

PERSONAL ADJUSTMENT FOR EXPATRIATE MALAYSIAN PROJECT EXECUTIVES IN HOST COUNTRY

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Abstract: The number of construction multinationals from Malaysia has increased from year to year. This is due to the development of Malaysia's economy and also globalization which give the opportunities to Malaysian companies to operate overseas. In 2009, 432 projects were completed in 24 countries in the global market worth MYR 29,322 million (USD 8,307 million) and 126 projects were still on-going (MYR 69,053 million) (USD 19,564 million)(CIDB, 2009). Middle Eastern countries contribute 46 percent of the total overseas projects, followed by Asean countries (19%), South Asean Continent (18%), Africa (8%) and other countries such as Japan, Taiwan and Korea (9%). Secondary data show that Malaysian contractors are establishing themselves in overseas projects, and more projects are likely to be secured in the near future. A study was conducted to look into expatriate management of Malaysian construction multinationals. Data were collected from postal questionnaire survey. The results reveal that Malaysian executives face non-technical challenges when abroad. This paper looks into the personal factors that influence their adjustment during expatriation. Suggestions and recommendations are given to help Malaysian companies to improve personal adjustments that influence the expatriates during assignment in host country.

Keywords : Expatriate adjustment, Interaction, Social, Living

Introduction

Understanding how expatriate management takes place continues to be a key concern of multinational organizations and researchers alike. Globalization has resulted in the emergence of expatriates as an important category of global travelers (Selmer, 2002) including for the construction industry. The success of projects overseas not only depends on the technical skills of the project managers but also involves their non-technical skills as well. Pre-departing preparation and training, the environment and family adjustments, difficulties in communicating and adapting to the new culture are all inter-related and influence the expatriates' psychology in the host country.

Significant economic and social costs are also associated with the failure of expatriates' adjustment. Although expatriate assignments are viewed as a key human resource strategy for international corporations, in actuality, many expatriate managers are unsuccessful in the foreign organizations (Littrell et al., 2006). Normally, most measures of success and/or failure in expatriate assignments are based on the expatriate's timely or early return to the home country. However, several other indications of failure also exist. For instance, even if the expatriate remains in the host country for the duration of the

overseas assignment, his or her foreign assignment may still be classified as unsuccessful for the following reasons: disruption of the relationship between the expatriate and host nationals, damage to the multinational corporation's image, lost opportunities, and problematic expatriation resulting in high failure rates (Bennett et al., 2000).

In Malaysia, the number of multinational firms or companies is growing from year to year. This is due to the development of Malaysia's economy and globalization which give the opportunities to Malaysian companies to operate overseas. For 2007, 314 projects were completed in the global market worth MYR 22,032 million and 72 projects were on-going (MYR 36,599 million) (CIDB, 2007). For 2009, the data show a significant upward trend with 432 projects worth MYR 29,322 million (USD 8,307 million) being completed (CIDB, 2009). The increase by 27.3 per cent of number of projects completed shows that multinational firms are establishing in overseas projects and more projects will be secured in the near future. Despite such success for the contractors and managers alike, the aspects of personal adjustment for the latter should be taken into consideration.

The purpose of this research is to look at the adjustment of Malaysian expatriates. The findings were obtained through mail questionnaire survey from Malaysian contractors overseas. Suggestions and recommendations are given to improve the aspects of human resource management in managing their executives overseas.

Literature Review

With the increase of business globalization and economic activities, international job mobility is becoming a more common experience for a growing number of employees sent overseas on long term-assignment (Hechanova et al., 2003). As international travelers, expatriate managers must adapt to the new living and working conditions. The expatriate assignment life cycle starts from determining the need for an expatriate, selection process, pre-assignment training, departure post arrival orientation and training, crisis and adjustment or crisis of failure in the host country, re-assignment abroad and finally the repatriation process (Fisher and Schoenfeld, 2006).

Expatriation has been a difficult aspect for expatriates in terms of preparation and adjustment. They need to adapt to a new working environment which they have never experienced before. To be engaged in a foreign assignment may be accompanied by high expectation from the company that it had selected the most suitable candidate for the task. A study by Black and Stephens (1989) focused on general, interaction and work adjustments. These elements were also widely highlighted by the researchers in expatriate studies such as Selmer (2000), Suutari and Valimaa (2002), Hechanova et al. (2003), Konopaske and Ivancevich (2004), Liu and Shaffer (2005) and Lee and Cheng (2008). Previous research has indicated that general, interaction and work adjustments are highly correlated. General adjustment has been described as the element that contributes to the personal daily life. Interaction refers to feeling comfortable to communicate with host nationals (Selmer, 2000). Adaptation to a work adjustment is related to psychology

comfort with the job itself (Liu and Shaffer, 2005). The variables on specific elements of adjustment may influence the expatriate's adjustment to adapt to the new environment. For the purpose of this study, the variables on personal factors (for example 'living condition', 'religious practices', 'type of food', 'socializing with host nationals' etc.) are focused in relation with the adjustment of expatriate executives overseas. Non-technical factors (non-work) are considered not important by most companies with the myth that 'if you are effective here, you'll be effective in host country' (Minter, 2008), without considering the personal issues during expatriation.

The U-Curve Theory on expatriates adjustment process by Black and Mendenhall (1991), indicates the phases of expatriate adjustment over time. This theory emphasizes the stages of adaptation of an expatriate while living in the country. The four stages of adjustment are honeymoon stage, cultural shock stage, adjustment stage and mastery stage. The stages of the expatriates' adjustment have also been discussed in detail by Pires et al., (2006). Cases of cultural shock are associated with personal adjustment. It was found from the data that the expatriates took between 10 – 12 months for adaptation in host country. Interestingly the study by Forster (1997) showed that over 80 % of the expatriates reported positive adjustment after the eight month of relocation. Caligiuri et al. (1998) found that high levels of family support, family communication, and family adaptability are related to a family's cross-cultural adjustment at 6 months into the assignment. These family characteristics are also positively related to the expatriate adjustment to working in the host country (Copeland and Norell, 2002). Meanwhile, the research done by Tung (1998), found that 33% of the expatriates are at the adjustment stage between 6 – 12 months. A study by Lee (2005), indicated that the period of adjustment is between 6 – 10 months. Hence, we can conclude that the minimum period of expatriate adjustment during expatriation is 6 months.

Another question posed is whether the age of respondents affects the personal adjustment of expatriate executives overseas. Bossard and Peterson (2005) showed that the age of the expatriate, total time overseas and social status significantly contribute to the personal adjustment of the expatriates. Age also proved to be the main predictor for the success of the expatriates (Baker, 2003). It may be possible that the age factor influences the interaction, social and living adjustment when they are abroad.

Expatriation is very costly due to the high cost of sending and maintaining in host country (Hechanova et al., 2003). Organizations usually spend up to two and a half times more to send an employee on an expatriate assignment than they would to hire an employee locally (McGoldrick, 1997). Allerton (1997) argues that a 3-year expatriate assignment is estimated to cost around one million dollars. The important role of the expatriate within his or her group and the large cost of employing him or her are impetus for researchers and practitioners to understand what makes an expatriate and his or her new group successful (Triandis et al., 1998). It would seem that, the length of expatriate assignments is becoming shorter. During the past five to seven years, they have declined from an average of three to four years to one year (Grensing-Pophal, 2008), although as

noted previously, cost factors play an important role, but other factors such non-technical abilities also are taken into account.

Another area that has to be considered is the expatriate failure due to personal adjustment. Tung (1981) defined expatriate failure as the inability of the expatriate to perform effectively resulting in either being fired or recalled home. Black et al. (1992) extended the definition of expatriate failure to include returning from an overseas assignment and subsequently leaving the company within a year of repatriation.

Estimates of expatriate failure rates range from 25% to 70% (Grainger & Nankervis, 2001). Overall, studies suggest that expatriate failure rates vary. For example, Tung's (1982) survey of American companies found that 7% reported failure rates were between 20-40%, 69% reported failure rates were between 10-20%, and 24% had failure rates below 10%. A similarly diverse range of failure rates were more recently reported by Chew (2004) who found that 67% of participating companies indicated that up to 5% of their expatriates returned prematurely from their assignments, 6% indicated a 10% failure rate, and 13% indicated a 25% failure rate. Hence, it is important to identify the factors that affect the adjustment of expatriates overseas.

Methodology

Instrumentation

The research is conducted based on literature review on expatriate adjustment in host country. This study focused on the aspects of pre-departure training such as the elements of training provided by the company to the expatriates before departing to host country as well as the adjustment of expatriates during their assignments abroad. A mailed survey was conducted. The respondents were asked to answer 25 variables regarding the expatriation adjustment comprising 3 dimensions namely personal adjustment (13 variables), work environment (11 variables) and family adjustment (7 variables). This paper focuses on personal adjustment of expatriates that comprises 13 variables based on the study done by Fish and Wood (1997) and Pamich (2007). They were 'living condition', 'housing condition', 'religious practice', 'type of food', 'shopping', 'banking', etc. Linkert scale was used, ranging from 1 (Completely Unadjusted) to 5 (Completely Adjusted). The reliability test was examined giving *Cronbach's alpha* value for personal adjustment ($\alpha = .887$). An Alpha score of .7 or higher indicates reasonable good reliability (Sweet and Grace-Martin, 2008; Vogel et al., 2008). The reliability scores for Malaysian expatriate respondents were reliable and acceptable. In line with the requirements, a minimum of reliability (α) .7 was decided.

Sample

Data were collected from mail questionnaire survey. The sampling frame of Malaysian multinational companies was retrieved from the Malaysian Construction Industry Development Board (CIDB). A total of 85 companies were listed by CIDB. The

researcher made an initiative to call the company to update the data and to ensure that the companies were still operating in overseas projects and therefore sending Malaysian expatriates overseas. From the 85 Malaysian multinational companies, 4 companies could not be traced, 16 companies did not have any overseas projects and 5 companies, although multinational companies, used host nationals for their construction projects, giving the total of 25 companies not having overseas projects. Only 60 Malaysian construction companies therefore were venturing into overseas market with Malaysian executives working as expatriates.

The data for Malaysian executive expatriates were collected through emails because of the vast geographical factors. The sampling frame was obtained from the human resource of the responding companies. Data collection took place by screening the respondents' list to ensure that they were in the targeted group of Malaysian expatriate executives involved in construction industry. Three hundred and fifteen email addresses of the respondents were retrieved from the multinational companies.

Questionnaires were sent to the respondents through email addresses that had been identified before. A cover letter with instructions was attached with each questionnaire to explain the purpose of the research and the importance of the response. The recipients were promised that no one in their organizations would have access to the responses provided, and that all responses would be kept confidential. From the first 315 mailed questionnaires, six questionnaires were collected because the respondents were on holiday in home country, 12 email addresses were returned due to incorrect email address or full email box. Nine responses were received, giving the response rate of 2.9 %. Two respondents were not in the targeted group. Because of the usual low response rate involving international studies, three follow-up emails were sent. After 21 days of sending the questionnaire by email (Sussman, 2001), the first reminder email was sent to the respondents reminding them about the questionnaire that had been sent earlier.

Twelve days after the first reminder (Osman-Gani, 2008), 13 more questionnaires were received from the respondents. A second reminder was sent 12 days after the first reminder. In the second reminder, other than reminding the respondents about the questionnaire, the researcher also mentioned the importance of sharing their experience as expatriates in host country to the success of the research. As a result, 24 questionnaires were received. A third reminder was sent 12 days after the second reminder. Twelve questionnaires were received. A letter of appreciation was sent to the respondents for taking their time to participate in the research. Altogether, 64 questionnaires were received. The responses were comparable to other expatriate studies such as 65 responses (Vogel et al., 2008), 46 expatriates (Selmer and Leung, 2007) and 45 responses (Suutari dan Burch, 2001). A response rate of 21.1% was achieved and this is comparable with the study conducted by Vidal et al. (2007) that got 12.4% of response rate and Selmer and Leung (2007) 20.0%.

Results

Respondents' Demographic

The total number of respondents in this research was 64 and the sample characteristics indicated that most expatriates were male (92.2 %) (see Table 1). The average age of the respondents was 39.3 years old, with the range of between 24 to 54 years old. This showed that most of them were relatively mature. Most of the respondents were married (84.4%) and 15.6 % were still single. In terms of ethnicity, Malay respondents dominated 82.8%, compared to Chinese (12.5%) and Indians (4.7%). This is due to the nature of Malaysian population that comprises three main ethnic groups namely Malay, Chinese and Indian. Malay ethnic makes up the majority in Malaysia. Most of the respondents were professionals/technicians (67.2%) and middle management such as young executives were the smallest group (4.7%). The length of expatriate assignments varied from 9 to 50 months. Expatriate assignments duration from 25 – 60 months were the most (48.4%). Only one respondent was on expatriate assignment for more than 60 months (5 years).

Table 1: *Demographic of respondents*

Demographic Profile	Category	Expatriate (N=64)	
		Freq	%
Gender	Average Age (Years)	39.3	
	Male	59	92.2
	Female	5	7.8
Marital Status	Single	10	15.6
	Married	54	84.4
Ethnicity	Malay	53	82.8
	Chinese	8	12.5
	Indian	3	4.7
Position	Senior Management	18	28.1
	Middle Management	3	4.7
	Professional/Technical	43	67.2
Assignment duration (in month)	9 – 12 months	13	20.3
	13 – 24	19	29.7
	25 – 60	31	48.4
	More than 60 months	1	1.6

Factor Analysis and Reliabilities

Factor analysis has two primary data analysis functions. The first one is to identify underlying constructs in the data. The second role is to reduce the number of variables to a more manageable set. Due to the nature of the study, many researchers in expatriate management research used factor analysis for the second purpose. The objective is to summarize information in a larger set of variables into fewer factors, thus principal

components were used. By reducing a data set from a group of interrelated variables, the maximum amount of common variance in a correlation can be achieved (Field, 2005). The factors consist of variables that are highly correlated among them. A minimum of five variables are required for factor analysis (Coakes, 2005). A sample size of larger than 30 is appropriate for the research (Sekaran, 2006). A study on a review of 60 exploratory factor analysis found that the minimum sample size is 42 for factor analysis (Henson and Roberts, 2006). In this research, 13 variables (items) were used for personal expatriate adjustment and 64 sample sizes were deemed enough to meet the desired required variables for factor analysis.

By using the principal component analysis, factor analysis on personal expatriate adjustment showed that the variables were reduced into three factors. One variable ('type of food') was dropped because the loading was less than .5. Factor loading with more than .6 was chosen due to its reliability of sample size (Field, 2005). Principal component was used to summarize the data set for the purpose of data reduction and also to provide a good result (Table 2).

Table 2: *Factor Analysis of Personal Adjustment*

Items	Factor		
<i>Factor 1 (Interaction Adjustment)</i>	1	2	3
Socializing With Host Nationals	.763	.226	.205
Interacting With Host Nationals day-to-day	.874	.147	.194
Speaking With Host Nationals	.876	.176	.088
Following Custom/Culture of Host Country	.752	.316	.213
<i>Factor 2 (Social Adjustment)</i>			
Shopping	-.008	.715	.344
Banking	.191	.680	.152
Cost of Living	.212	.675	.123
Entertainment Facilities	.414	.643	.150
Health Care Facilities	.519	.609	.048
<i>Factor 3 (living Environment)</i>			
Living Condition	.348	.079	.775
Housing Condition	.286	.235	.819
Religious Practice	-.010	.265	.775
Total of Eigen values	5.68	1.50	1.14
Percentage of Variance Explained	43.67	11.53	8.74
KMO	.778		
Barlett's Test of Spherity	400.710	**	
Anti-Image Correlation Matrix (range)	.68 - .93		
Total Variance Explained	67.76		

Note: $N = 64$, Underlined loadings indicate the inclusion of that item in the factor; $p < .05^*$, $p < .01^{**}$

The rotated factor loading results show the variables such as socializing with host nationals, interacting with host nationals day-to-day, speaking with host nationals and following custom/culture of host country load highly on the first factor. These factors reflected the combination of interaction adjustment variables in this research. Variables such as shopping, banking, cost of living, entertainment facilities and health care facilities load highly on the second factor which reflected the non-work adjustment in the literature. Variables such as living condition, housing condition and religious practice loaded highly on third factor. The first factor can be represented as Interaction Adjustment factor and the second factor can be named as Social Adjustment. The third factor can be represented as Living Environment. These three factors explain the variance of variables about 67.76 % of the total sample variance. This shows a better factor solution for the variables. A *Cronbach alpha* reliability was also tested for the new named factors to ensure that the items comprising the factors produced a reliable scale. The reliability scores obtained are: Interaction Adjustment ($\alpha = .893$), Social Adjustment ($\alpha = .784$) and Living condition ($\alpha = .786$). All the values are above .7 and this indicates the reliability of measurements.

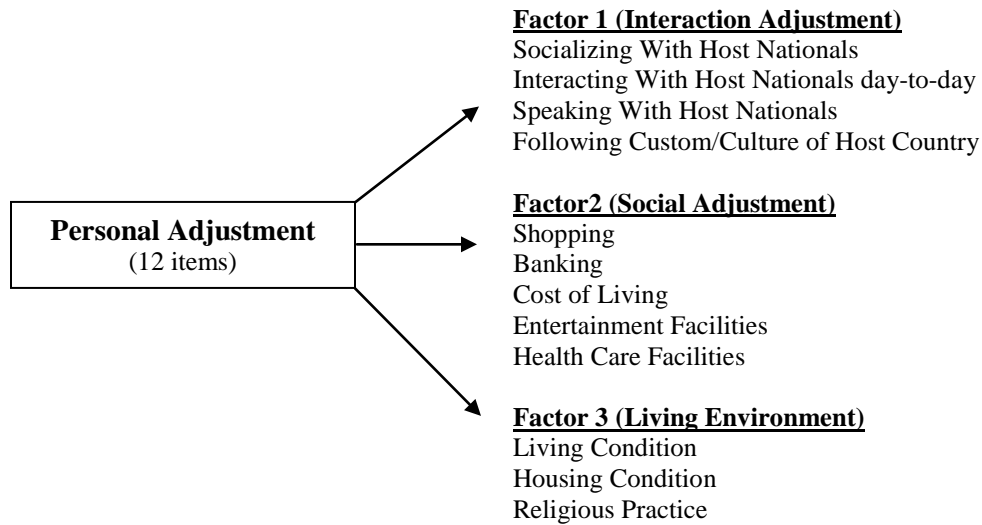


Figure 1. The results show the reduction of data of three main factors.

Factors of Personal Adjustment

In the questionnaire, the respondents had to indicate whether they had adjusted on general issues concerning their personal adjustment abroad. As mentioned earlier, 12 variables related to personal adjustment were selected. By using principle component, the data was reduced into three main factors namely Interaction Adjustment, Social Adjustment and Living Environment.

Interaction Adjustment

Based on the data output, variables that fall under Interaction Adjustment are socializing with host nationals, interacting with host nationals on a day-to-day basis, speaking with host nationals and following the custom/culture of host country. It is interesting to note that the expatriate executives have a mean score depicted as ‘moderately adjusted’ for all the four variables. Socializing with host national (mean = 3.30) was considered the most important element in interaction adjustment, reflecting on the expatriates’ difficulties in socializing with the local people in host country. Following the custom and culture of host country (mean = 3.37) came second and speaking with host nationals (mean = 3.39) was third (Table 4). All these three variables can be considered as the main elements that influence the personal interaction of Malaysian expatriates.

Table 3: *Interaction Adjustment*

Variables	N	Mean	Std. Deviation
Socializing With Host Nationals	64	3.30	1.108
Interacting With Host Nationals day-to-day	64	3.53	.959
Speaking With Host Nationals	64	3.39	1.093
Following Custom/ Culture of Host Country	64	3.37	.951

Surprisingly, interacting with host nationals on a day-to-day basis (mean = 3.5) in terms of communication and language can be depicted as close to ‘adjusted’ for the expatriates. The literature on expatriation also stresses the importance of interaction adjustment when being in a different culture (Mendenhall and Oddou, 1991; Lee and Cheng, 2008; Kim and Slocum, 2008). Therefore, we can infer that Malaysian expatriate executives in construction industry had trouble adjusting to interacting in host country but communicated well when interacting with host nationals.

Social Adjustment

The second factor of personal adjustment is Facilities adjustment for expatriates. Five variables are correlated with each other on a matrix correlation. The variables are shopping, banking, cost of living, entertainment/recreation and health care facilities. All these variables are also depicted as ‘moderately unadjusted’. Two variables such as Shopping and Cost of living can be considered as close to ‘adjusted’ because the mean is 3.5 and more. It shows that the expatriates adjusted themselves on shopping and cost of living overseas because they were paid highly during expatriation. The health care facilities (mean = 3.20), banking (mean = 3.23), entertainment and recreational facilities (mean = 3.33) were all considered as ‘not adjusted’.

Table 4: *Social Adjustment*

Variables	N	Mean	Std. Deviation
Shopping	64	3.84	.859
Banking	64	3.23	1.231
Cost of Living	64	3.50	1.024
Entertainment Facilities	64	3.33	1.155
Health Care Facilities	64	3.20	1.072

From the results, although the expatriates were paid highly during expatriation, they were 'moderately adjusted' to social services in host country because of the different cultures. From the literature, psychological comfort is related to the cultural toughness that is defined as the difference between the expatriate's home and host culture (Shay and Baack, 2006). The research done by Tung (1987) showed that one of the main reasons for expatriate failure is the inabilities of managers to adjust to new environment. Therefore, the results show that the facilities and social requirements during expatriation might influence the adjustment of expatriate executives overseas.

Living Environments

The data output shows that three variables are correlated with living environment adjustment. The variables are living condition, housing condition and religious practice. The race profiles of respondents were 82.8 % Muslim, 12.5% Chinese and 4.7 % Indian. The variables on religious practice were asked because majority of the respondents were Muslims and the convenience to practice their religion was important to them. All of these variables were depicted as 'adjusted' (mean = 4.00).

Table 5: *Living Environments*

Variables	N	Mean	Std. Deviation
Living Condition	64	4.03	.816
Housing Condition	64	4.00	.816
Religious Practice	64	4.17	.969

Among the Living Environment variables, religious practice had the highest score (mean = 4.17). This was due to the fact that most of the respondents were located in the Middle East (56.2 %). Because of the similarity in religious practice between home and host country, the expatriate executives easily adjusted on religious matters during expatriate assignment. The second highest scoring was living condition (mean = 4.03), and followed by housing condition (mean = 4.00). The Standard Deviation (SD) for both Living and Housing Condition was smaller (.816), indicating that the data points were

close to the mean. As a conclusion, the results show that the Malaysian expatriate executives were ‘adjusted’ to the living environments in the host country.

Expatriate Adjustment

Demographics environment

The literature suggests that age is one of the factors that influences one’s personal adjustment. The data were analyzed by means of a one-way analysis of variance (ANOVA) for ethnicity. As can be seen from Table 6, the ethnicity of Malaysian population such as Malay, Chinese and Indian was not significant with interaction, social and living adjustment ($p > .05$). The data tested were based on gender by using the independent t-test. The results showed that gender was not significant ($p > .05$) that influences interaction, social and living adjustment of the Malaysian expatriates. Pearson correlation was tested on age compared to the means of interaction, social and living adjustment. The results for Interaction were $p > .05$ ($r = .137$), $p > .05$ ($r = .166$) for social and $p > .05$ ($r = .120$) for living adjustment. Therefore, suffice it to say that age factor was not significantly correlated with personal adjustment, which contrasted with the findings found by previous research.

Table 6: *An ANOVA on factor means for Ethnicity*

Factors	Malay (Mean)	Chinese (Mean)	Indian. (Mean)	F Value
Interaction	3.38	3.46	3.25	.836
Social	3.43	3.38	3.33	.963
Living	4.12	3.83	3.67	.360

Note: $p < .05$ *, $p < .01$ **

Table 7: *An Independent T-test on factor means for Gender*

Factors	Male (Mean)	Female (Mean)	t-value	Sig. (2-tailed)
Interaction	3.37	3.65	-.65	.518
Social	3.39	3.78	-.99	.332
Living	4.07	4.00	.22	.830

Note: $p < .05$ *, $p < .01$ **

Duration of Adjustment in Host Country

The duration of expatriate executives’ assignment was between 9 months – 60 months. Only one respondent had stayed for more than 60 months. The highest number of respondents on assignment duration was between 25 – 60 months that contributes to

48.4% followed by the length of duration between 13 – 24 months, 29.7%. In terms of adjustment duration, most of the literature mentioned that the duration taken by expatriates to adapt to a new environment is between 6 – 10 months. A test was done on the duration of expatriates' adjustment with a mean for personal adjustment. The test value of 6 was entered to examine the duration of 6 months adjustment in host country.

Table 8: *One sample T-Test for Expatriate Adjustment Duration*

Variable	Test Value	Mean	t-value	Sig. (2-tailed)
Personal expatriate adjustment	6	2.81	-11.180	.000***

Note: $p < .05$ *, $p < .01$ **, $p < .001$ ***

The results show statistically significant on the duration of adjustment of Malaysian expatriates in host country. Since $p < .05$, we can conclude that the duration of adjustment significantly different from 6 months as suggested by the literature. By looking at the mean, the average that Malaysian expatriates take to get adjusted in host country is about 3 months as compared to 6 months suggested by the literature.

Family Influence on Adjustment

In expatriate adjustment literature, non-work factors such as interaction, social and living influence their adjustment to the host country. Based on the samples of the study, 25 % of the expatriates were accompanied by their family. It shows that majority of respondents were unaccompanied during the overseas assignment. By using SPSS, the independent *t*-test was conducted to compare the two means of different groups.

Table 9: *An Independent T-Test on Family Accompanied During Expatriation*

Factors	Alone (Mean)	With Family (Mean)	t-value	Sig. (2-tailed)
Interaction	3.29	3.72	1.67	.099
Social	3.23	4.01	3.82	.000***
Living	4.06	4.10	.23	.819

Note: $p < 0.05$ *, $p < .01$ **, $p < .001$ ***

As can be seen from Table 9, the presence of family on expatriation is statistically significant with the social factor ($p < .000$). Interaction and living factors do not have any influence on family. The elements that influence social factors are shopping, banking, cost of living, entertainment facilities and health care facilities. Although we notice that these elements are not important facilities to be provided by the company during

expatriation, results show that they influence expatriates' adjustment in host country. By looking at the mean between being alone and being with family, the results indicate that the expatriates are more adjusted when they are with their family during assignment compared to being without family.

Discussion and Conclusion

The number of Malaysian construction companies that venture into overseas market has increased from year to year. In the year 2000, 25 overseas projects were secured by Malaysian contractors and the number increased to 56 in 2007 (CIBD, 2009). As more companies have expanded their projects overseas, the need for expatriates on international assignment has increased. The adaptation of individuals in host country during the expatriate assignment is an important factor that should be taken into consideration to ensure that they can be adjusted to the new environment.

Numerous studies on expatriates' adjustment indicate that elements that influence the adjustment are technical (work) factors and non-technical (non-work) factors (Selmer, 2000; Hechanova et al., 2003; Konopaske and Ivancevich, 2004). This paper examined the personal adjustment on the latter factor. The statistical procedures were analyzed and tested in this study. By using rotated component matrix in factor analysis, the variables on personal adjustment were derived into three factors such as interaction adjustment, social adjustment and living environment.

The demographic of the respondents such as age is an important variable in the study of expatriates' adjustment. The research done by Bossard and Peterson (2005) showed that age factor is the main element that influenced the adjustment of the expatriates. Interestingly, the findings showed that the age of the expatriates during assignment overseas was weak correlated ($r < .3$) and not significantly ($p > .05$) affected the personal adjustment of expatriates. The study also examined other variables such as gender and ethnicity. The results showed that the demographic element did not influence the interaction adjustment, social adjustment and living environment.

The findings also show that the presence of family members significantly influenced the expatriates' adjustment in host country. Social adjustment was most affected with the presence of family during expatriate assignment. Although interaction adjustment and living environment do not have any effects on personal adjustment for the expatriates, they may have influenced them in one way or another.

In this study there are some limitations such as the response rate and distance. Due to the low number of responses received from the respondents, the possibility of bias existed. In addition, responses were difficult to monitor due to geographical factor such as the distance that the respondents came from. The questionnaires were mailed through e-mail. Therefore, the limitation occurred when the respondents did not receive the questionnaires due to full mailbox, wrong email address and no email facilities in host

country. For example, one respondent from Turkmenistan had no computer facilities at his site office which was far from the headquarters.

Further research on pre-departure training, as suggested in most literature, should be conducted. The study should try to identify the aspects of preparation needed for future expatriates in host country before their departure. Many companies do not train these individuals and their spouse/family because of the excessive budget for training (Shen and Darby, 2006). It is believed that the top management generally does not underwrite training as necessary for expatriates (Minter, 2008). However, the preparation and training during pre-departure will provide the project managers with ways to adapt to the host country environment. The needs to give training and preparation are linked to research on international adjustment (Harris and Brewster, 1999; Hurn, 2006) and on this basis; different types of pre-departure preparation and training activities can be suggested.

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