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# Expatriate return on investment in the Asia Pacific: An empirical study of individual ROI versus corporate ROI

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## ABSTRACT

The return on investment (ROI) from international assignments is a crucial aspect of expatriate management. The literature has taken a mostly organizational perspective of this important phenomenon, with little attention to the 'individual ROI' expatriates gain when undertaking an assignment. Especially lacking is research on expatriate ROI in the Asia Pacific region. Based on interviews with 31 long-term expatriates in 10 Asian countries, we use psychological contract theory to examine (1) how 'individual ROI' acts as a key driver of 'corporate ROI' and (2) the challenges and opportunities that expatriation in the Asia Pacific presents to individuals and organizations.

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## 1. Introduction

For several decades, both long-term assignees and other types of expatriates such as short-term assignees and commuters have been utilized by multinational corporations (MNCs) as popular staffing choices for their overseas subsidiaries, at an estimated cost of millions of dollars annually (Collings, Scullion, & Dowling, 2009). Yet, the rapid pace of globalization particularly in the Asia Pacific region (Czinkota & Ronkainen, 2008), along with the 'normalization' of global mobility as a necessity for firms and individuals (Cappellen & Janssens, 2010), has placed increasing pressure on MNCs to reduce mobility costs while simultaneously sustaining a competitive advantage. In spite of these efforts, recent research suggests that the return on investment (ROI) from expatriates may be questionable (McNulty, 2008; Welch, Steen, & Tahvanainen, 2009) and difficult to measure (McNulty, De Cieri, & Hutchings, 2009).

Much of what we know and understand about expatriation has stemmed from studies examining only the firm's point of view. Relatively few empirical studies have examined the perspectives of expatriates (see Doherty, Dickmann, & Mills, 2011; Stahl, Miller, & Tung, 2002 for exceptions), including their views about expatriate ROI (Welch et al., 2009). This 'missing voice' is problematic. Without a deeper knowledge as to what expatriates experience

and gain from international assignments, we are unlikely to understand the motives, challenges, and relative success factors impacting on expatriation for both firms and individuals, nor how to improve the ROI that many firms are looking to secure. Our article addresses this gap in the literature.

We present the findings of a study of expatriate ROI in the Asia Pacific region from the perspective of 31 long-term expatriate employees. Using psychological contract theory to explore expatriates' views about assignments in Asia, we examine how 'individual ROI' acts as a key driver of corporate ROI, and show how patterns of global mobility are changing in the Asia Pacific region.

## 2. Why Asia Pacific expatriation matters

Research on expatriation over the past 30 years (e.g., Edström & Galbraith, 1977; Takeuchi, 2010) has yielded some important and compelling findings relating to the organizational and individual factors that influence expatriation and the success of expatriate assignments. Much of this research has focused on North American and European perspectives (e.g., Caligiuri, 2000; Stahl & Cerdin, 2004), with fewer studies exploring Western expatriates in Asia (e.g. Selmer, 2006). While debates about the generalizability of regional expatriate contexts have ensued (see Brewster, 1999), Asia Pacific expatriation remains an under-researched field of study and expatriate ROI in Asia in particular has not been adequately explored. We contend it is necessary to strengthen the empirical research on expatriation in Asia, to advance knowledge in this region, with implications for global mobility in general.

Our focus on expatriation in the Asia Pacific region is timely and necessary for several reasons. First, recent research indicates that

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there is a major shift in global economic power to Asia (Roach, 2009; White, 2011). This may be due in part to the region's relatively quick rebound from the 2008 to 2009 global recession (e.g., 14 Asian countries are predicted to out-perform average global GDP growth rates over the next two years) (Mercer, 2011). Additionally, in the period up to 2025 it is estimated that nine of the world's top 25 cities ranked by gross domestic product (GDP) will be located in Asia. China and the South Asia region are expected to account for almost 60% of global urban population growth (Dobbs et al., 2011). Furthermore, China's economy in GDP terms is projected to overtake that of the United States to become the largest in the world by 2030 (Ping & Hongmiao, 2011), whereas India is predicted to dominate job and hiring demands (Bal, Sikka, & Narayanswamy, 2008). As such, Asia's economic growth is expected to fuel the demand for a more globalized workforce, to become the most likely emerging market destination for expatriates in the next decade (Bolchover, 2010).

How to attract employees to Asia and how to retain and leverage the region-specific knowledge they acquire is not well understood. Single nation studies of Western expatriates in Asia have provided some insight; see, for example, studies on cross-cultural training in China (Hutchings, 2003) and Japan (Peltokorpi, 2008), female expatriates in Hong Kong (Selmer & Leung, 2003), self-initiated expatriation of New Zealanders (Myers & Pringle, 2005), and Australians' repatriation (Tharenou & Caulfield, 2010). Few studies, however, have compared expatriation across a large number of Asia Pacific countries (see Vance, 2005, for a notable exception). No study has specifically explored the uniqueness of expatriation in Asia that we argue may be impacting on expatriate ROI. This includes changes in expatriate compensation to local-plus status (e.g., Stanley, 2009), and expatriates' motivation for undertaking assignments to, and within, the region (e.g., Thorn, 2009). Building on extant literature, our study examines expatriation in ten Asia Pacific countries to explore individual ROI as a driver of corporate ROI.

### 3. Individual ROI versus corporate ROI

Recent research (e.g. McNulty et al., 2009; Welch et al., 2009) has suggested that expatriate ROI is an important indicator to the firm of the value to be gained from long-term international assignments. Guided by McNulty and Tharenou (2004), we define expatriate ROI to the firm as "a calculation in which the financial and non-financial benefits [to the firm] are compared with the financial and non-financial costs of the international assignment, as appropriate to the assignment's purpose" (p. 73). We note, however, that much of the literature about expatriate ROI is focused on *corporate ROI* to the firm (e.g. McNulty et al., 2009; Schmidt & Minssen, 2007), with less attention paid to *individual ROI*. We argue that desired and actual ROI will be quite different for the individual than for the firm, while the ROI to individuals may have some impact on overall ROI to organizations. In acknowledging this link, we conceptualize ROI as a multidimensional construct (see McNulty & De Cieri, 2011), which allows us to extend and enrich our understanding in terms of the dynamic and complex relationships that exist between individual and corporate ROI.

In the context of recent research (e.g. Bowen & Ostroff, 2004) suggesting that employee-specific factors may influence broader firm performance, there are two reasons why a focus on individual ROI is important. First, new streams of research that are focused on international and global careers (Jokinen, Brewster, & Suutari, 2008) and psychological contract fulfillment (Yan, Zhu, & Hall, 2002) point toward several important factors at the individual level that are likely to influence expatriates' motivation for undertaking international assignments, as well as drive employee commitment (see, for example, Stahl & Cerdin, 2004). Firms' ability

to subsequently attract and retain expatriates may impact on individual as well as corporate performance, with implications for global staffing strategies and talent management initiatives. A second reason is that expatriates' perceptions of the value of international assignments and subsequent behavior in relation to their expatriate experience is relatively poorly understood (for notable exceptions, see Stahl et al., 2002; van der Heijden, van Engen, & Paauwe, 2009), yet is likely to have a significant impact on corporate ROI. There is recognition that both the individual worker and the employer will benefit from investing in strategies to improve employee potential; firm performance can and should be measured not only in financial terms but also in terms of intangible assets such as employee wellbeing (Guest, 2011). We argue that an individual ROI focus on expatriation provides an appropriate lens through which to explore expatriates' views in this regard, to subsequently understand how expatriates' behavior is impacted in relation to their international assignment experience.

### 4. Conceptual foundation

To focus our study, we apply psychological contract theory to explore expatriates' views about their international assignment experience in Asia Pacific and the resulting individual ROI they perceive they have gained by working in Asia.

#### 4.1. Psychological contract theory and individual ROI

Competing views exist within early and contemporary literature to define a psychological contract (Anderson & Schalk, 1998; Haslberger & Brewster, 2009). We define a psychological contract as an individual's subjective belief about the terms of an exchange agreement between an employer and employee. Although a psychological contract is defined by the individual, it exists within the context of the organization, is subjective, and represents an indirect, unwritten form of communication between employers and employees in which intentional and unintentional signals can be expressed (Guzzo, Noonan, & Elron, 1994). Psychological contract theory provides a valuable perspective through which to examine individual ROI because it draws attention to the transactional and relational elements of the employment contract that are central to expatriates' assignment experience. The importance of the psychological contract is due to expatriates' increased reliance on firm support because of the higher risks, ambiguity, and uncertainty they are expected to assume when undertaking international assignments relative to the requirement to adjust, perform, and contribute value to a number of stakeholders, including themselves.

We are specifically interested in met and unmet expectations as a key means by which an employee evaluates psychological contract fulfillment in relation to individual ROI. Stable and fulfilling psychological contracts are suggested to positively influence employee attitudes and actions in terms of knowledge transfer and repatriation outcomes (Lazarova & Caligiuri, 2001), and to induce increased levels of trust and organizational commitment (Haslberger & Brewster, 2009), with related implications for corporate ROI. Unmet expectations, on the other hand, can result in high levels of receipt–promise disparity (Ho, 2005). When an organization fails to meet one or more obligations in comparison to an employee's contribution, an expatriate may perceive that they have been denied the benefits and support necessary for achieving their professional goals, which can negatively impact on job satisfaction and commitment, and increase turnover intentions. For expatriates, unmet expectations are likely to arise from: (a) goal conflict between expatriates and their employers; (b) outcome uncertainty of international assignments; and (c) diminished employment relationships arising from

geographical distance and cultural differences (Lazarova & Cerdin, 2007). Hence, perceptions of “reneging” (i.e. knowingly breaking a promise to an employee) and “incongruence” (i.e. differences in understanding about a promise) (Morrison & Robinson, 1997, p. 231) can lead to decreases in individual ROI, and in turn, impact on corporate ROI. It is important to note, however, that psychological contract fulfillment is assessed subjectively and that self-serving biases often distort employee perceptions of how well they and their employer have fulfilled contract obligations. For this reason, expatriates may recall their past performance as more positive than it was, or overvalue their contribution in comparison to how their organization may assess it. Furthermore, expatriates may have poor psychological contracts to begin with which may be a source of dissatisfaction more than unmet expectations arising during an assignment.

To explore met and unmet expectations, we examine the perceived importance of psychological contract *content items* which can subsequently impact on Asia Pacific expatriates' psychological contract fulfillment. Content items are said to be either transactional (e.g. high remuneration, tax equalization, paid home leave), relational (e.g. expectations of promotion upon repatriation, socializing with colleagues as an informal means of family support), or a combination of both (Rousseau & Parks, 1993). Importantly, because psychological contracts can change over time as expatriates re-negotiate and re-evaluate their employment contracts, content items of a psychological contract may also change. A review of extant literature suggests that there may be three important psychological contract content items to consider for expatriates in the Asia Pacific: (1) career management support; (2) compensation; and, (3) human resource (HR) support. We briefly examine each.

#### 4.1.1. Career management support

Career management support is defined by Cerdin and Bird (2008) as the support an employee relies on for the purposes of establishing, maintaining, or rescuing their career. Studies show that while expatriates are willing to undertake international assignments because of the perceived intrinsic value of the experience for their overall career development, the career management support offered to them is limited. For example, Brookfield (2011), in its survey of 118 firms, reported that only 22% provide formal career management support for expatriates. Mercer (2005–2006) reported among a cohort of more than 200 global firms that 50% cited career management as the main obstacle to their international mobility program. Stahl et al. (2002) and Dickmann and Harris (2005) found widespread employee dissatisfaction with career management programs in terms of the ability to integrate an international assignment into a clear career path. Yan et al. (2002) note that “career development is arguably the most important long-term concern of the individual in formulating his or her psychological contract with the MNC, in the context of an overseas assignment” (p. 377). In a study of 343 Western business expatriates in Hong Kong, Selmer (2000) found a positive association between career management activities and expatriates' psychological adjustment. Recent research (e.g. van der Heijden et al., 2009) suggests that the quality and degree of career management support offered to expatriates could have substantial implications for expatriate motivation, engagement, and retention, and in turn the outcomes expected from long-term international assignments. From this perspective, it is logical to conclude that failure on the part of firms to offer a career development program, to provide a program that can effectively achieve its objectives, to provide sufficient repatriation support, and to provide flexibility in career management support can impact on expatriates' career orientation, commitment, turnover intentions and, in turn, subsequently affect corporate ROI.

#### 4.1.2. Compensation

Expatriate compensation is undoubtedly complex. It is undergoing significant evolution in light of empirical research showing that expatriates' motivation for undertaking an international assignment is often based less on financial remuneration and more on intrinsic gains (e.g. building career capital, gaining intercultural experience, personal adventure) (Dickmann, Doherty, Mills, & Brewster, 2008; Hippler, 2009). From a psychological contract perspective, these studies point to the role that *relational* factors (e.g. expatriates' career orientation and aspirations) may play when recruiting and managing expatriates. We contend, with regard to individual ROI, that these relational factors are crucial and in many respects in conflict with the predominantly *transactional* nature of traditional compensation approaches (e.g. balance sheet approach) that firms have typically used to attract and retain expatriate talent.

To address this conflict, we note the findings of a recent report by Stanley (2009) indicating a steady rise in *local-plus* compensation in Asia, as an alternative to the traditional *balance sheet* approach (Sims & Schraeder, 2005). A local-plus compensation approach is one in which expatriate employees are paid according to the salary levels, structure, and administration guidelines of the host location, as well as being provided with ‘expatriate-type’ benefits such as transportation, housing, and dependants' education in recognition of the employee's “foreign” status (Stanley, 2009, p. 2). While there are advantages and disadvantages to a local-plus approach, one important benefit for firms is the inherent flexibility to tailor each “plus” component (i.e. add or remove a benefit) according to a variety of individual and corporate objectives. In doing so, we argue that a local-plus approach can better address, at the individual level, what is most needed to subsequently attract and retain expatriates. Local-plus compensation also affords firms a cost-effective means to manage expatriate staff, which likely explains why it is being increasingly used to relocate large numbers of expatriates to Singapore, Hong Kong, and China (Brookfield Global Relocation Services, 2011; ORC Worldwide, 2008).

#### 4.1.3. Human Resource (HR) Support

In adapting Suazo, Martinez, and Sandoval's (2009) signaling theory approach to psychological contracts, we argue that HR support during an international assignment represents a form of symbolic and indirect communication in the employment relationship, in terms of signaling employers' commitment to expatriates and how it will treat them, as well as what employees can expect in return. Several empirical studies have found that employees' perceptions of HR practices in relation to psychological contract fulfillment can have significant effects on individual attitudes and behavior (Guest & Conway, 2002; Porter, Pearce, Tripoli, & Lewis, 1998). Yet, little attention has been paid to expatriates' perceptions of HR support (see Stahl, Chua, Caligiuri, Cerdin, & Taniguchi, 2009 for an exception). Benefit would, therefore, be gained in understanding the interpretations expatriates have of the meaning of HR support during international assignments, i.e. how HR support and the messages it sends are received and interpreted. Doing so may provide a more authentic perspective of the strength of feeling, sense of injustice, and the perceptions of gains and losses experienced by expatriates as a result of undertaking international assignments.

## 5. Research questions

We suggest that the psychological contract content items identified from the extant literature display potentially important inter-relationships that have not been previously examined (for example, that decreased loyalty and organizational commitment is

influenced by a lack of career management support in conjunction with reduced compensation). Furthermore, these content items reflect a shift from transactional to relational psychological contracts for expatriates, which is likely to have an impact on psychological contract fulfillment, individual ROI, and in turn, corporate ROI. Following our review of the literature, we address the following research questions in relation to expatriation in the Asia Pacific region:

1. What met and unmet expectations do expatriates have in relation to fulfillment of the psychological contract?
2. What do expatriates perceive as constituting their 'individual ROI' from an international assignment in comparison to 'corporate ROI'?

## 6. Method

### 6.1. Research design

This research involved semi-structured interviews with 31 expatriate employees on assignment in ten Asia Pacific countries. A theoretical sample based on purposeful sampling was used. Expatriates were company-assigned employees drawn from five firms with headquarters in the US, UK, and Europe, representing four industries: financial services/banking, pharmaceuticals, transportation services, and media/communications. A senior management representative of each firm was approached by the first author to facilitate access to the sample for this study. The five firms were selected on the basis of: (1) having participated in a prior study conducted by the first author; (2) representing different industries; and (3) being headquartered in different regions.

### 6.2. Sample

The 31 interviewees were expatriate employees currently on a long-term international assignment of at least two years duration and were at least six months into the assignment. Interviews (ranging in length from 45 min to three hours) were conducted by telephone over a six-month period from January to July 2008 and were recorded. The cohort includes 16% women, which is consistent with data on mobility population demographics (Brookfield Global Relocation Services, 2011). Interviewees include expatriates in a range of positions, including junior and technical staff (10%), middle managers (35%), and senior vice presidents, CEOs, managing directors, partners, and country managers (55%). More than half of expatriates (61%) were on a second or subsequent international assignment, with 74% having been employed by their firm for six or more years. Assurances of confidentiality and anonymity were given to expatriates and pseudonyms are used throughout. Table 1 provides a summary of the sample characteristics of the interviewees.

### 6.3. Developing interview questions

Interview questions were developed from the literature. To address research question one, psychological contract fulfillment was explored using seven questions to assess expatriates' perceptions of discrete and continuous fulfillment. Interview questions included: (1) how well a firm had lived up to its promises and commitments to expatriates (Tekleab, Takeuchi, & Taylor, 2005; Turnley & Feldman, 2000); (2) how well expatriates had lived up to their promises and commitments to their firm (Dabos & Rousseau, 2004); (3) a ranking of the perceived importance of content items, including (a) career management support (Cappellen & Janssens, 2005), (b) compensation (Warneke & Schneider,

2011), and (c) HR support (Guest, 2004; Guest & Conway, 2002); and, (4) the consequences arising from met and unmet expectations (Guzzo et al., 1994; Holopainen & Björkman, 2005). To explore 'individual ROI' (research question two), we were guided by Welch et al. (2009) in asking expatriates to describe the perceived value they expected to gain from long-term international assignments in comparison to the perceived benefits of expatriation to firms (i.e. corporate ROI). The definition of 'expatriate ROI' we used in the study (as defined by McNulty & Tharenou, 2004) was explained to respondents early in each interview to clarify construct definition.

### 6.4. Data analysis

Guided by Eisenhardt (1989), data analysis was based on an iterative approach where the findings were compared with the extant literature. Analysis was based on data reduction and interpretation that involved taking a large amount of information (408 pages of transcripts) and de-contextualizing it into specific categories. The information was then interpreted and re-contextualized to form themes from which the research questions were answered. We used this method of contextualization to shape the meaning of data, to capture variations in research findings (including outlier results), and to convey applications of the research (Johns, 2006). Computer-aided qualitative analysis software (NVIVO version 7) was used to more efficiently discover, organize, and link ideas and themes stemming from data, as well as to store, cross-reference and clarify new understandings. We used hierarchical categories to reduce, sort and cluster data and then derive key themes (Richards & Richards, 1995), after which content analysis was used to determine how strongly the themes were manifested (Tharenou, Donohue, & Cooper, 2007). Four broad stages (and sub-stages) of content analysis were applied: (1) development of a coding template relevant to the research questions, which was based on a combination of existing knowledge (*a priori*) and themes emerging from the data (*a posteriori*); (2) coding and theming (meaning condensation and categorization), in which the authors read through all the transcripts and then sorted and clustered the data, using the coding template as an open-ended guide, to arrive at emergent key themes (during this stage the template was often revised to allow for inductive interpretation of themes, patterns, and inter-relationships to occur); (3) interpretative analysis in which the data were linked to the conceptual framework to form the research outcomes; and (4) frequency counts of how strongly the key themes were manifested. We used frequency counts as a form of "credentialing counting" to provide transparency about how the research was conducted, insight to the depth and richness of data collected, and evidence of the objectivity and accuracy of the coding process (Hannah & Lautsch, 2011, p. 16).

### 6.5. Reliability and validity

Problems associated with internal and external validity due to single-response bias and the first author's insider status within the expatriate community were addressed by using an inter-rater procedure based on King's (1994) approach. An independent researcher conducted a preliminary round of scoring of the categories, themes, and sub-themes on seven randomly selected interview transcripts, giving an initial inter-rater reliability score of 93% based on an established formula (Goodwin & Goodwin, 1985). After discussion, a second round of scoring resulted in a higher score of 96%, consistent with the minimum acceptable inter-rater variation of 80% (Miles & Huberman, 1994). The first author's insider status was carefully managed to ensure attention was paid as to when the insider "showed up" (Mirvis & Louis, 1988,

**Table 1**  
Sample characteristics.

Case firms (n = 5)			
<i>Firm industry</i>	n = 31	<i>Total number of employees<sup>a</sup></i>	653,000
Financial services and banking	14	Average	130,600
Media and communications	4		
Pharmaceuticals and healthcare	2	<i>Total number of expatriates<sup>a b</sup></i>	3767
Transportation services	11	Average	753
<i>Headquarters location of firm</i>		<i>Total number of long-term assignees<sup>a</sup></i>	3341
North America	2	Average	668
Europe and UK	3		
Participants (n = 31)			
<i>Gender</i>	%	<i>Home-country by region</i>	%
Female	16	Europe and UK	45
Male	84	North America	29
		Asia Pacific	26
<i>Nationality</i>		<i>Host-country<sup>c</sup></i>	
Western	90	Singapore	36
Non-western	10	China (mainland)	17
		Australia	10
<i>Position in firm</i>		India	10
Junior and technical	10	Vietnam	6
Middle manager	35	Japan	6
Senior VP, country manager	55	Thailand	6
		South Korea	3
<i>Tenure</i>		Taiwan	3
1–5 years	26	Hong Kong	3
6–10 years	26		
11–15 years	19	<i>Last time lived in home-country</i>	
16–20 years	19	1 year or less	20
20 years plus	10	2–4 years	35
		5 or more years	45
<i>Age</i>		<i>Length of stay in host-country</i>	
Under 30	3	1 year or less	32
30–39	35	2–4 years	55
40–49	39	5 or more years	13
50 plus	23		
<i>Number of prior assignments</i>		<i>Children</i>	
0	39	Yes	58
1	23	No	42
2–4	32		
5 or more	6	<i>Partner</i>	
		Yes	74
		No	26
		<i>Accompanied</i>	
		Yes	83
		No	17

<sup>a</sup> These are employee numbers, not percentages.

<sup>b</sup> Expatriates include all types of assignments and assignees, i.e. long-term, short-term, one-way transfer and commuter, and PCN, HCN, and TCN.

<sup>c</sup> As there are trade agreements that include areas of the United States as part of the Asia Pacific region, we define Asia Pacific as including any United States territories.

p. 231). It was not possible to exclude her expatriate identity nor was it necessary. Instead, we leveraged her insider status to guide decisions (research design), build interviewee rapport (data collection), and to make important connections during data analysis (see Taylor, 2011).

## 7. Findings

Findings are presented using representative quotes to demonstrate key themes, and percentages to show how strongly the themes were manifested. Quotes are identified by case-firm, position, and host country location, with “power quotes” used to represent the most compelling evidence to effectively illustrate our main points and “proof quotes” in tables to emphasize the rigor and depth of our empirical evidence (Pratt, 2009).

### 7.1. Met and unmet expectations

With regard to our first research question (what met and unmet expectations do expatriates have in relation to fulfillment of the psychological contract?), four content items were found (see Table

2). The first item is *compensation*. Consistent with surveys (e.g. Brookfield Global Relocation Services, 2011; ORC Worldwide, 2009), local-plus compensation was the most common form of remuneration. Expatriates held very negative views about this compensation approach with issues ranging from inadequate remuneration, cost-cutting, and failing to honor verbal promises. The most significant issue was altering a compensation contract during an actual assignment. This created a sense of unjustified loss as shown:

They can bring every number of consultants in here to explain changes to cost of living allowances but at the end of the day you are x thousand dollars worse off and all they've done is delivered on the policy. They've done nothing to soften the blow . . . to implement that over three years instead of over one year or immediately or whatever. But there's no attempt because it's more about you fitting into the corporate policy than the policy fitting into its people . . . they don't understand that. They spend all of their time and energy convincing you the corporate strategy is right. They need to spend more time understanding the views and feelings of the people.

**Table 2**  
Psychological contract items contributing to met and unmet expectations.

Item	Interviewee quotes	Item	Interviewee quotes
Career management support	<p>One very senior partner out in the region once joked 'Gee, the moment you get off the plane everybody starts thinking about what are they going to do when they go back'. And I remember laughing that off thinking I just got here, that doesn't make any sense at all. And then after a while I went 'Oh I get it' ... [so] I think what is explicitly missing is there is no advanced career planning that would include the repatriation component prior to your deployment ... the assignment doesn't fit into a bigger picture ... there is no mid-term and certainly no long-term thinking around that ... it is very obvious how you go and benefit the company by doing the assignment. Where there appears to be no thought is, how do we then take that profound experience you have to continue to benefit the firm? What is the next career step? That is missing. It is gone. <i>FinanceCo #10, Senior VP, India</i></p> <p>What I always need from a company is clarity in terms of what needs to be done. That is one of the things that has been beneficial in terms of this assignment. The problems and things to tackle were much more apparent and therefore, much more satisfying from my perspective to get involved in ... it helped me to be successful. <i>MediaCo #10, Middle Manager, Thailand</i></p>	Performance management	<p>The degree of difficulty is something that is not really assessed well. The degree of complexity in dealing in a foreign environment, dealing with a set up of a joint venture, multiple government restrictions, multiple human resource inefficiencies because the local population is not yet attuned to a capital market situation, language, purely logistics. The degree of difficulty is not really taken in account; it's simplified to a revenue based assessment. <i>TransportCo #10, Senior VP, Vietnam</i></p> <p>As a global company we're not very well wired ... it is a very flattened global organization ... [consequently] there will be some that are very well informed and very happy about what I'm doing out here but the average preponderance of top leaders, they're not at all connected to what I'm doing, and they get no immediate or noticeable long term benefit from their standpoint. They would say 'We lost (him) for a few years and he stays in touch socially but we really just don't get anything out of it. It is like he went to the moon.' <i>FinanceCo #11, Senior VP, Japan</i></p>
HR support	<p>One of the things I've learnt over seven years on the road [with this company] is that you don't want to have a psychological expectation because it will not be met ... you have a contract and you get paid at the end of the month and it says you've got thirty days notice. If you expect anymore than that you're probably going to be disappointed. <i>TransportCo #9, Senior VP, Singapore</i></p> <p>[HR] should have a dedicated person. I have to go to procurement and ask for the car lease, somebody else to get the housing contract. HR should be taking care of that, but they don't, which means that for an hour and a half yesterday I am not creating any return on investment. I'm drawing files, photo copying, scan, and it, which is actually information HR hold [but] they don't want to own it. <i>TransportCo #5, Middle Manager, Singapore</i></p>	Compensation	<p>I was one of the people who had to move onto a new compensation contract ... as part of the process there was a lot of communications ... I wouldn't call it consultative because there was no consultation; basically in a company of this size you take it or you leave it ... it is a symptom of often being perceived to be relatively high cost. In reality if you look at some of our markets it's now cheaper to put an international assignee into some jobs and some countries than employ locals ... I think what's happened through this whole process of change is that it's alienated the expat from the company, we're almost like a contractor. <i>TransportCo #9, Senior VP, Singapore</i></p>

TransportCo #9, Senior VP, Singapore

A second item is lack of HR support, e.g. poor relocation assistance and ongoing assignment support. More than half of expatriates described the quality of HR support as “disgraceful”, “a horror trip”, “pretty shocking”, and “a nightmare”, with many feeling “abandoned” as the following expatriate<sup>3</sup> explains:

There was no support, nothing, I had to do everything myself. All the company did was give us names of three movers and said, 'Ok, now it's up to you.' In my view, global mobility did nothing more than write down what we told them on a piece of paper and got us to sign it, and then created more bureaucracy around it. I'd hire a good secretary that could do a better job, and I'd fire the whole of global mobility.

FinanceCo #10, Senior VP, India

HR support was found to matter most in the first weeks when “settling in has nothing to do with professional stress [but with] personal stress; there's so much else going on and you're expected to bill hours and work and get your assignment done. It's a lot of hassle” (FinanceCo #1, Middle Manager, Australia). Also problematic was not having a central area or person to go to for advice and

information; seeking help from a dozen or more departments was considered time consuming and inefficient, and a distraction from doing their job. The lack of ownership of the assignment process was a clear source of frustration, particularly when “the process internally is organized in a fairly non-transparent way; you have no visibility on what's going on so you're often left wondering who's going to take care of it” (MediaCo #2, Middle Manager, China). In spite of these comments expatriates nonetheless perceived there was little direct impact of poor HR support on their overall performance (i.e. over the duration of an entire international assignment). HR support did matter greatly at certain points in time as we illustrated.

A third item is career management support which ties in directly to the emerging research on building “career capital” (Dickmann & Harris, 2005). Of particular concern were ad hoc and unplanned career moves (“leaving it all to chance”); relying on an individual to champion one's career who may subsequently leave or retire; not having “plan B if plan A fails”; and paying “lip service” by not honoring promises or commitments, as the following quote illustrates:

I was on a two-year contract and it was extended by only a year. Everything was rah, rah, rah, we definitely want you to stay in [host country], stay put, don't move. And now it's kind of 'well actually, maybe it's time for you to move'. I'm gutted. I feel like the carpet's been ripped out from under me and I'm just floating adrift in the world and I don't know what I'm doing with my life.

<sup>3</sup> An interesting point to note is the position of the expatriate; where one would expect senior VPs to receive excellent support due to their status as “top management”, this was often not the case, which indicated that assignment support was not position-dependent and, if deficient, seemed to be a systemic problem.

## MediaCo #6, Middle Manager, India

Many expatriates felt that career management support was a reactive process. Last minute decisions regarding next moves were commonplace, for example, “*where career decisions are made at two or three o'clock in the morning in a bar*” (TransportCo #6, Senior VP, Taiwan). Career management support was found to be important among Asia Pacific expatriates because many perceived moves outside Asia or back to their home country as a potential setback for their longer-term career prospects (e.g. because they had outlived their perceived usefulness in these markets and regional experience is often difficult to leverage elsewhere). We noted among the interviewees a reluctance to repatriate and instead a preference to re-assign and retain a regional role. The impact of unmet career management support expectations was found to be significant and included demotivation to perform, a lack of engagement, and an unwillingness to “go the extra mile” because expatriates’ did not believe they would be adequately rewarded if they did so, as the following expatriate explains:

I've stumbled through a career ... it has developed in a totally ad hoc and unplanned way ... by chance rather than any sort of a plan ... at no stage in the twenty-eight years that I've been with the company has anyone made a serious effort to give me some career progression ... I think at the end of the day the company thinking is not long term enough. It's totally driven by annual targets and therefore the people are thought of in that way too. There isn't a proper long-term approach to things ... [so] I'm a lot less willing to go on conference calls in the middle of the night or travel on overnight flights. I actively resist that now. I take day flights because I give my pound of flesh I believe.

## TransportCo #7, Senior VP, Singapore

In addition to these, a significant number of expatriates (nearly 40%) were also seeking external job opportunities, with many being pursued by international headhunters and corporate recruiters *during* their current assignment. Within this cohort, nearly 20% were actively searching or transitioning out of their organization at the time of the interview (i.e. involved in interviews with competitors regionally, considering job offers, or recently/about to resign), as one interviewee attests:

I got headhunted about six months ago for a job in [the region], a really good job and I got down to the final two and I missed it. So if someone comes to talk to me about something then definitely, I'll consider it.

## TransportCo #7, Senior VP, Singapore

Our data therefore show a lack of commitment and a fairly high degree of intent to leave among Asia Pacific expatriates, with obvious implications for corporate ROI from a retention standpoint.

A fourth, and final, item is linking *performance management* to host-location characteristics unique to the Asia Pacific region. The concern for most expatriates is the extent to which the degree of complexity required when doing business in Asia Pacific (e.g., dealing with language, corruption, non-capital markets, developing economies) is taken into account when assessing expatriates’ performance. Some of these unique skills include “*being a fluent Mandarin speaker*” (MediaCo #3, Junior Staff, China), “*knowing how*

*to work your way around the political scenario to reduce corruption and graft*” (TransportCo #1, Senior VP, Thailand), or “*having a reputation as someone people would listen to as opposed they would walk over, or control, or backstab, or undermine*” (FinanceCo #5, Senior VP, India). The following incident illustrates this point very well:

The networking that has to take place in this organization, interaction with government bodies and so on, I mean you can't do this during working hours, so my team, a large part of their job is making sure they drive the good relationships between these people and us, because they facilitate what we do. We will frequently have to have dinners with them, we'll have to bring them out, we'll have to send them off to Karaoke ... they're like university students, they don't get paid a lot of money so what you do is satisfy them through dinners and making them feel good. But when they go out they are socially very immature so you have to play the game and that's what we do ... I had one of my [expat] staff actually resign a month ago because he said he felt that having to do this was outside of his area of comfort and he felt he was being compromised ... so at all points in time we're asking people to be multiculturally flexible. And that in itself is a challenge, these people have to put extra time in ... it's quite a large imposition on their family lives and on their lifestyles [but] that's what you have to do.

## TransportCo #10, Senior VP, Vietnam

In examining overall perceptions of met and unmet expectations relating to international assignments in Asia Pacific, we found that 78% of expatriates perceived their expectations had been *met*, either wholly (12%) or in part (66%), whereas 18% perceived their expectations had been wholly *unmet* or *breached* (4% chose not to respond). The high number of satisfied expatriates may be for two reasons. First, given the large number of senior managers in our cohort with many years of assignment experience, expatriates had very realistic attitudes about their employment relationship; generally it took something significant to constitute a breach or violation of the psychological contract. As one manager said, “*right now I'd say the company fulfills their promises very well. But it's funny, it changes over time. It's very management-specific. I've almost been fired; I've almost been promoted. It changes from year to year*” (TransportCo #10, Senior VP, Vietnam). Nonetheless, we also found that, in many instances, the quality of expatriates’ psychological contract was not high to begin with; one expatriate summed it up well by stating, “*there isn't a big psychological contract because there haven't been very many promises anyway*” (MediaCo #6, Middle Manager, India). Another suggested that “*you don't want to have a psychological expectation because it will not be met; you have a contract and you get paid at the end of the month ... if you expect any more than that you're probably going to be disappointed*” (TransportCo #9, Senior VP, Singapore).

## 7.2. Individual ROI versus corporate ROI

In response to the second research question (what do expatriates perceive as constituting their ‘individual ROI’ from an international assignment in comparison to ‘corporate ROI’?), our findings suggest that individual ROI is defined according to perceived psychological contract fulfillment (see Table 3 for further evidence). In line with other research (Cappellen & Janssens, 2010; Hippler, 2009), we found that expatriates accept international assignments for four reasons: (1) career development (74%) [“*to prepare for more challenging commercial*

**Table 3**  
Expatriates' views of corporate ROI versus individual ROI.

Corporate ROI (benefits to firms)			Individual ROI (benefits to expatriates)		
Capability development	91%	People are bringing experience from other markets, where market practices can be different, and they're bringing that experience often from other organizations in other markets, so you get a sense of how different firms might be approaching similar issues. That sort of knowledge is useful. You can respond to certain situations by drawing on that experience. <i>BankCo #4, Senior VP, Singapore</i> Although we have a large practice across the globe, we're still trying to network and work together better, because that will be a competitive advantage. We really want to do as many secondments as possible because that's the way relationships, the networking and sharing of ideas happens a lot faster. <i>FinanceCo #1, Middle Manager, Australia</i>	Career enhancement	97%	I'm building my CV, I'm showing direct impact over 42 countries. I'm shaping the image of the company. I'm adding to myself as a professional and I'm bringing global skills to the organization. <i>TransportCo #8, Middle Manager, Singapore</i>
Staffing development (career enhancement)	42%	[The value is] retention, to keep good people by offering them opportunities that are attractive, by keeping your people motivated and developing your leaders for the future. <i>PharmaCo #3, Senior VP, China</i>	Family, personal opportunities	41%	I've always been clear, right from when I started working that I wanted to do stints abroad. I really wasn't bothered about where that was, it was just the need to work in a different environment, different culture. And a decent stint, a good three to five year period, which would allow me to experience something different and broaden myself. <i>FinanceCo #1, Middle Manager, Australia</i> For me it was purely a personal decision, a family decision, let's get out there [because] I can't get promoted anymore, I'm a managing director. <i>PharmaCo #3, Senior VP, China</i>
			Financial gain	6%	The main value is the financial incentive. The company is paying for my housing and the tax rates are low. We can have domestic help [so] we're significantly better off financially than I could reasonably expect back home. <i>TransportCo #7, Senior VP, Singapore</i>

Note: 1. Expatriates provided multiple responses so percentages do not add up to 100. 2. %= number of participants expressed as a percentage.

assignments in the future" (PharmaCo #8, Middle Manager, Vietnam)]; (2) personal or family opportunities (72%) ["I had itchy feet; I was dying to get back to Asia" (MediaCo #3, Junior Staff, China); (3) job security (31%) ["I am not quite sure how good it would have been for me to refuse" (PharmaCo #6, Middle Manager, Thailand)]; and (4) financial gain (6%) ["my reason for being an expat is financial; it's money first" (TransportCo #2, Senior VP, Singapore)]. With this in mind, 97% of the interviewees indicated that career enhancement (i.e. progression and advancement) was perceived to be the most important benefit arising from international assignments in relation to psychological contract expectations. This is not a surprising finding in light of the importance expatriates placed on career management support as a critical factor in psychological contract fulfillment. Additionally, however, 87% perceived career enhancement as increasing their marketability to other employers and not just their own. This was because, as a result of undertaking an international assignment, many reported feeling "more confident about my own worth" on the international labor market (FinanceCo #1, Middle Manager, Australia), "less gullible and naive about management spin" (MediaCo #6, Middle Manager, India), and "not as scared to leave" (MediaCo #10, Middle Manager, Thailand). Specific benefits include "being more visible; it should open up doors to the future" (TransportCo #1, Senior VP, Thailand), "exhibiting a broader mindset which should make me better suited for advancement" (BankCo #10, Middle Manager, Singapore), and "giving me loads of experience to bring back" (FinanceCo #2, Junior Staff, Australia).

A second perceived benefit from international assignments relating to psychological contract expectations is fulfilling family or personal goals (41%). Specific benefits in this regard include "fulfilling a personal connection that goes back to childhood, as I was an expat kid myself" (FinanceCo #11, Senior VP, Japan) and "embracing a once-in-a-lifetime opportunity as we

would probably regret not trying it out" (PharmaCo #3, Middle Manager, China). Based on our findings, we contend that expatriates in Asia Pacific perceive they have gained a satisfactory individual ROI from international assignments when career development, and to a lesser extent the fulfillment of personal and family goals, is attained. Thus, individual ROI is viewed largely in non-financial and value-based terms. While a small percentage of the cohort perceived additional financial benefits arising from international assignments, none felt that individual ROI was solely based on financial gains.

In terms of how expatriates perceived 'corporate ROI', 94% indicated that capability development and improving internationalization efforts is the predominant benefit firms obtain from long-term international assignments in the Asia Pacific region. Utilizing expatriates to build global networks, develop cultural understanding, manage corruption, bring leadership skills, and facilitate knowledge transfer were seen as clear benefits at the organizational level. Career enhancement at the individual level which could subsequently lead to improved global staffing capabilities for the firm was seen as important by nearly half of the cohort (45%). Only a small number of interviewees identified financial gain as being of benefit to the firm, predominantly as an indirect gain subsequent to achieving broader regional goals. This was despite expatriates' view that corporate ROI of international assignments is measured overwhelming in financial terms, to the exclusion of most of the non-financial benefits to be gained. Because the findings point to the central role of expatriate staff, many interviewees indicated that corporate ROI rests largely in the retention of expatriates to facilitate the capability development that firms are seeking, as one expatriate explains: "to increase the return on investment they need to have me stay with the company. Retention is the biggest thing; if I leave they're going to lose that" (FinanceCo #1, Middle Manager, Australia).

## 8. Discussion

While previous research has explored expatriate ROI from the point of view of firms (e.g., McNulty et al., 2009; Schmidt & Minssen, 2007), this study examined expatriates' views about individual ROI versus corporate ROI to facilitate a more comprehensive understanding of 'expatriate ROI'. A key feature is an Asia Pacific cohort that allows us to explore how expatriation in Asia may subsequently impact on perceptions of individual ROI. There are two important contributions of our study. First, we contribute to international human resource management (IHRM) literature by offering insights as to how expatriates define their individual ROI from international assignments. While extant literature has started to acknowledge the central role of 'expatriate ROI' as an important measure and justification for global staffing initiatives (Collings et al., 2009), our findings provide further evidence of the multi-dimensional nature of the phenomenon by including perspectives at the individual level that were shown to be important (see McNulty & De Cieri, 2011). To the best of our knowledge, an empirical examination of individual ROI in relation to corporate ROI has not been undertaken in prior studies.

A second contribution is in relation to the impact of individual ROI on corporate ROI. Our study confirms that perceived psychological contract fulfillment, in relation to four content items, impacts on expatriates' perceptions of individual ROI. Individual ROI, in turn, is found to impact on corporate ROI in relation to expatriates' intent to stay with or to leave their employer. Many factors appear to combine to influence overall expatriate ROI outcomes for firms, in terms of expatriates' motives for building individual ROI, their decisions resulting from achieving individual ROI, and how each may subsequently impact on corporate ROI. From this perspective, our study represents an incremental but important step toward understanding the "black box" between expatriates' behavior and performance outcomes. One behavior that emerges as important is the perceived influence of expatriate turnover intentions on corporate ROI outcomes. Our findings suggest that intent to leave (and conversely, intent to stay) are contingent on the interrelationship between psychological contract fulfillment and expatriates' career orientation as a way to explain the cognitive changes that occur when expatriates explore the external job market. We contend that there are many "push" and "pull" factors that impact on psychological contract fulfillment and career orientation, but as our findings show, it may occur in ways that extant literature has not yet considered. For example, we found that for a large number of expatriates in Asia Pacific their psychological contract expectations were met, in whole or in part, in relation to their international assignment experience, indicating the attainment of a certain degree of individual ROI. Yet, up to one third were seeking external job opportunities *during* their current assignment, thus impacting upon corporate ROI should they eventually leave as they intended. The question remains: If expatriates had gained individual ROI, why would they leave their current firm? To answer this question, we need to consider both "pull" and "push" explanations.

First, we contend that this contradiction, while puzzling, is not surprising in light of a growing body of research on expatriates' career anchors (Suutari & Taka, 2004) and career orientation (Cappellen & Janssens, 2010). Our findings show that 90% of our cohort displayed some characteristics similar to those of self-initiated expatriates (SIEs) in that they favored individual rather than company ownership of their career, with many having been on multiple Asia assignments with one or more employers. The tendency toward a self-initiated career orientation could be explained by an internationalization career anchor

which compelled ("pulled") many to undertake a job change on the international labor market *during* their assignment as part of a more deliberate individual career plan exclusive of any ties to their current organization which, for some, may have pre-dated their current employment. This pattern of behavior fits with prior research showing that SIEs tend to possess an entrepreneurial attitude and a "free agent" mentality (Parker & Inkson, 1999, p. 76) as well as low organizational commitment (Lazarova & Tarique, 2005). If, as we suggest, individual ROI is closely linked to satisfying the relational aspects of expatriates' psychological contract (e.g., career ambitions and aspirations), then the tendency toward a self-initiated career orientation may explain why weaker ties to an employer emerges when these needs are met, thereby resulting in an increase in intent to leave.

An alternative explanation, however, suggests that expatriates' tendency toward an SIE career orientation does not pre-date entry onto the international labor market, but instead arises from unsatisfactory experiences during an international assignment that may "push" them into self-initiating external job changes. We base our conclusions on findings showing that expatriates' dissatisfaction with some types of compensation (e.g. local-plus) along with poor career management support frequently led to perceptions of poor psychological contract fulfillment, and in turn, impacted on their perceived individual ROI. Furthermore, if local-plus compensation by its nature reduces the financial ties that bind expatriates to their employers, loyalty to their firm may be reduced which may subsequently facilitate easier (and perhaps more frequent) job changes. Considering that a perceived lack of HR support at critical times during an assignment was a source of frustration for many interviewees, we can perhaps begin to understand why a large percentage of the cohort were pursuing self-initiated opportunities, whether "pushed" or "pulled" to do so.

Our argument here is informed by two important theoretical constructs. The first is job embeddedness, defined as "the totality of forces that keep people in their current employment situations" (Feldman & Ng, 2007, p. 352). Job embeddedness has been shown to be a predictor of employee retention (Holtom & O'Neill, 2004). If we consider that the determinants of job embeddedness are conceptualized as "fit" (extent to which an individual's job complements other areas of his or her life), "links" (extent of an individual's ties with other people and activities at work), and "sacrifice" (ease with which these links can be broken) (see Mitchell, Holtom, Lee, Sablinski, & Erez, 2001), our findings suggest that poor career management support both weakens expatriates' ties to their work activities as well as decreases overall fit between personal and professional goals, thereby reducing organizational commitment. Local-plus compensation similarly decreases the perceived sacrifices that are required in order to leave a job, given that expatriates are less financially reliant on their employers and, as such, potentially less loyal. We argue that psychological contract fulfillment may subsequently impact on expatriate job embeddedness, thereby fostering a self-initiated career orientation.

The second theoretical construct that informs our thinking is job mobility preparedness (see Kossek, Roberts, Fisher, & Demarr, 1998). Job mobility preparedness was found to explain expatriates' willingness to act on external career opportunities during their assignment, for example, by obtaining information about job opportunities, developing networks of contacts in the region about job information, keeping an updated resume, benchmarking compensation with other employers, and considering the next position that they desired. We argue that varying degrees of job mobility preparedness

likely arises out of a tendency toward a self-initiated career orientation, but contend that *when* and *where* it shows up is contingent on a range of push and pull factors that combine to impact on job embeddedness as a facilitator of organizational commitment.

**9. Managerial relevance**

Our findings urge us to consider the ways in which expatriation in the Asia Pacific is changing in ways that simultaneously provide challenges as well as opportunities to individuals and their firms. A first point is the complexity we encountered in defining ‘what is an expatriate?’ in the context of expatriation in Asia and in comparison to established guidelines (e.g., Scullion & Collings, 2006). For example, we found that although the interviewees in our study were all company-assigned parent country nationals (PCNs), of which more than half had been continuously mobile with their current employer for a number of years, relatively few, if any, were afforded traditional terms and conditions of employment. Most were compensated on local-plus contracts, few received any large degree of HR support, and only a small number had any perceived long-term career path prospects with their current employer. Prior research (e.g., Selmer, 2002) suggests that these employment conditions are typical of third country nationals (TCNs) by virtue of their continuous mobility and being sourced offshore, which may explain why there was widespread dissatisfaction among our (PCN) interviewees relating to expectations concerning compensation, career support, and HR assistance. We suggest that the practice of employing PCNs on TCN-like employment conditions may impact on corporate ROI in two ways. On the one hand it may present a challenge to firms in terms of reducing employee loyalty and increasing turnover intent. But it can also benefit firms by providing a cost effective alternative to expensive expatriate assignments as well as providing a larger candidate pool upon which to draw, particularly among those expatriates with a tendency toward a self-initiated career orientation and a propensity to seek external job changes. From this perspective, “buying” talent could save firms time and be less

expensive than “building” talent, while also addressing international labor and talent shortages (see McKenna & Richardson, 2007). Doing so, however, requires striking a delicate balance to consider the opportunity cost of potentially losing talented employees to competitors while simultaneously recruiting suitable individuals to replace them.

A second point is the relatively long tenure of many interviewees in our study within the Asia Pacific region (e.g. nearly half of our interviewees had not lived in their home-country for at least five years, with more than 60% on a second or subsequent assignment), as well as the increasing desire by early- and mid-career expatriates to remain in Asia indefinitely in order to acquire regional expertise. It is clear that the long-term residency of expatriates in Asia is both desired by, and will benefit, firms and regional governments in terms of building much-needed managerial knowledge and skills, particularly in emerging economies. Our findings suggest there are several characteristics unique to the Asia Pacific region that make it an attractive destination for expatriates. One is that there is a strong regional emerging market economy in Asia with long-term opportunities for continued growth in countries such as Vietnam, Thailand, India, and China where a number of interviewees were currently assigned. Coupled with an increasing preference among regionally-based firms to use local-plus compensation which facilitates easier job movements across borders, living and working in Asia likely represents an appealing environment in which expatriates (and in particular, those with self-initiated career tendencies) can accelerate their career progression. This is particularly advantageous for those expatriates with a desire to build Asia Pacific ‘career capital’ which can enhance their longer-term employability both within the region, as well as their ‘lifetime employability’ relating to wherever Asia knowledge may be a valuable skillset.

A second characteristic is that more major Asian cities now possess a relatively sophisticated urban infrastructure (e.g., airports, roads, telecommunications) that, in turn, supports a high degree of business travel activity across the region as well as a fairly high standard of living. In Singapore, for example, where the

**Table 4**  
Existing versus new patterns of expatriation in Asia Pacific.

Existing patterns of expatriation	to	New patterns of expatriation
<i>Organization</i>		
Repatriation	→	Reassignment
One-off assignment	→	Career expatriate
Easily identified home-country	→	Global citizen
Full expatriate remuneration (relational compensation)	→	Local-plus and localization (functional compensation)
International assignment #1 value = intangible benefits (career development)	→	International assignment #1 value = financial benefits (profitability)
Individual candidate selection	→	Bench mentality (candidate pool)
Parent-country nationals, host-country nationals, third-country nationals	→	Local foreign hires, host-country returnees, inpatriates, commuters
International workforce consists of elite cadre; international presence optional	→	International workforce consists of ‘ordinary’ employees; international presence essential
Social security and pension location-specific	→	Pension and retirement schemes harmonized globally under ‘umbrella company’
International assignment as retention tool (reward for high potential employees)	→	International assignment as competitive advantage tool (building talent)
Minimum or no international work-related travel during assignment	→	“Flexpatriate expatriates” i.e. extensive international work-related travel while on assignment
<i>Individual</i>		
Company-assigned expatriation (company ownership)	→	Self-initiated expatriation (individual ownership)
Permanent and semi-permanent loyalty (long-term)	→	Temporary opportunistic engagements (short-term)
International assignment as unique once-in-a-lifetime opportunity	→	International mobility as a routine lifestyle choice
International assignment #1 value = tangible benefits (financial gain)	→	International assignment #1 value = intangible benefits (career and personal development)
Barriers to mobility = dual careers, cost of living	→	Barriers to mobility = safety, environmental quality, cultural richness
International assignment for promotion	→	International assignment for (multi)lateral job changes and job security
Temporary migration (employment visa)	→	Semi-permanent migration (permanent residency and/or dual citizenship)
International schools as interim education solution	→	International and/or host-country (local) schools as long-term education choice
Lifetime employment (one firm)	→	Lifetime employability (many firms)

largest number of expatriates were assigned, many spoke in glowing terms about the high level of safety and security in which to raise a family, along with the improved quality of international schools that has subsequently negated the necessity to return to their home-country to ensure a quality education for their children. Considering the many changes to expatriation that have occurred over the past two decades (see, for example, Table 4 which outlines a pattern of changes we observed arising from this study), we are drawn to reflect on the ways in which the environment that supports international mobility (e.g. policies, practices, and infrastructure) has improved to such an extent that mobility itself has become somewhat 'normalized' to be what is now often viewed as a typical, rather routine, and even expected part of one's career progression.

In terms of practical implications arising from our study, we suggest four key areas of focus. First, given that expatriates represent a core group of strategic talent in global firms whose retention is both desired and often critical (Collings, Scullion, & Morley 2007), understanding why expatriates seek external job opportunities and how frustration with poor psychological contract fulfillment affects the desire for change seems important. This is because the frustration interviewees expressed seemed to go beyond only an "irritating state of discomfort" (Young, 2009, p. 293) to instead be an important driver for shaping exit decisions. Additionally, more attention needs to be paid as to whether compensation systems have sufficient "fit" to produce organizationally relevant outcomes, i.e. the desired behavior among expatriates. Although in our study we found a local-plus compensation approach to be of direct benefit to firms, there was increased tension and frustration among expatriates when compensation "fit" was poor, with resulting implications for expatriate turnover, and, in turn, corporate ROI. Next, it would be prudent for expatriates to consider that one's career orientation is likely to shift over time (from company-initiated to self-initiated tendencies, and perhaps even back again) as international experience increases and life circumstances change. As suggested by Inkson and Thorn (2010), we cannot ignore that mobility is influenced not by a single motive, but by a range of factors that combine but vary according to expatriates' age, stage of career, gender, family concerns, and assignment location. Hence, the factors that influence expatriates' career orientation tendencies are likely to change as priorities in their professional and personal life also change, indicating that a variety of factors may drive employee decisions to subsequently impact on perceived individual ROI outcomes. Lastly, while expatriates in our study were heavily focused on the obligations of firms when assessing met and unmet expectations, the relative strength and quality of the employment relationship is nonetheless founded on an exchange relationship (Coyle-Shapiro & Conway, 2005). Expatriates' obligations to employers may therefore also play an important role in subsequent perceived psychological contract fulfillment.

## 10. Conclusion and areas for further research

We conclude by highlighting the numerous contributions of our study to extant literature. First, we extend knowledge about expatriation in the Asia Pacific region by demonstrating a strong link between individual ROI and corporate ROI outcomes. Second, obtaining the views of expatriate employees contributes toward a more comprehensive, contemporary, and balanced understanding of ROI and therefore complements and builds on prior studies (e.g., McNulty & De Cieri, 2011; McNulty et al., 2009; Welch et al., 2009). A third contribution is that corporate ROI is perceived by expatriate employees to be predominantly linked to turnover intentions; thus, retention activities domi-

nate the findings in terms of highlighting which combination of factors strengthen expatriates' commitment to their employer and which factors lead them to seek out external employment opportunities. A multi-dimensional perspective of ROI at the individual and corporate level therefore emerges to show a range of possible factors that can influence overall expatriate ROI outcomes. Lastly, our findings provide strong evidence to suggest that significant turnover intentions exist during an international assignment across a regional sample of Asia Pacific based expatriates, thereby extending prior research which has reported similar findings among only single-nation samples (e.g. Stahl et al., 2002).

We acknowledge that although our interviews provide only a single-rater response, this approach was essential in order to capture the expatriate 'voice' that we contend is an under-researched area of the literature. Nonetheless, to address validity and reliability concerns, we used an inter-rater procedure to check for accuracy of the data collected and to limit researcher bias. We further acknowledge that the psychological contract items we have investigated are not exhaustive and that future research might consider the broader patterns of culture, power, and inequality that may impact on expatriates' employment relationship. There may also be scope for longitudinal studies that track expatriates over the lifecycle of one or more assignments to capture changes in psychological contract fulfillment. Future research might also consider extending organizational outcomes beyond only "return on investment", to understand how the effective management of international assignments and expatriate careers can impact a firm's broader strategic goals, of which individual ROI and corporate ROI may be important components. Such an approach might consider, among others, career capital as an individual ROI benefit (Dickmann & Harris, 2005), and symbolic capital (Doherty & Dickmann, 2009) and intellectual capital (Welch et al., 2009) as specific corporate ROI outcomes. These perspectives could prove to be useful theoretical lenses through which to further examine the value to be gained from international assignments in the Asia Pacific region.

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