies across the globe (Zhang, 2012; Selmer & Luring, 2013; Jyoti & Kour, 2014; Ditchburn & Brook, 2015; Shih-yih, Chen *et al.*, 2015; Vijayakumar &

Cunningham, 2016) for over two decades. Black's model comprises of three dimensions of adjustments; general adjustment, interaction adjustment, and work adjustment.

General adjustment refers to factors that affect the expatriate's basic needs and activities in one's daily life. These include amongst others food, health care, driving, housing conditions, shopping, and the cost of living. *Interaction adjustment* focuses on the level of comfort that individuals experience when interacting with host nationals in both at work as well as outside work environments. This is deemed as the most difficult aspect of adjustment to tackle and achieve, because each culture varies in its customs and tradition, cultural norms and practices, behavior and mannerisms, as well as expectations. Finally, the third dimension, *work adjustment* is refers to the adjustment levels at work such as work roles, job tasks, and work environment. The combination of the adjustments within these three dimensions determines one's ability to face and adjust one's life in a new cultural environment. (Black et al., 1991).

Caligiuri (2000) argues that some expatriates adjust to foreign cultures more easily compare to others and as such, concluded that CCA is an individual level state that needs to be measured from an intrinsic perspective of the expatriate experiencing the host culture.

2.5. Conceptual Framework

This paper will probe and focus on the effects of global mobility intentions based on the relationship of CQ and CCA while considering the attitude and behavioral aspects supported by the Theory of Reasoned Action (TRA) which was developed by Fishbein and Ajzen (1975). TRA which provides a framework on how human behavior is influenced by attitudes and subjective norms such as social norms, and intentions supports that an individual's attitude is dependent and reflective of his/her perception of the outcome or consequences. The TRA also states that subjective norms refer to how the behavioral intentions of a person is also reliant on the individual's perception of what and how would important people view a said behavior; will they approve of it or otherwise. These key people or influential referents in one's life may be parents, teachers, mentor, supervisor or any party the individual is keen to impress or model.

Based on the TRA, we can conclude that attitude and subjective norms are major determinants of the behavioral intention (Fishbein & Ajzen, 1975; 2011), in this case global mobility intention, is influenced by one's attitude and subjective norms.

3. Conclusions

This concept paper is focused on the relationship between cultural intelligence (CQ) and cross-cultural adjustments (CCA) as well as their implications towards global mobility intentions (GMI). Guided by the Theory of Reasoned Action (TRA), we discuss the role of both CQ and CCA as well as their interactions in affecting with GMI. This concept paper

sets a pertinent groundwork and contributes to deeper understanding of CQ and CCA and their importance with regards to the implications on the intentions of mobility of the global workforce.

REFERENCES

- [1] Ang, S., Van Dyne, L., Koh, C., Ng, K.Y., Templer, K.J., Tay, C. and Chandrasekar, N.A. (2007) 'Cultural intelligence: Its measurement and effects on cultural judgment and decision making, cultural adaptation and task performance', *Management and Organization Review*, 3(3), pp. 335–371. doi: 10.1111/j.1740-8784.2007.00082.x.
- [2] Black, J.S. (1988) 'Work role transitions: A study of American expatriate managers in Japan', *Journal of International Business Studies*, 19(2), pp. 277–294. doi: 10.1057/palgrave.jibs.8490383.
- [3] Black, J.S. (1991) 'Antecedents to cross-cultural adjustment for expatriates in pacific rim assignments', *Human Relations*, 44(5), pp. 497–515. doi: 10.1177/0018726791044400505.
- [4] Brewster, C., Bonache, J., Cerdin, J.-L. and Suutari, V. (2014) 'Exploring expatriate outcomes', *The International Journal of Human Resource Management*, 25(14), pp. 1921–1937. doi: 10.1080/09585192.2013.870284.
- [5] Bu cker, J., Furrer, O. and Lin, Y. (2015) 'Measuring cultural intelligence (CQ): A new test of the CQ scale', *International Journal of Cross Cultural Management*, 15(3), pp. 259–284. doi: 10.1177/1470595815606741.
- [6] Caligiuri, P. and Bonache, J. (2016) 'Evolving and enduring challenges in global mobility', *Journal of World Business*, 51(1), pp. 127–141. doi: 10.1016/j.jwb.2015.10.001.
- [7] Caligiuri, P.M. (2000) 'The Big Five Personality characteristics as predictors of expatriate's desire to terminate the assignment and supervisor-rated performance', *Personnel Psychology*, 53(1), pp. 67–88. doi: 10.1111/j.1744-6570.2000.tb00194.x.
- [8] Caligiuri, P. and Tarique, I. (2016) 'Cultural agility and international assignees' effectiveness in cross-cultural interactions', *International Journal of Training and Development*, 20(4), pp. 280–289. doi: 10.1111/ijtd.12085.
- [9] Chanda, N. and a, N. (2007) *Bound together: How traders, preachers, adventurers, and warriors shaped globalization*. New Haven: Yale University Press.
- [10] Church, A.T. (1982) 'Sojourner adjustment', *Psychological Bulletin*, 91(3), pp. 540–572. doi: 10.1037//0033-2909.91.3.540.
- [11] *Cultural intelligence: Individual interactions across cultures* (2004) *Choice Reviews Online*, 41(08), pp. 41–4760–41–4760. doi: 10.5860/choice.41-4760.
- [12] DeNisi, A.S. and Sonesh, S. (2016) 'Success and failure in international assignments', *Journal of Global Mobility: The Home of Expatriate Management Research*, 4(4), pp. 386–407. doi: 10.1108/jgm-12-2015-0060.
- [13] Ditchburn, G. and Brook, E.R. (2015) 'Cross-cultural

- adjustment and fundamental interpersonal relations orientation behaviour (FIRO-B)', *Journal of Global Mobility: The Home of Expatriate Management Research*, 3(4), pp. 336–349. doi: 10.1108/jgm-05-2015-0017.
- [14] Fishbein, M. and Ajzen, I. (2011) *Predicting and changing behavior: The reasoned action approach*. London, United Kingdom: Taylor & Francis.
- [15] Hall, D.T. (2004) 'The protean career: A quarter-century journey', *Journal of Vocational Behavior*, 65(1), pp. 1–13. doi: 10.1016/j.jvb.2003.10.006.
- [16] Hall, D.T. and Hall, F.S. (1976) 'What's new in career management', *Organizational Dynamics*, 5(1), pp. 17–33. doi: 10.1016/0090-2616(76)90022-x.
- [17] Hall, D.T. and Moss, J.E. (1998) 'The new protean career contract: Helping organizations and employees adapt', *Organizational Dynamics*, 26(3), pp. 22–37. doi: 10.1016/s0090-2616(98)90012-2.
- [18] Haslberger, A., Brewster, C. and Hippler, T. (2013) 'The dimensions of expatriate adjustment', *Human Resource Management*, 52(3), pp. 333–351. doi: 10.1002/hrm.21531.
- [19] Jyoti, J. and Kour, S. (2015) 'Assessing the cultural intelligence and task performance equation', *Cross Cultural Management: An International Journal*, 22(2), pp. 236–258. doi: 10.1108/ccm-04-2013-0072.
- [20] Lin, Y., Chen, A.S. and Song, Y. (2012) 'Does your intelligence help to survive in a foreign jungle? The effects of cultural intelligence and emotional intelligence on cross-cultural adjustment', *International Journal of Intercultural Relations*, 36(4), pp. 541–552. doi: 10.1016/j.ijintrel.2012.03.001.
- [21] LLC, M. (2016) *International assignments survey 2015*. Available at: <http://www.mercer.com/our-thinking/international-assignments-survey-2015.html> (Accessed: 20 November 2016).
- [22] *Managing tomorrow's people talent mobility 2020* (2010) Available at: <https://www.pwc.com/gx/en/managing-tomorrows-people/future-of-work/pdf/talent-mobility-2020.pdf> (Accessed: 20 November 2016).
- [23] Ng, K.-Y., Van Dyne, L. and Ang, S. (2009) 'From experience to experiential learning: Cultural intelligence as a learning capability for global leader development', *Academy of Management Learning & Education*, 8(4), pp. 511–526. doi: 10.5465/amle.2009.47785470.
- [24] Presbitero, A. and Quita, C. (2017) 'Expatriate career intentions: Links to career adaptability and cultural intelligence', *Journal of Vocational Behavior*, 98, pp. 118–126. doi: 10.1016/j.jvb.2016.11.001.
- [25] Ritzer, G. (2003a) 'Rethinking globalization: Glocalization/Globalization and something/nothing', *Sociological Theory*, 21(3), pp. 193–209. doi: 10.1111/1467-9558.00185.
- [26] Ritzer, G. (2003b) 'The globalization of nothing', *SAIS Review*, 23(2), pp. 189–200. doi: 10.1353/sais.2003.0053.
- [27] Selmer, J. and Luring, J. (2009) 'Cultural similarity and adjustment of expatriate academics', *International Journal of Intercultural Relations*, 33(5), pp. 429–436. doi: 10.1016/j.ijintrel.2009.06.007.
- [28] Selmer, J. and Luring, J. (2015) 'Work engagement and intercultural adjustment', *International Journal of Cross Cultural Management*, 16(1), pp. 33–51. doi: 10.1177/1470595815622491.
- [29] Selvarajah, K. and Sulaiman, S. (2014) The Effects of Social Media on Gen Z's Intention to Select Private Universities in Malaysia, *Review of Integrative Business and Economics Research* 3 (2), 466.
- [30] Slocombe, T.E. (1999) 'Applying the theory of reasoned action to the analysis of an individual's polychronicity', *Journal of Managerial Psychology*, 14(3/4), pp. 313–324. doi: 10.1108/02683949910263909.
- [31] Takeuchi, R., Yun, S. and Tesluk, P.E. (2002) 'An examination of crossover and spillover effects of spousal and expatriate cross-cultural adjustment on expatriate outcomes', *Journal of Applied Psychology*, 87(4), pp. 655–666. doi: 10.1037//0021-9010.87.4.655.
- [32] Tharenou, P. (2008) 'Disruptive decisions to leave home: Gender and family differences in expatriation choices', *Organizational Behavior and Human Decision Processes*, 105(2), pp. 183–200. doi: 10.1016/j.obhdp.2007.08.004.
- [33] Vijayakumar, P.B. and Cunningham, C.J.L. (2016) 'Cross-cultural adjustment and expatriation motives among Indian expatriates', *Journal of Global Mobility: The Home of Expatriate Management Research*, 4(3), pp. 326–344. doi: 10.1108/jgm-05-2016-0019.
- [34] Zhang, Y. (2012) 'Expatriate development for cross-cultural adjustment: Effects of cultural distance and cultural intelligence', *Human Resource Development Review*, 12(2), pp. 177–199. doi: 10.1177/1534484312461637.