



# Expatriate performance in terrorism-endangered countries: The role of family and organizational support



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## ABSTRACT

Expatriates are not only sent to industrialized countries with stable environmental conditions, but also to countries that bear high political, social, and even terrorist risk. Despite its practical relevance, the role of expatriates' families on assignments in terrorism-endangered countries has not been addressed yet. Integrating expatriate literature and family systems theory we investigate the family-related performance antecedents of 121 expatriate managers assigned to a terrorism-endangered country. We find evidence that safety-related intra-family tension significantly impedes expatriates' work performance. Perceived organizational support can help to diminish this influence. We discuss our results and conclude with further implications for theory and practice.

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## 1. Introduction

Multinational corporations (MNCs) often send some of their staff on expatriate assignments. The objectives of foreign assignments range from the coordination and control of foreign subsidiaries and the transfer of technologies and organizational practices to career advancement and personal development (e.g. Edström & Galbraith, 1977; Harzing, 2001; Stahl, Miller, & Tung, 2002). As traditional markets have gradually become saturated, the focus of MNCs now is often on emerging economies, such as India or Russia, and smaller, but potentially profitable, markets (Cheng & Lin, 2009; Li & Scullion, 2010; Sparrow, 2012). However, many of these lesser-developed countries do not only offer attractive growth rates and shiny business outlooks, but also present more risks for firms in many ways, such as political risk (Henisz, Mansfield, & Von Glinow, 2010; Slangen & van Tulder, 2009).

In this study, we focus on one of the most severe risks, which is the prevalence of violent conflicts and terrorism (Bader & Schuster, 2015; Czinkota, Knight, Liesch, & Steen, 2010; Driffield, Jones, & Crotty, 2013; Getz & Oetzel, 2010). The National Counterterrorism Center (2012) reports more than 10,000 attacks just in the year 2011, killing or injuring almost 45,000 people in 70 countries. Despite the relatively low likelihood for an individual of actually becoming a direct victim of an attack, compared to, for instance, being killed in a car accident, indirect effects prevail. Reade and Lee (2012) found that operating in a terrorism-endangered area has a tremendous negative effect on the organizational commitment of the workforce. More concretely, Bader and Berg (2013) analyzed the impact of terrorism on expatriates, finding that expatriates who experience stress from terrorism perform worse than those who are not affected by this.

While looking at expatriates is important, the picture is incomplete if an assignee has a significant other. Data show that many expatriates are in a stage of their life in which they have family (Brookfield Global Relocation Services, 2013). It is quite common that the spouse and maybe children accompany an expatriate on his or her assignment abroad. In an extensive survey on expatriate assignments, KPMG (2012) found that only 36% of expatriates are unaccompanied, meaning their spouses and family remain in the home country. Brookfield Global Relocation Services (2013) even report only 20% of expatriates leave their spouse behind. Thus, at least a mere two thirds move with their partners.

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Black and Gregersen (1991) examined this important topic, focusing on the antecedents of spouse cross-cultural adjustment. By providing evidence that spouse adjustment is a major factor of the mission's success, they paved the way for more specific studies analyzing the role and influence of an expatriate's significant other. While there is a general consensus in the literature, acknowledging that family issues are very important for an expatriate to perform well and work effectively (e.g. Harrison, Shaffer, & Bhaskar-Shrinivas, 2004; Haslberger & Brewster, 2008; Kittler, Holtbrügge, & Ungar, 2006; Lazarova, Westman, & Shaffer, 2010) the domain needs more attention in order to get a deeper understanding in special contexts.

Since effects of the home life spill over to the work life of an assignee, it is very important for the entire family to be well-adjusted (Bauer & Taylor, 2001). Family characteristics and the family's perception of the assignment is crucial for the adjustment process and the success or failure of a foreign assignment severely depends on intact intra-family relations (Caligiuri, Hyland, Bross, & Joshi, 1998; Caligiuri, Hyland, & Joshi, 1998; Kittler et al., 2006). Haslberger and Brewster (2008), for instance, analyzed the adjustment process of expatriates and their families in a foreign country. Mohr and Klein (2004) explored various factors influencing the adjustment of American expatriate spouses in Germany and demonstrate its impact on expatriate well-being and performance. Lazarova et al. (2010) combine the spillover effects between work and family context as well as potential crossover effects between the expatriate and his or her spouse.

Overall, having found evidence for the spouse's general ability to influence the work outcomes of the expatriate, a further analysis of this phenomenon in more specific situations is promising. In particular, findings of the existing literature need to be extended by empirically investigating and confirming the occurrence of spillover effects. Moreover, the consideration of the various country conditions that may affect expatriate performance and well-being in different ways is necessary.

Global relocation involves many changes and stressful challenges. For instance, learning a new language, adapting to different cultural norms, and establishing a new social network are some of the possibly associated challenges (Caligiuri, Hyland, Bross, et al., 1998; Selmer, 2001). In terrorism-endangered countries, these challenges are multiplied by safety concerns (Bhanugopan & Fish, 2008; Wagner & Westaby, 2009). For example, Bader and Berg (2013) found evidence that terrorism-induced stress lowers an expatriate's work attitudes, increases his or her disaffection with host country nationals (HCNs), and eventually impedes his or her performance. If the expatriate's family members are accompanying him or her on the assignment, they are also exposed to these dangers (Shimoni, Ronen, & Roziner, 2005). However, even if the spouse stays in the home country, there is potential for disputes about the safety situation, since mutual concern and regular contact is assumed to be given in the nuclear family. Thus, it is promising to incorporate the role of spouses and family members when investigating performance consequences for expatriates. Applying family systems theory, we investigate this issue in an increasingly important context for international business, i.e. countries suffering from regular terrorist attacks.

The purpose of this study is to better understand the performance antecedents of expatriates with families assigned to terrorism-endangered countries. Our central research questions are: (1) does safety-related tension within the nuclear family compromise an expatriate's performance? (2) does it make a difference if the expatriate has children and if he or she is accompanied by his or her family, and (3) is perceived organizational support (POS) qualified as a stress buffer in such a special setting?

To answer these questions, we develop a research model and test it by applying hierarchical regression analysis. Analyzing data from a survey among 121 expatriates assigned to a terrorism-endangered country, we investigate the role of safety-related tensions within the family and resulting impact on the expatriate's performance. Moreover, we consider the general stress level of the individual and analyze a potential buffering role of social support (Brown, 2008; Cohen & Wills, 1985; Takeuchi, Shay, & Jiatao, 2008). Thus, our study aims at enhancing existing literature on global assignments by extending the role of the family beyond the context of sole adjustment. Finally, we seek to fill the gap of research on assignments in hazardous regions, expanding the focus of analysis in expatriation management.

The remaining part of this article is structured as follows. In the next section, we introduce the conceptual framework and derive a set of hypotheses. After explaining the methodology, we present and discuss the findings of our study. We then summarize its main contributions and derive implications for future studies as well as for practitioners.

## 2. Conceptual framework and hypotheses

In order to realize our research objectives derived in the previous section, we follow Caligiuri, Hyland, and Joshi's (1998) reasoning and apply family systems theory (Hill, 1949; Minuchin, 1974) to explain the processes within the family, and spillover theory (Aldous, 1969; Crouter, 1984; Piotrowski, 1979) to explain the transfer of family matters into the work sphere. Moreover, we adopt the buffering concept of Cohen and Wills (1985) to analyze potential moderating effects of POS in this context. Fig. 1 illustrates our research model.

Family systems theory focuses on the functioning of a family as a closed system in which relationships between family members are in equilibrium (Aldous, 1969; Brett & Stroh, 1995; Minuchin, 1974). The family constitutes a unit, rather than a set of individual members, with reciprocal relationships and mutual impact on one another (Caligiuri, Hyland, & Joshi, 1998). These relationships can be understood as a family system, consisting of three components, namely family structure, family development, and family adaptation (Minuchin, 1974). In a well-functioning family, these relationships should be balanced.

Family members are primary stakeholders for the assignee and thus have a very strong influence on him or her (Takeuchi, 2010). In a work context, this means that individuals will adjust their behavior depending on the family members' attitudes and judgment, which also have a direct impact on their work outcomes. This interdependence between work life and private life is the key focus of spillover theory which has been frequently applied in the expatriate literature (Caligiuri, Hyland, & Joshi, 1998; Takeuchi, Yun, & Tesluk, 2002).

According to family systems theory, the inner-family equilibrium can be imbalanced by factors from inside the family, such as tensions between family members, or from outside the family (Minuchin, 1974). Expatriation can be a potential external cause for an imbalance (Rosenbusch & Cseh, 2012). When assigning an individual to work in another country, the relocation to a new environment can be very challenging. The more challenges and pitfalls coming with the expatriation, the higher chances to create an imbalance, especially in the family structure. It can be expected that challenges are bigger and more severe when an expatriate is assigned to a terrorism-endangered country, as he or she is confronted with additional danger and problems, strengthening the imbalance. Such imbalance can be very disturbing for the expatriate, and in the worst case, can lead to an early termination of the assignment, dissolution of the family, or both (Haslberger & Brewster, 2008; Tung, 1988).

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