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## EFFECT OF PERCEIVED ORGANIZATIONAL SUPPORT ON VIETNAMESE EXPATRIATE PERFORMANCE

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### **Abstract**

The study investigates the effect of perceived organizational support on Vietnamese expatriates through 2 mediator variables namely affective commitment and expatriate adjustment. By examining 251 Vietnamese expatriates, the results suggested that financial perceived organizational support was positively associated with affective commitment, in turn, affective commitment affected task performance and contextual performance. Financial and adjustment perceived organizational support predicted interaction adjustment which in turn, influence both task performance and contextual performance. The discussion and limitations were provided.

**Key Words:** perceived organizational support, expatriate adjustment, affective commitment, expatriate performance, and Vietnam.

### **Introduction**

Globalization leads to the need for the companies to present their appearance in foreign markets. This need results in the demand of international assignees of those companies. Expatriates are defined as the employees who work outside their countries of the original. Expatriates are playing crucial roles in the foreign market of multinational companies. They are agents of direct control (Harzing, 2001); agents of socialization (Fenwick, De Cieri, & Welch, 1999); network builder (Schweiger, Atamer, & Calori, 2003); language nodes (Marschan-Piekkari, Welch, & Welch, 1999) and knowledge transferors (Chang, Gong, & Peng, 2012; Fenwick et al., 1999; Vlačić, Caputo, Marzi, & Dabić, 2018).

Expatriate failures take serious consequences to organizational subsidiaries and for expatriates themselves. The cost of failures can be both direct and indirect. Direct cost includes airfares and related relocation expenses and salary and training cost. Tungli and Peiperl (2009) survey show that premature return due to expatriate failure costs averagely of US\$ 198,000. The indirect costs are difficult to estimate but prove to be more expensive for multinational companies. Inadequate expatriate management practices often lead to job dissatisfaction (Lan, 1996; McCaughey & Bruning, 2005), loss of a sense of self-confidence (Mendenhall & Oddou, 1985), unwillingness to offer assistance to other expatriates and decreased psychological well-being (De Paul & Bikos, 2015). Therefore, it is vital to understand the factors triggering the success of expatriate management process.

Many studies have identified various factors leading to high expatriate performance. Those factors can be categorized into 4 groups: personal factors; family factors, organizational factors and macro factors. Personal factors involve emotional intelligence (Lee & Kartika, 2014), cultural intelligence (Abdul Malek & Budhwar, 2013; Maria Nunes, Felix, & Alexandre Prates, 2017; Sri Ramalu, Rose, Uli, & Kumar, 2012; Wu & Ang, 2011b); international experience (Lee & Kartika, 2014); individual characteristics (Bhatti, Kaur, & Battour, 2013) and goal orientation (Mo & Riki, 2007). Family factors range from family support (Maria L. Kraimer, Wayne, & Jaworski, 2001b; Lee & Kartika, 2014); spouse expectation (Kawai & Mohr, 2015) and family adaptability (Lee & Kartika, 2014). Organizational factors include organizational support (Maria L. Kraimer et al., 2001b; Lee & Kartika, 2014; Mo & Riki, 2007); human resource practices (Furusawa & Brewster, 2016) and role ambiguity and role novelty (Kawai & Mohr, 2015). Finally, macro factors are cultural distance (Chen, Kirkman, Kim, Farh, & Tangirala, 2010; Froese & Peltokorpi, 2011; White, Absher, & Huggins, 2011); (White et al., 2011); cultural value (Ayca, 2005) and geographic region (Festing, Eidems, & Royer, 2007).

In the group of organizational factors, organizational support is critical factors. Organizational support refers to what extent organizations value their employees (Maria L. Kraimer et al., 2001b). In literature, the role of organizational support to expatriate performance is examined (Kawai & Strange, 2014; Maria L. Kraimer et al., 2001b; Mo & Riki, 2007; Takeuchi, Wang, Marinova, & Yao, 2009a). Through investigating 339 American expatriates Maria L. Kraimer et al. (2001b) pointed out that perceived organizational support (POS) directly affected expatriate adjustment and in turn expatriate adjustment influenced expatriate performance. A study of Mo and Riki (2007) of Western expatriates in the People's Republic of China figured out that POS positively affected adjustment, adjustment positively influenced performance. In examining in detail of POS as a multifaceted construct, Kawai and Strange (2014), when receiving organizational support, American expatriates adjusted more easily and performed the job more effectively. Majority of POS research in the international context used Western and individualistic expatriate samples, to generalize of the results, there is a need to investigate Asian and collectivistic samples (Bashir, 2012; Kawai & Strange, 2014). Vietnam is an Asian developing and collectivistic country. However, there is no study identifying the influence of POS on expatriate performance in Vietnamese multinational companies.

After nearly 30 years of investigating into foreign markets, there has been a remarkable increase in foreign investment of Vietnamese businesses. In the period of 1989 to 1998, Vietnamese businesses paid little attention to outside Vietnam markets. There were only 18 projects invested into Lao and Cambodian with the total registered capital of 13.6 million USD. After the approval of Decree 22/1999 of Prime Minister about Foreign Direct Investment, there were 131 projects with total registered capital to 559.89 million USD (Foreign Investment Agency of Ministry of Planning and Investment, 2017). From 2006 to 2017, there was a break-out in terms of the number of foreign investment and total registered capital. Until January of 2017, there had been 1188 projects of Vietnamese multinational companies to 70 countries with the total registered capital of 21.4 billion USD (Foreign Investment Agency of Ministry of Planning and Investment, 2017). According to the results of an investigation of top 500 biggest Vietnamese businesses in 2016, 45% of those businesses aspired to invest in foreign markets.

This study investigates the effect of POS as a multi-dimensional construct on expatriate performance through 2 mediators: affective commitment and expatriate adjustment in the context of Vietnamese multinational enterprises. The next part is literature review presenting social exchange theory and hypotheses tested in this study. After that methodology is reported.

The following section is results of this research. To finish this paper, discussion and limitations are displayed.

## **2. Literature review**

### ***2.1. Social exchange theory***

The main idea of social exchange theory is that parties enter and maintain exchange relationship with others with the expectation that doing so will be rewarded (Emerson, 1976). The theory assumes that the self-interested parties exchange with self-interested other parties to gain outcomes that neither achieved on their own and these exchanges will cease as soon as these parties are not perceived mutually rewarding by both parties. According to social exchange theory, each party has something of value that the other wants. Apart from economic exchange theory where the returns are often specified such as in written contract, in social exchanges, the returns on one's investment are unspecified and often voluntary.

In the organizational context, social exchange is based on the norm of reciprocity, nonspecific obligation and trust between the organization and its employees (Eisenberger, Cummings, Armeli, & Lynch, 1997). Drawing on the social exchange theory, the effects of organizational support on employee behavior and attitude were investigated (Eisenberger et al., 1997; Rhoades & Eisenberger, 2002). Scholars in the field of international human resource management recently use concept and logic of POS to investigate the exchange relationship between multinational companies and their expatriates (Maria L. Kraimer, Wayne, & Jaworski, 2001a; Takeuchi, Wang, Marinova, & Yao, 2009b; Wang & Takeuchi, 2007).

### ***2.2. POS and expatriate adjustment***

POS is viewed as the degree of the psychological contract between the organization and its expatriates (Guzzo, Noonan, & Elron, 1994). POS refers to employees' global beliefs that the organization values their contributions and care about their well-being (Eisenberger, Huntington, Hutchison, & Sowa, 1986). According to organizational support theory, employees deduce the support of the organization through its policies, practices, and treatments. Employees then return those supports with increase loyalty and performance (Rhoades & Eisenberger, 2002).

According to (M. L. Kraimer & Wayne, 2004), POS includes three distinct dimensions: career POS, finance POS, adjustment POS. Adjustment POS is defined as "the extent to which the organization cares about the employee's (including family) adjustment following a job transfer" (M. L. Kraimer & Wayne, 2004,p217). Financial POS refers to "the extent to which the organizations cares about the employee's financial needs and rewards the employee's contributions in terms of compensation and employment benefits" (M. L. Kraimer & Wayne, 2004, p.218). Career POS is defined as the extent to which the organization cares about the employee's career needs (M. L. Kraimer & Wayne, 2004).

Expatriate adjustment is defined as the extent to which individuals are psychologically comfortable living outside their home country (Black, 1990). Expatriate adjustment consists of 3 dimensions: work, general and interaction (Black & Stephens, 1989). Work adjustment is defined as the extent to which the expatriate psychological comfort with job tasks of the foreign assignment. General adjustment is with respect to the general living conditions and culture of the foreign country. Interaction adjustment is with respect to interacting with the host country people (Black & Stephens, 1989).

For many multinational companies, overseas assignments are crucial for career development, e.g. only candidates having international experiences are eligible for promotion. Wu and Ang (2011a) argue that organizational career plans play a crucial role in encouraging expatriates to focus on

their jobs even though the job is novel. Therefore, career POS facilitates work adjustment. Moreover, through family-supporting programs (adjustment POS), international assignees spend less time on dealing with schooling, renting a house, and so on, so they put more efforts on work adjustment (Caligiuri, Hyland, Joshi, & Bross, 1998). M. L. Kraimer and Wayne (2004) argue that adjustment POS are positively related to expatriate adjustment. Kawai and Strange (2014) claim that career, financial and adjustment POS are all associated with cross-cultural adjustment. Hence, we hypothesize that POS is positively associated with expatriate adjustment.

*Hypothesis 1: POS (career: 1a, finance: 1b, adjustment: 1c) is positively related to work adjustment.*

*Hypothesis 2: POS (career: 2a, finance: 2b, adjustment:2c) is positively related to interaction adjustment.*

*Hypothesis 3: POS (career: 3a, finance: 3b, adjustment:3c) is positively related to general adjustment.*

### **2.3. POS and affective commitment**

Affective commitment is defined as the expatriate's affective attachment to the organization (Griffeth, Hom, & Gaertner, 2000). International assignees have attachments to the foreign subsidiaries separately from their attachment to the parent company (Florkowski & Fogel, 1999). Kawai and Strange (2014) state that career POS has a visible impact on commitment to the parent company because international assignments are often vital criteria for promotion. Moreover, finance POS facilitates commitment to the foreign branch as normally, incentives for employees in foreign markets are higher in domestic one (M. L. Kraimer & Wayne, 2004). Finally, on a survey of 162 expatriates in 37 multinational companies' subsidiaries in China, (Liu, 2009) contend that POS is closely related to expatriates' commitment toward the headquarter. Therefore, we hypothesize that POS (career, financial and adjustment) are positively related to affective commitment.

*Hypothesis 4: POS (career: 4a, finance: 4b, adjustment: 4c) is positively related to affective commitment.*

### **2.4 Expatriate adjustment and expatriate performance**

In the model of expatriate performance, it was figured out that performance might include both task and contextual aspects specific to expatriate assignments (Caligiuri & Day, 2000). One of the most noticeable explanations for the relationship between expatriates' adjustment and their performance is that expatriate adjustment reflects the extent to which the individual can distinguish which behaviours are suitable to the foreign environment and which ones are not (Kraimer and Wayne 2004). Therefore, international assignees who are highly adjusted possibly perform with high standard.

*Hypothesis 5: expatriate adjustment (general adjustment: 5a; interaction adjustment: 5b and work adjustment: 5c) to the foreign environment is positively related to task performance*

*Hypothesis 6: expatriate adjustment (general adjustment: 6a; interaction adjustment: 6b and work adjustment: 6c) to the foreign environment is positively related to contextual performance*

### **2.5. Affective commitment and expatriate performance**

Takeuchi et al. (2009a) found a positive main effect of organizational commitment on overall job performance. Additionally, Kawai and Strange (2014) also discovered that the development of organizational commitment leads to high job satisfaction; as a result, employee performance will be improved. Hence, we hypothesize that affective commitment will positively associate to expatriate performance (task and contextual performance).

*Hypothesis 7: Affective commitment will be positively related to expatriate performance task performance*

*Hypothesis 8: Affective commitment will be positively related to expatriate performance contextual performance*

## **2.6. Control variables**

In order to minimize the model misspecification, we impose several control variables which were suggested by previous researchers. Bastida (2018) found that female expatriates adjusted and performed differently from male counterparts, so we added gender in the model to explain expatriate adjustment and performance. Moreover, international experience plays important role in how well an international assignee adjusts in the foreign country and perform the work (Lee & Sukoco, 2010); thereby, international experience was added in the research model.

## **3. Methodology**

### **3.1. Samples**

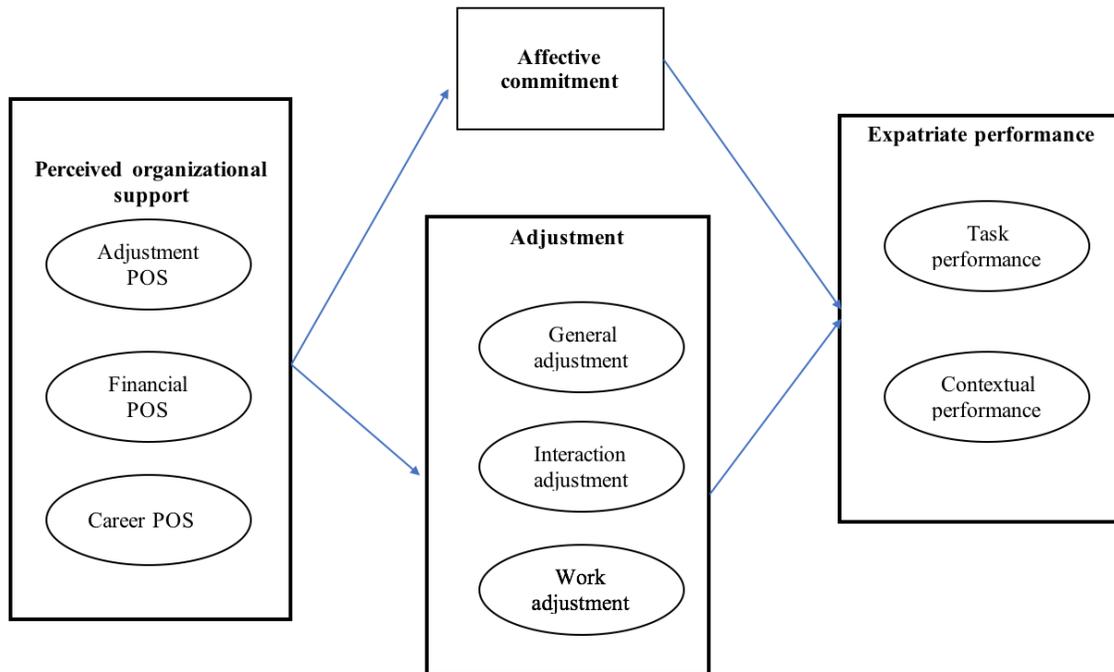
The author contacted departments of Human Resource Management of 5 Vietnamese multinational companies and asked them to introduce expatriates for the survey. The human resource management officers provided 67 expatriate email addresses and Facebooks. The author then sent a link to questionnaires to the 67 expatriates and asked them to answer and send the link to other expatriates that they knew. Totally, there were 255 respondents, however, there were 4 answers with missing data, so the author eliminated those missing answer from analysis process. Hence, 251 were valid and processed to analyse. Table 1 demonstrates the characteristics of the sample.

*Table 1: Characteristics of the sample*

		<b>Frequencies</b>	<b>Percentage</b>
Sex	Male	140	55.8%
	Female	111	44.2%
Age	20 - 29	60	23.9 %
	30 – 39	132	52.6%
	40 – 49	47	18.7%
	50 and over 50	12	4.8%
International Experience	Yes	96	38.2%
	No	155	61.8 %

*Note: N = 251*

Figure 1: The Research model



As is displayed in table 1, there were slightly dominant of male expatriate with 55.8 % and 44.2 % of respondents were female. Majority of expatriate respondents (52.6 %) are in groupage from 30 to 39 years old; only 4.8 % of respondents were in fiftieths. More than 60% of respondents did not have international experience prior to current assignment.

### 3.2. Measures

*Perceived organizational support.* POS was measured using the scale developed by M. L. Kraimer and Wayne (2004) and included 3 facets: adjustment POS, career POS, and financial POS. Adjustment POS consists of 4 items. An example of adjustment POS is: "Company has shown an interest in my family's well-being". Career POS includes 4 items. An example of career POS is: "Company take interest in my career development". Financial POS comprises of 4 items. An example of financial POS is "The financial incentives and allowances provided to me by the company are good". The respondents were asked to provide comment on the statements with "5 = Strongly agree" and "1 = strongly disagree".

*Expatriate performance.* The expatriate performance was measured using scale adopted from M. L. Kraimer and Wayne (2004). Expatriate performance construct consists of 2 dimensions: task performance and contextual performance. Task performance scale includes 5 items. An example item is "meeting job objectives". Contextual performance dimension consists of 4 items. An example of contextual performance items is "Interacting with host-country co-workers". Expatriates were asked to rate their own performance on a scale from "1 = very poor" to "5 = outstanding".

*Affective commitment.* Affective commitment was measured by adapting Meyer, Allen, and Smith (1993) affective commitment scale. Expatriates were asked to rate how attached they were with the subsidiary. Little change was made. We used “subsidiary” instead of “organization” which is in original items. Following M. L. Kraimer and Wayne (2004), we eliminated the item “I would very happy to spend the rest of my career at this company” because it was not appropriate. Thereby, affective commitment consists of 5 items. An example of affective commitment items is “I feel a strong sense of “belonging” to the subsidiary”. The respondents expressed the extent to which they agree with the statement with the scale from 1= very disagree and 5 = very agree.

*Expatriate adjustment.* Expatriates indicated how well they adjusted in the host-country environment by answering 14 items adapted from Black and Stephens (1989) study. Black and Stephens (1989) argued that expatriate adjustment was multidimensional scale consisting of work, general environment, and interaction adjustment. The respondents decided how adjusted or unadjusted with, for example, “housing condition” on scale Linkert 5 from “1= very unadjusted” to “5= very adjusted”.

### **3.3. Research phases**

The study was conducted with 2 phases. The first phase aimed to test and adjust the questionnaires so that the questionnaires would fit Vietnamese culture. In the first stage, the items used in this study were translated from English into Vietnamese by the author. The initial questionnaires were sent to 20 respondents with both English and Vietnamese versions. The respondents were asked to answer and give feedbacks for questionnaires. We received 11 feedbacks and adjusted the questionnaires in accordance with those feedbacks. The second phrase was our main phrase. In this phrase, we sent the link to questionnaires to expatriates of 5 Vietnamese multinational companies through email or Facebooks. To avoid overlap, the potential respondents answered the question in questionnaires: “Have you answered these questionnaires yet?”. If the answer was yes, we eliminated the observation.

## **4. Results**

### **4.1. Reliability and validity of scales**

Due to POS, expatriate adjustment and performance scales were first used in Vietnamese version, so we conduct exploratory factor analysis and confirmatory factor analysis.

#### *Perceived organizational support*

The dimensions of POS were first tested by conducting a principal component factor analysis with Varimax rotation. Table 2 recommends the clear factor structure of 3 constructs since all loadings of items were more than 0.5. (Hair, Black, Babin, Anderson, & Tatham, 2006). The exploratory factor analysis results display that POS is multifaceted constructs and that respondents distinguish clearly among adjustment POS, career POS, and financial POS.

To test dimensions of POS, we conducted a first-order confirmatory factor analysis (CFA) to assess the POS dimensions. We used first-order CFA, not second-order CFA because we considered 3 dimensions of POS as separated variables. We then compared the 3 factors model to 1-factor model and 2 factors model. The table 3 depicted the results of CFA.

As displayed in table 3, 3 factors solution fitted data better than 2 factors solution and 1 factor solution. In 3 factors solution,  $\chi^2/df = 2.656$ , goodness of fit index (GFI) was 0.916 and Comparative Fit Index (CFI) was 0.945; which exceeded acceptable levels. Root mean square error of approximation (RMSEA) was 0.08 and standardize root mean residual (SRMR) was 0.0671; which bellowed the thresholds. In 2 factors solution and 1 factor solution, the model fit indices were far more unacceptable compared to 3 factors solution. In 2 factors model,  $\chi^2/df = 11.740$ ; GFI = 0.669; RMSEA = 0.207 and SRMR = 0.168; which exceeded acceptable level. 1 factor solution showed the worst results with  $\chi^2/df = 16.577$ ; GFI = 0.586; CFI = 0.451; RMSEA = 0.250; SRMR = 0.2115. These analyses are consensus with the study of M. L. Kraimer and Wayne (2004).

We further estimated the internal consistency of each dimension of POS. The Cronbach alpha of financial POS, career POS, and adjustment POS were 0.889; 0.871 and 0.784, respectively. These internal consistency indices were above the threshold of 0.7 (Numally, 1978), indicating that POS dimensions were reliable.

Table 2: Factor loadings of POS factors

	Factor 1 (Finance)	Factor 2 (Career)	Factor 3 (Adjustment)
The subsidiary has taken care of me financially	.792		
The financial incentives and allowances provided to me by the subsidiary are good.	.883		
I have received generous financial support from the subsidiary	.907		
I cannot complain about the financial benefits associated with my expatriate assignment	.804		
The subsidiary takes take interest in my career		0.793	
The subsidiary considers my goals when making decisions about my career		0.814	
The subsidiary keeps me informed about my career opportunities available within the subsidiary		0.897	
I feel that the subsidiary cares about my career development		0.864	
The subsidiary has shown an interest in my family's well-being			0.723
The subsidiary has provided my family with enough assistance to help them adjust to the foreign country.			0.859
The subsidiary has shown an interest in my family's well-being			0.784
Help is available within the subsidiary whenever I have questions or concerns about living in the foreign country.			0.735

*Table 3: Confirmatory factor analysis of POS scales*

		<b>3 factors model</b>	<b>2 factors model</b>	<b>1-factor model</b>
$\chi^2/df$	Result	2.656	11.740	16.577
	Accepted level	3	3	3
GFI	Result	0.916	0.669	0.586
	Accepted level	0.90	0.90	0.90
CFI	Result	0.945	0.628	0.451
	Accepted level	0.92	0.92	0.92
RMSEA	Result	0.08	0.207	0.250
	Accepted level	$\leq 0.08$	$\leq 0.08$	$\leq 0.08$
SRMR	Result	0.0671	0.168	0.2115
	Accepted level	$\leq 0.8$	$\leq 0.08$	$\leq 0.08$

*Note N = 251; in 2 factors model, career POS and financial POS were aggregated into 1 factor. All accepted level is cited from (Hair et al., 2006)*

#### *Expatriate adjustment*

We first conducted Principal Component analysis with extraction based on Eigenvalue and then used Varimax rotation. Table 4 presented the factor loadings of expatriate adjustment items. As can be seen from table 4, 7 items of general adjustment loaded in factor 1 with loadings above 0.5 suggested practical application for this construct. The item “Socializing with host country nationals” was ruled out of the due to its loading was below 0.5.

*Table 4: Factor loadings of Expatriate adjustment.*

	Factor 1	Factor 2	Factor 3
	GA	IA	WA
Living conditions in general	0.784		
Housing conditions	0.566		
Food	0.845		
Shopping	0.647		
Cost of living	0.786		
Entertainment/ recreation facilities and opportunities	0.762		
Health care facilities	0.754		
Interacting with host nationals on a day – to – day basis		0.699	
Interacting with host nations outside of work		0.769	
Speak with host nationals		0.761	
Specific job responsibilities			0.880
Performance standards and expectations			0.869
Supervisory responsibilities			0.817

*Note: N = 251; GA: General adjustment; IA: interaction adjustment; WA: Work adjustment; only loadings above 0.5 were presented in the table. Extraction based on Eigenvalues greater than 1*

We next conduct first-order CFA with 3 factors model, 2 factors model, and 1-factor model to assess Expatriate dimensions. Table 5 illustrates the results of CFA.

Table 5: CFA of expatriate adjustment scales

		3 factors model	2 factors model	1-factor model
$\chi^2/df$	Result	2.893	4.30	8.612
	Accepted level	3	3	3
GFI	Result	<b>0.898</b>	0.853	0.707
	Accepted level	0.90	0.90	0.90
CFI	Result	0.916	0.848	0.584
	Accepted level	0.92	0.92	0.92
RMSEA	Result	<b>0.087</b>	0.116	0.174
	Accepted level	$\leq 0.08$	$\leq 0.08$	$\leq 0.08$
SRMR	Result	0.0702	0.1081	0.1309
	Accepted level	$\leq 0.8$	$\leq 0.08$	$\leq 0.08$

Note  $N = 251$ ; in 2 factors model, interaction adjustment and work adjustment were aggregated into 1 factor. All accepted level is cited from (Hair et al., 2006)

As depicted in table 5, 3 factors solution was the best choice with model fit indices approximately above the acceptable level. GFI of 3 factors model was slightly below the acceptable level (GFI = 0.898; acceptable level = 0.90) indicated that expatriate adjustment construct needed to be revisited as had been noted in the study of Bashir (2012). RMSEA of 3 factors model was 0.087 insignificantly higher than acceptable level suggested by Hair et al. (2006); however, according to Browne and Cudeck (1993), a model with RMSEA greater than 0.1 would not be employed, below 0.1 and greater than 0.08 is somewhat acceptable. The 2 factors model and 1-factor model were far from acceptable levels which recommended that 3 factors solution is the best choice for further analysis.

The reliability of general, interaction and work adjustment constructs were 0.870; 0.877 and 0.870 indicating that those constructs were reliable for further analysis.

#### *Expatriate performance*

We first conducted Principal Component analysis with extraction based on Eigenvalue and then used Varimax rotation.

Table 6: Factor loadings of expatriate performance scales

	Factor 1	Factor 2
Meeting job objectives	0.866	
Overall job performance	0.873	
Technical competence	0.837	
Meeting specific job responsibility	0.623	
Meeting performance standards and expectations	0.553	0.465
Interacting with host-country coworkers and host-country business contacts		0.813
Establishing relationships with key		0.619
Adapting to foreign facility's business customs and norms <sup>[1]</sup>		0.666
Interacting with co-workers		0.811
Eigenvalue	4.523	1.189
% of Variance	34.6%	28.863%

Note:  $N = 251$ ; only loadings above 0.4 were presented in the table. Extraction based on Eigenvalues greater than 1.

As displayed in table 6, 4 items of task performance were loaded in factor 1 with loadings above 0.5; the item "Meeting performance standards and expectations" was crossed out from further analysis because it loaded in both factors.

Then we performed CFA for expatriate performance scales. The results of CFA were showed in table 7.

Table 7: CFA of expatriate performance scales

		2 factors model	1-factor model
$\chi^2/df$	Result	2.326	9.514
	Accepted level	3	3
GFI	Result	0.958	0.825
	Accepted level	0.90	0.90
CFI	Result	0.974	0.818
	Accepted level	0.92	0.92
RMSEA	Result	0.073	0.185
	Accepted level	$\leq 0.08$	$\leq 0.08$
SRMR	Result	0.0528	0.1076
	Accepted level	$\leq 0.08$	$\leq 0.08$

Note:  $N = 251$ ; All accepted level is cited from (Hair et al., 2006)

As depicted in table 7, 2 factors solution was far better than the 1-factor solution. Hence, we used expatriate performance as 2 separate dimensions for further analysis. Cronbach's alpha for task performance and contextual performance were 0.849 and 0.765, respectively.

#### Affective commitment

Cronbach's alpha for affective commitment was 0.790 exceeded the threshold of 0.7 indicating that affective commitment scale was reliable for further analysis.

#### 4.2. Hypotheses testing

After verifying constructs used in the research model, we conducted transformations of those constructs by averaged all scales. Next, we employed Pearson correlation to primarily test correlations of all variables. The results of Pearson correlation were displayed in table 8. As depicted in table 8, the Pearson correlation tests show no potential threat of multicollinearity. To ensure there is no concern for multicollinearity, variance inflation factors (VIF) were checked in ordinal linear regression. 2 out of 3 predictors (career POS and adjustment POS) were related to work adjustment (.232; .208;  $p < 0.01$ ). All 3 independent variables (financial POS; career POS and adjustment POS) were closely associated to interaction adjustment and general adjustment (.622; -.196; .213,  $p < 0.01$  and -.302; .586; .202,  $p < 0.01$ ). Interaction adjustment, general adjustment and affective commitment closely linked to 2 dependent variables task performance and contextual performance (.462; -.152; .589,  $p < 0.01$  and .652; -.251; .432,  $p < 0.01$ ).

Table 8: Correlations matrix

	Gender	Age	Experience	FPOS	CPOS	APOS	WA	IA	GA	AC	TP	CP
Gender	1											
Age	.29	1										
Experience	.569**	-.044	1									
FPOS	-.141*	.063	.022	1								
CPOS	.148**	-.044	.009	-.287**	1							
APOS	-.08	-.054	.068	.108*	.093	1						
WA	.84	.093	.077	-.097	.232**	.208**	1					
IA	-.207*	-.004	-.054	.622**	-.196**	.213**	-.086	1				
GA	.187**	-.062	.080	-.302**	.586**	.202**	.382**	-.381**	1			
AC	-.078	.091	.048	.511**	-.142*	.039	-.051	.306**	-.035	1		
TP	-.086	.055	.055	.661**	-.188**	.127*	-.083	.462**	-.153**	.589**	1	
CP	-.188	.044	.044	.655**	-.278**	.197**	-.035	.652**	-.251**	.432**	.548**	1
Mean	1.56	2.04	.38	3.8596	3.8187	2.7470	3.5232	4.1076	3.9499	3.2574	3.3635	3.8775
SE	.498	.786	.487	.7311	1.104	1.125	.6489	.6151	.8791	.5579	.5771	.7079

Note: N = 251, \*\* correlation is significant at the 0.01 level

\*correlation is significant at the 0.1 level

After employing Pearson correlation, we performed ordinal linear regressions with 6 models with 6 dependent variables including work adjustment for model 1; interaction adjustment for model 2; general adjustment for model 3; affective commitment for model 4; task performance for mode 5 and contextual performance for model 6. The results of the regressions were gathered in table 9.

As presented in table 9, VIF indices confirmed that there was no threat of multicollinearity in all 6 models as VIF ranged from 1.017 to 1.590, which were not exceeded the threshold of 10 as suggested in Hair et al. (2006) book. The Durbin - Watson ranged from 1.715 to 2.030 suggesting that there was not the first-order autocorrelation.

In model 1, the dependent variable was work adjustment and independent variables were gender, age, international experience, financial POS, career POS and adjustment POS. The independent variables explained 11% of variance the dependent variable. As is showed in table 9, age, career POS and adjustment POS were statistically related to work adjustment (age with  $\beta = 0.099$ ;  $p = 0.05$ ; career POS with  $\beta = 0.126$ ;  $p < 0.05$  and adjustment POS with  $\beta = 0.115$ ;  $p < 0.05$ ). These results recommended that the older expatriates were, and the more organizational support expatriates received in terms of career development and adjustment in the foreign environment, the more adjusted at workplace they were. Surprisingly, work adjustment did not statistically depend on how much money the organization offered for expatriates; and international experience did not predict better work adjustment. Therefore, hypothesis 1b, 1c were supported.

In the model 2, the dependent variable was interaction adjustment and predictors were gender, age, international experience, finance POS, career POS and adjustment POS. as is presented in table 9,

financial POS and adjustment POS were statistically positively related to interaction adjustment. ( $\beta = 0.492$  and  $0.083$ ;  $p < 0.05$ ). These results can be interpreted that the more financial and adjustment support from the subsidiary, the more adjusted in terms of interaction with the host country national expatriates were. Therefore, hypothesis 2a and 2b were supported. Unexpectedly, career POS was not statistically associated with interaction adjustment, thus hypothesis 2a was not supported. The dependent variable variance was explained by the independent variables of 42%.

In model 3, the dependent variable was changed to general adjustment and the independent variables were unchanged compared to model 2. The independent variables were accounted for 43.3% of the variance of the dependent variable. 3 constructs of POS positively linked to general adjustment ( $\beta = 0.123$ ;  $0.494$ ;  $0.195$ ;  $p < 0.05$ ) suggesting that if an expatriate received organizational support will adjust more effectively with general environment of the host country. Control variables in this model did not statistically relate to general adjustment. Hence, hypothesis 3a, 3b, and 3c were supported.

In the model 5, task performance is the dependent variable and independent variables were gender, age, international experience, work adjustment, interaction adjustment, general adjustment and affective commitment. The independent variables in model 5 explained 44% variance of the dependent variable. As is shown in table 9, task performance was predicted by interaction adjustment ( $\beta = 0.283$ ;  $p < 0.05$ ) and affective commitment ( $\beta = 0.504$ ;  $p < 0.01$ ). These results indicated that the more interactively adjusted and committed to the subsidiary an expatriate was, the more effectively he/she performed his/her tasks. Work adjustment and general adjustment did not statistically link to task performance. Hence, hypothesis 5b and 7 were supported.

In the model 6, the dependent variable was contextual performance and independent variables were gender, age, international experience, work adjustment, interaction adjustment, general adjustment and affective commitment. As displayed in table 9, contextual performance was predicted by international experience ( $\beta = 0.193$ ;  $p < 0.05$ ), interaction adjustment ( $\beta = 0.616$ ;  $p < 0.01$ ) and affective commitment ( $\beta = 0.320$ ;  $p < 0.01$ ). Thus, hypothesis 6b and 8 were supported. All independent variables in model 6 explained 50.5% variance of the dependent variable.

Table 9: Regression results

Model	Independent variables	$\beta$	Standard error	Sig.	VIF	Durbin Watson	R <sup>2</sup>
Model 1: Work adjustment	Gender	.007	.099	.946	1.572	1.928	11%
	Age	<b>.099</b>	.050	<b>.05</b>	1.017		
	International experience	.088	.099	.379	1.528		
	Financial POS	-.062	.057	.280	1.139		
	Career POS	<b>.126</b>	.041	<b>.002</b>	1.129		
	Adjustment POS	<b>.115</b>	.035	<b>.001</b>	1.039		
Model 2: Interaction adjustment	Gender	-.134	.075	.077	1.572	1.820	42.5%
	Age	-.024	.038	.527	1.017		
	International experience	-.022	.076	.772	1.528		
	Financial POS	<b>.492</b>	.044	<b>.000</b>	1.139		
	Career POS	-.017	.031	.596	1.129		
	Adjustment POS	<b>.083</b>	.027	<b>.003</b>	1.039		
Model 3: General adjustment	Gender	.093	.107	.387	1.572	1.943	43.3%
	Age	-.048	.054	.377	1.017		
	International experience	.112	.108	.300	1.528		
	Financial POS	<b>.123</b>	.062	<b>.048</b>	1.139		
	Career POS	<b>.494</b>	.044	<b>.000</b>	1.129		
	Adjustment POS	<b>.195</b>	.038	<b>.000</b>	1.039		
Model 4: Affective commitment	Gender	-.057	.077	.458	1.572	1.857	26.8%
	Age	.045	.039	.252	1.017		
	International experience	.080	.078	.301	1.528		
	Financial POS	<b>.384</b>	.045	<b>.000</b>	1.139		
	Career POS	.008	.032	.814	1.129		
	Adjustment POS	.009	.028	.751	1.039		
Model 5: Task performance	Gender	-.015	.070	.827	1.590	1.715	44%
	Age	.028	.036	.441	1.045		
	International experience	.073	.070	.301	1.519		
	Work adjustment	-.025	.047	.596	1.204		
	Interaction adjustment	<b>.283</b>	.051	<b>.000</b>	1.267		
	General adjustment	-.019	.037	.595	1.346		
	Affective commitment	<b>.504</b>	.053	<b>.000</b>	1.140		
Model 6: Contextual performance	Gender	<b>-.175</b>	.081	<b>.032</b>	1.590	2.030	50.5%
	Age	-.003	.042	.948	1.045		
	International experience	<b>.193</b>	.081	<b>.018</b>	1.519		
	Work adjustment	.059	.054	.274	1.204		
	Interaction adjustment	<b>.616</b>	.058	<b>.000</b>	1.267		
	General adjustment	-.065	.042	.124	1.346		
	Affective commitment	<b>.320</b>	.061	<b>.000</b>	1.140		

## 5. Discussion and limitations

### 5.1. Discussion

Draw from above results, we suggested that Vietnamese multinational companies should improve expatriate affective commitment because it was strong predictors of both task performance and contextual performance. In turn, the affective commitment was predicted by financial POS. This result recommended that Vietnamese multinational businesses should financially support their expatriates. Those companies could offer generous incentives and allowances for expatriates or give them plentiful benefits.

In 3 dimensions of expatriate adjustment, work adjustment and general adjustment did not predict task performance and contextual performance, however, interaction adjustment was a good predictor of both contextual performance and task performance. In turn, interaction adjustment was foreseen by financial POS and adjustment POS. these results indicated that apart from financially support expatriates Vietnamese multinational companies should help expatriates and their families to adjust in the host countries.

As gender was negatively associated with contextual performance, it is suggested that female expatriates had better contextual performance compared to male counterparts. Moreover, international experience was positively related to contextual performance, which meant that the one who had international experience performed better than one who did not have. This result recommended that multinational companies should consider prioritizing for female and experienced candidates who apply in international positions.

### 5.2. Limitations

The findings of this study should be interpreted in line with some cautions. First, our sample was the convenient sample, thus, it should be careful in interpreting these results. Second, it is reasonable to employ time-series survey technique in assessing the relationship of adjustment and performance as suggested by (Takeuchi et al., 2009a) to have reliable results, although it is not easy to connect to Vietnamese expatriates due to geographical distance and short term of office of Vietnamese expatriates. Third, all the measured employed in this study were subjective, indicating that the results might be biased since subjective data tends to suffer from social desirability. Forth, future research may assess expatriate' performance based on other sources apart from self- evaluation. Fifth, we relied on 3 dimensions of expatriate adjustment suggested by Black and Stephens (1989) which statistically showed that they should be revisited as noted by Bashir (2012). Finally, we considered affective commitment and 3 expatriate adjustment sub-constructs as 4 independent variables, however, it is reasonable to assume that if an expatriate feels comfortable with the foreign environment (well adjusted), he/she will more attach to the subsidiary (affective commitment). Despite above limitations, we believe that this research contributes to the literature of expatriate performance by examining the Asian and collectivistic sample.

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