Personal wellbeing and intra-cultural interaction interventions for cross-border adjustment

Investigation of construct validity using structural equation modelling

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Abstract

Purpose – The purpose of this paper is to report on research which addressed two purposes. First, to test the fit between, the theoretical model, and the empirical findings from an earlier reported study. Secondly, to test the extrapolative and interrelated nature of a two sets of cultural adjustment constructs designed to enhance the personal wellbeing and intra-cultural interaction of cross-border managers when on foreign assignments.

Design/methodology/approach – Data were collected from 244 cross-border managers working for Australian private sector businesses in South-East Asia in two broad industry groups: manufacturing/industrial, and financial/services. Respondents were asked to complete a questionnaire based on two separate dimensions associated with an individual's adjustment to cross-border circumstances vis., personal wellbeing and intra-cultural interaction. This paper evaluates the measurement fit between the identified constructs, by first examining any significant relationship through a structural equation model using LISREL 8; and then through employing path analysis.

Findings – Results from the structural equation modeling were significant; and suggest a sound fit between the theoretical model and the empirical findings. The path analysis further supports the multidimensional model. The results provide direction for organisations in addressing cultural adjustment issues to support the personal wellbeing; and the intra-cultural interaction; of cross-border managers.

Research limitations/implications – Future research will need to consider the potential for measurement invariance associated with the framework identified in this paper.

Originality/value – The overall results provide useful insights for organisations as to important interventions to assist cross-managers in becoming more attuned to their new job, business and cultural surroundings and circumstances. In this respect, cross-border organisations need to include such interventions amongst the “adjustment experiences” for their cross-border managers in developing personal wellbeing skills and intra-cultural interaction strategies.

Keywords International business, Managers, Expatriates, Private sector organizations, Australia, South East Asia

Paper type Research paper

Introduction

There is little doubt that cross-border management assignments signify the potential for significant changes to a cross-border manager’s business and cultural circumstances. Amongst a variety of adjustment concerns related to such circumstances are: how the cross-border assignment might impact upon a manager’s health and thus affect their personal wellbeing; and the extent to which cross-border managers are willing and able to involve themselves within and across their new business and cultural circumstances (cultural interaction). Both appear to have a potentially marked influence on the individual adjustment process and its success. As
a consequence, interventions are necessary to assist cross-border managers to deal with both elements. In this sense, when cross-border managers move to a new cultural environment; the move invariably brings with it concerns as to whether they possess appropriate business and social skills and behaviours.

Within this context a cross-border manager’s psychological health and their willingness to interact can potentially affect the way new cultural settings are confronted and as such can differentiate the effective manager from the potentially dysfunctional manager. As a result, understanding the potential dimensions of each becomes central to establishing what is likely to be a diverse set of adjustment interventions that can assist effective adjustment to new cultural settings.

This demands that effective adjustment interventions are identified; and in particular, that awareness as to a cross-border manager’s “personal wellbeing” and “intra-cultural interaction” has been appropriately considered when designing the interventions. How best to assist and support a cross-border manager’s adjustment is a key element associated with cross-border business and cultural success. As such, it needs to be a key concern for human resource management (HRM) strategists and cross-border managers alike.

Traditionally, though work variables such as: changes to a cross-border manager’s work role, organisational and business role and cultural role (Black et al., 1991) have been reviewed. Whilst results from this research are linked to how cross-border managers relate to and interact with new business and cultural circumstances and perspectives past research has not always addressed how change might affect personal wellbeing. Other adjustment variables; such as spouse/partner concerns, business relationship skills; the impact of one’s cultural background on selected behaviours and effective functioning across cultures (Sunkyu et al., 2001; Andreason, 2003; Huang, 2003; Zimmermann et al., 2003; Molinsky, 2007) have also been considered vis., effective adjustment.

In this sense, it is important that, new cross-border managers acknowledge what it is that they do not know about various business and societal cultures into which they are moving. A shift in mindset from one which may be seen as potentially ethnocentric/homogeneous; to a geocentric/heterogeneous perspective is needed. Understanding key personal wellbeing and cultural interaction interventions may assist this process.

Problems with “Personal wellbeing” may manifest themselves through health issues. Nicholson (1997) acknowledges this to be likely if inappropriate agendas have been unwittingly built into a new role, or if sufficient care has not been taken in attending to appropriate and effective adjustment interventions. The business implications include fostering poor business associations, contributing to poor business performance as well as evidence of a lack of knowledge transfer and organisational learning. As a consequence, business and personal adjustment, growth and the development and retention of knowledge and expertise becomes more problematic. At an “intra-cultural interaction” level attitudes and strategies which fail to attend to the application of effective adjustment behaviour may well lead to similar outcomes.

Whether a cross-border manager employs positive or negative reactions to new business and cultural circumstances; or whether positive or negative outcomes result, appropriate interventions designed to assist effective adjustment are necessary to assist managers to become involved in their new role, their new business environment; and in their new cultural circumstances, and which also contribute positively to a cross-border manager’s psychological well being and their willingness to involve
themselves in their new business and cultural circumstances. In stage, one of this research Fish (2005) identified a set of constructs linked to assisting the effective adjustment of cross-border managers vis., “personal wellbeing” (14 items) and “intra-cultural interaction” (11 items).

Stage two of the research (reported here) addresses two purposes. First, was to test the fit between, the theoretical model and the empirical findings, from an earlier reported study (Fish, 2005). Secondly, to test the extrapolative and interrelated nature of a two sets of cultural adjustment constructs designed to enhance the personal wellbeing and intra-cultural interaction of cross-border managers when on foreign assignments. In this respect, it is important to further validate and operationalise the identified measures; and hence further understand their measurement properties. To achieve this, two conceptual multidimensional models; based on a cross-border manager’s “personal wellbeing” (psychological health – Figure 1), and their willingness to get involved (intra-cultural interaction – Figure 2) were developed and tested.

**Personal wellbeing**

The 14 items for personal wellbeing were identified as:

1. Aware of type and standard of housing (ASH).
2. Aware of home country access rights (AWR).
5. Aware of health care (AHC).
7. Knows how to greet HCN’s (KHG).

![Figure 1. Theoretical model for personal wellbeing initiatives](image-url)
(8) Understands host culture and customs (UHC).
(9) Understands host business environment (UHE).
(10) Spouse / Family discussion (SFD).
(11) Spouse Career discussion (SCD).
(12) Child education information (CEI).
(13) Aware of host business and social contacts (ABC).
(14) Receives staff profiles (RSP).

Intra-cultural interaction
The 11 items for inter-cultural interaction were identified as:

1. Availability of information on business changes at home (ABH).
2. Availability of head office liaison person (AHP).
3. Availability of information on social changes at home (AIS).
4. Reinforcement of host country business skills (RCB).
5. Guidance from experienced expatriates on site (GES).
6. Formal induction within two months (FIW).
7. Social contact with host community (SHC).
8. Liaison with host business community (LHC).
9. Host country customs to be strictly followed (HCS).
10. Primary business language should be host language (PBL).
11. Primary social language should be host language (PSL).
Background

Problems with a person’s “personal wellbeing”; and their “intra-cultural interaction” may manifest themselves in dysfunctional behaviour from the outset of, and during a cross-border assignment. As a consequence, a stronger likelihood of performance problems with the assignment, such as an inability to establish sound business relations, an inability to provide appropriate leadership and an unwillingness to accept critical aspects of cultural inclusion such as local foods, and dress rules may arise. This may in turn contribute to undesired secondary outcomes such as premature returns (so-called failed assignments) with related disruptions to business growth and development; as well as the career enhancement and development of the manager.

Of this, Fish (2005, pp. 226-7) notes that as a result of the ongoing search to identify critical adjustment variables; two important variables vis., a manager’s personal wellbeing and their intercultural interaction have not been fully explored. Attention to these variables “may lead to a more informed understanding as to which are the key interventions and, assist in focusing the attention of cross-border business decision makers to important HRM investment decisions”.

Indeed, when a manager moves beyond his/her traditional “borders”, it is crude to believe that interventions linked to the manager’s effective adjustment will not be required. Importantly, that adjustment linked to their personal wellbeing and intercultural interaction will not be required. That a cross-border manager’s “usual” behaviour will be willingly accepted in and by a “host culture” has been commented by Fish (1999, p. 197) who argues:

Attempting to transfer one’s traditional domestic practices into cross-border business situations, particularly as we move into a new millennium is ill-informed, anachronistic and provides evidence of a lack of strategic thinking on the part of key cross-border business decision-makers. In reality, traditional domestic practices only serve to perpetuate the ethnocentric myth, that my way is better than yours.


However, awareness as to the interventions necessary to support “personal wellbeing” and intra-cultural interaction, have not always been central to the research that has been pursued. As cross-border managers confront new experiences, and learn, and choose new adjustment strategies, both their personal wellbeing and their willingness to interact in and across different cultures are important to understand as issues linked to each may lead to new “behavioural preferences” or the maintenance of traditional practices considered inappropriate within a known context. Whilst, traditional practices can provide the framework for known action, there is not necessarily a known reaction when a new culture is experienced for the first or even subsequent times. Unfortunately, behavioural control of organisational strategies more often than not takes precedence over the application of adjustment interventions which might assist the more effective placement of cross-border managers.

To help achieve positive outcomes from the adjustment process, and central to any intervention strategy, it is important that a cross-border manager’s “personal wellbeing” (a stable psychological and health situation); and intra-cultural interaction
Intra-cultural interaction interventions

Interventions (supporting a willingness and ability to become involved in the new cultural setting) have been appropriately attended to. Both need attention if positive outcomes in the form of successful assignments for cross-border businesses and those who represent them are to be achieved.

Nevertheless, each culture is different, and in as much as cultures will continue to evolve, cultures will remain different. Yet, in too many instances geographic areas are treated as a homogeneous unit. Equally, what is believed to be common practices in some areas leads to conclusions that there is a convergence of cultures. For example, whilst describing Asia as a region, is appropriate from a geographical perspective, it is not appropriate from a cultural perspective. Indeed, it is simplistic. Put simply, Asia is not a homogeneous region. Just as the west is not a homogeneous region. Whilst similarities can be found; there are points of difference which need to be understood, adjusted to and managed.

Successful individuals and organisations acknowledge this; and as a result, important adjustment interventions underpinning cross-border actions have been addressed. For example, a number of recent studies (Selmer, 1999; 2001; Sunkyu, et al., 2001; Huang, 2003; Wang, 2003; Zimmermann et al., 2003; Molinsky, 2007) have been undertaken which summarise earlier work on cross-border manager adjustment. These studies are in some; but not all circumstances, linked to more effective adjustment outcomes when cross-border managers move into new cross-cultural social and business situations. More specifically, Zimmermann et al. (2003) reviewed “person – environment fit”; and argued that two dimensions need to be addressed. First, is how one copes with new circumstances to assist or ensure ones personal wellbeing is established and maintained. Second, whether intra-cultural interaction is pursued by the cross-border manager in order to provide a focus for their adjustment and subsequent learning and that of the business. Equally, Molinsky (2007) pointed to the importance of the psychological challenges that cross-border managers can be exposed to.

Nevertheless, as noted earlier adjustment has traditionally been considered in terms of the job environment; or the business environment, or the cultural environment. This has led to a lack of awareness as to the actual interventions to assist adjustment to such dimensions. Whilst such categories are important, simply naming categories is insufficient. More specific awareness is needed to understand the means to assist adjustment to these three important cross-border business elements.

Nevertheless, in what is probably the benchmark analysis; informing much of the work on cross-border manager adjustment, Black et al. (1991) identify five critical adjustment elements. First, is the need to recognise that there are substantial differences between, adjustment to a cross-border assignment vis., a domestic assignment. Secondly, is the need to acknowledge the importance of pre-departure training interventions, previous overseas experience, organisational selection mechanisms, individual skills and non-work factors as potentially important issues in successful adjustment outcomes. Thirdly, that something new implies change, and thus uncertainty is bound to arise as to how best to handle the change. As a consequence, sense making becomes an important element in the adjustment process. Fourthly, important adjustment dimensions such as individual awareness based on self-efficacy, relevant skills and perception skills; job awareness based on role clarity, role discretion, role novelty, role conflict; organisational culture awareness based on organisation culture novelty, social support and logistical support; organisation socialization awareness based on tactics and content; and non-work awareness based
on host culture novelty and family – spouse adjustment need to be understood. Finally, awareness of both the mode of adjustment and the degree of adjustment, also need to be understood. In this significant review, Black et al. (1991) also identified the categorization of job, business and cultural environments as needing separate attention with respect to adjustment assistance.

Other researchers (e.g. Andreason, 2003; Wang, 2003; Zimmermann et al., 2003; Molinsky, 2007) have provided important research summaries, and have emphasized how issues linked to the perspectives identified by Black et al. (1991); whilst important, have not sufficiently acknowledged critical personal dimensions i.e. “personal wellbeing” and “intra-cultural interaction”.

Nevertheless, and notwithstanding these significant contributions to our understanding of adjustment, questions continue as to a more precise awareness of which interventions are most likely to assist not simply the adjustment of cross-border managers into the job, the business and cultural environments, but more specifically, the interventions which are likely to assist a sense of personal wellbeing (personal health) and support the intercultural interaction (willingness to get involved) of cross-border managers. That is, what are the interventions, which are likely to assist adjustment and ensure the cross-border manager (as best as possible), actually adjusts and ultimately masters their new environments.

Awareness of key constructs such as cross-border managers’ “personal well being” and “intra-cultural interaction” may provide significant guidance to organisations as they look for ways to assist cross-border managers in their assignments and identify means to reduce so-called “failed assignments”. In this respect, Sunkyu et al. (2003) identify how problems linked to inappropriate consideration of the impact of poorly designed work arrangements, a lack of cultural adaptation, market alienation, poor market participation and a lack of cultural knowledge may ultimately contribute to cross-border managers experiencing significant personal problems and thus failing to adjust effectively. Hence, skill acquisition derived from various, or singular cross-border experiences become problematic. As a result learning from cross-border experiences may be less than that desired. This may result in the poor development and maintenance of important cross-border business associations, along failing to address effective personal career progress.

In addition, and as also noted by Fish (2005, p. 228):

elements that direct individual behaviour become central to understand … and hence may lead to significant dysfunctional behaviors, e.g. depression or withdrawal or both, with the significant potential for long-term career and business involvement problems.

Nicholson (1997, p. 1053) supports this point by cautioning organisations as to the problematic outcomes of failing to pay appropriate attention to a persons well being and argues that “a poor fit between our inherited natures and many of the constructed environments in organisational society can contribute to psychological problems”. Whilst Molinsky (2007, p. 622) argues that; “…it is also critical to understand short term cultural adaptation as it occurs in single interactions. Interactions are the micro building blocks of long term adjustment to a foreign setting”.

The behavioural choices made by cross-border managers have become key elements in understanding “personal wellbeing” and “personal interaction” necessary to assist effective adjustment. Ward and Kennedy (2001) and Selmer (2001) in their review of adaptability and coping strategies amongst expatriates in Singapore and Hong Kong, respectively, provide support for this. They identify a variety of “personal wellbeing”
issues such as “depression” that may manifest should some choose to pursue cultural avoidance behaviors. Yan et al. (2002) examine a similar perspective associated with the potential problems surrounding “unmet expectations” and ongoing adaptability and coping strategies. On a positive note though, Au (2002) points to increases in levels of job satisfaction and improved business associations when cross-border managers willingly sought a diversity of social networks and engaged in “boundary spanning” activities within host environments. Whilst Wang (2003) points to how “psychocultural” and “socio-cultural” factors associated with personal wellbeing, social networking and effective performance impacted in a positive manner on individual adjustment. Manning (2003) also suggests that choices as to how cross-cultural leaders develop a sense of security (or insecurity) based on their “personal attachment style” needs to be understood if cross-cultural leadership is to be enhanced.

However, and notwithstanding the significant contribution by Black et al. (1991); and others, questions continue as to a more precise awareness of which interventions are most likely to assist not simply the adjustment of cross-border managers into the job, the business and cultural environments; but more specifically, the interventions which are likely to assist a sense of “personal wellbeing” (psychological state), and support the intra-cultural interaction (or willingness to get involved) of cross-border managers. That is, the interventions, likely to assist adjustment and support cross-border managers to adjust to; and ultimately master their new environments.

In Huang’s (2003) study, a variety of International HRM initiatives was provided. Importantly, Huang, 2003, p. 336) included a call for improved personal support initiatives; thus highlighting this critical need for both the personal wellbeing (personal health issues) and the intra-cultural interaction (personal involvement issues) needs of cross-border managers.

Most commentators suggest that in addition to generous relocation packages, international firms can help to ease the adjustment process by providing support... This is likely to reduce uncertainty and increase the sense of control... 

In addition, Sunkyu et al. (2001, p. 375) highlight the importance and potential impact of ignoring a person’s psychological wellbeing and their cultural impact when encountering a new business environment by pointing to the potential problems linked to organisations getting it wrong, and by failing to adequately prepare a manager for their new experience; “one implication is that preparatory training should facilitate the expatriates participation in the host marketplace”.

Whilst other personal adjustment dimensions such as one’s acculturation choice (Berry, 1997); personality profile (Caligiuri, 2000); social networking abilities (Wang, 2003); the availability of personal support (Huang, 2003) and language skills (Selmer, 2006); have been considered, and are important in attempting to appreciate individual reactions; the “types” of interventions that need to be considered in supporting a cross-border manager’s personal wellbeing and their intra-cultural interaction, also need to be considered.

Failing to develop this awareness is likely to exacerbate adjustment difficulties, including the unwitting support of dysfunctional behaviour. As a consequence, depression or withdrawal may occur, through poor behavioural choices; thus contributing to the increased potential for assignment failure, in whatever form it might be measured. This may also result in a loss of important strategic business associations, and individual career advancement may be compromised. Understanding the interventions that support personal wellbeing and intra-cultural interaction may
not only mitigate problems surrounding poor behavioural choices, understanding may contribute to improved coping, learning and ultimate job performance and as a result further assist the effective adjustment of cross-border managers into their new cultural circumstances as well as the ultimate effectiveness of their businesses and business associations.

In this respect, human resource (HR) decision makers; in making decisions associated with adjustment interventions, need to be aware that a manager’s personal well being and intra-cultural interaction may contribute to the feelings and behavioural outcomes that are expressed when something new, in this case, new social and business environments are experienced. Behavioural outcomes are likely to contribute to a manager’s psychological health and also their willingness and ability to interact effectively in their new environment.

Effective behaviour in cross-cultural business settings is more likely to reflect the importance of doing business across borders; and reflects the characteristic of what Engle et al. (2007) refer to as “Ortsinn”, i.e. awareness, skills and knowledge associated with effective business behaviour in specific cross-cultural locations.

The proposition explored here is that adjustment interventions to assist both personal wellbeing and intra-cultural need to be better understood. The constructs identified and listed in Fish (2005) need to be validated appropriately. Hence, the research reported below has attempted to undertake this. Having a validated itemized list of interventions which can assist effective behaviour from both health and interaction perspectives may provide important information that will assist managers to adjust and in the process assist the development of cross-border business associations, individual career enhancement and the reduction of failed assignments.

Methodology

Australian owned businesses that were members of Chambers of Commerce in various South-East Asian countries (Hong Kong, Malaysia, Indonesia, Singapore, Japan, Thailand and South Korea) at the time of the research were stratified into two broad industry groups. First were, manufacturing/industrial/engineering organisations. Secondly were, financial/information/services organisations. The Australian head office of each organisation was telephoned to determine the extent of their involvement in the South-East Asian business region. Those who indicated they: (i) have a physical presence in that region and (ii) send managers on appointment for a minimum of one year were included in the final population of organisations. A list of 50 organisations (15 manufacturing/industrial/engineering organisations and 35 financial/information/services organisations) was derived and employed as the data set. Nevertheless, a large proportion of the organisations involved in this study (85 per cent) had a presence in either or each of Hong Kong, Malaysia and Singapore.

The questionnaire comprised two measures associated with “personal wellbeing” and “intra-cultural” dimensions. Questions were drawn from the work of Black et al. (1991) as well as Ward and Kennedy (1993). In addition, respondent biodata and organisational data was included. The first scale comprised a 22 item five-point Likert scale and was designed to identify key “personal wellbeing” and “intra-cultural interaction” constructs to assist pre-departure adjustment for the Southeast-Asian business region. The second scale comprised a 21 item five-point Likert scale and was designed to identify key “personal wellbeing” and “intra-cultural interaction” constructs linked to in-country adjustment interventions for the Southeast-Asian business region.
Questionnaires were sent to the head of HR in each of the organisations on the secondary data set list. Each organisation was sent 15 questionnaires and asked to supply up to 5 respondents in each of the following three respondent groups. First were, executives involved in strategy development within their respective organisations as well as the identification, selection and appointment of cross-border managers. Secondly were, expatriates who were on an appointment in the Southeast-Asian business region at the time of the research and who had been on their appointment for at least six months at the time of completing the questionnaire. Finally, was a group of repatriates who at the time of the research had returned to Australia within the previous 12 months from an appointment in the Southeast-Asian business region.

It is acknowledged that some bias may have occurred in the distribution of the questionnaires, i.e. it may be that only the “best” managers were sent questionnaires. Nevertheless, as the questions sought opinions related only to the interventions needed in order to assist effective adjustment it was felt that the issue as to whether a given respondent is a “better performer” per se than another was of minor concern as each respondent would have a view as to what assistance was important to them; and what was not in adjusting to their new job, and their new business and cultural circumstances.

Data analysis procedure
As recommended by Anderson and Gerbing (1988), a two step approach has been adopted to test the fit between the theoretical model and the empirical findings and to test the extrapolative and interrelated nature of the two sets of adjustment dimensions. First, the measurement model was tested on the complete dataset using a confirmatory factor analysis (CFA) employing SPSS 14.0. Secondly, structural equation modeling (SEM) was employed using LISREL 8.80 (Joreskog and Sorbom, 1996).

Structural equation modeling supports the concurrent estimation of coefficients of endogenous variables and underlying linkages between them and exogenous variables to be assessed (Joreskog and Sorbom, 1996). SEM also divulges the nomological networking of latent variables in a model, and evaluates its robustness to the data provided (Mulaik and Millsap, 2000). The application of SEM demonstrates advantages of “measurement and prediction” (Kelloway, 1998, p. 2) over standard multiple regression methods. Also, by employing SEM it “captures a truer representation of the variation of variables” and as path analysis is subsumed in the model (Eriksson et al., 2000, p. 314)

Factor constructs employed in the research were based on maximum likelihood results (Tables I and II) derived from an earlier exploratory factor analysis (Fish, 2005) to examine the general fit of the proposed model and to test the research questions. Fit indices included in the current investigation are the comparative fit index (CFI) (Bentler and Bonett 1980), the LISREL goodness-of-fit index (GFI) (Joreskog and Sorbom, 1996) and the normed fit index (NFI) (Bentler and Bonett, 1980) and Tucker Lewis Index (TLI) (Tucker and Lewis, 1973), the root mean square residual (RMSR), and the root mean square error approximation (RMSEA) (Fornell and Larcker, 1981).

Results
Questionnaires were returned from 244 respondents directly to the researcher in a sealed envelope provided for that purpose. This was made-up of 104 respondents representing 12 of the original 15 manufacturing/industrial/engineering organisations
and 140 respondents representing 29 of the original 35 financial/information/services organisations. There were 222 male respondents and 22 females. The age distribution was 30 = 18, 30 to 45 = 122 and 45 = 104. Overall, the response rate was 32 per cent based on the original 50 organisations. Whilst it would have been useful to receive more female respondents, the return rate is reflective of their proportion in the expatriate community. The age distribution was 30 = 18, 30 to 45 = 122 and 45 = 104 (Table III).

Overall the individual respondent response rate was 32 per cent based on the original 50 organisations. By industry group it was 80 per cent for manufacturing firms and 83 per cent for financial/services firms.

In Table I, the fourteen items linked to personal wellbeing interventions are displayed. In Table II, the eleven items linked to intra-cultural intervention interventions are displayed. Both were analyzed to determine if any related concepts in line with the main issue of the study existed. An orthogonal (uncorrelated) rotation was performed on the four factors in each table where Eigen values were greater than one.
As can be seen from Tables I and II items loaded favourably on each construct. The reliability coefficients and eigenvalues were acceptable (Nunnally and Bernstein, 1994). Further, in comparison to what is deemed acceptable, each factor has a coefficient variable above the recommended level. The total scale coefficients also reflect a relatively high score in both sets of results.

**Estimation of the base model**

In extending from a theoretical to a statistical model, a structural equation model was developed and conducted in two sequences (Joreskog, 1993). First by estimating the multidimensional base models associated with personal wellbeing initiatives and then intra-cultural interaction initiatives. Secondly, the convergent validity of the indicators of both models, which consist of the significant pathways that emerged from the first step was estimated. An analysis is attempted to estimate the base models concurrently for both sets of adjustment interventions for cross border managers. The theoretical models assumed that the exogenous variables linked to adjustment initiatives prior to departure and following arrival (Figures 1 and 2) contributed to each of the endogenous variables. The model also assumed reciprocal relations between the latent (endogenous) variables themselves (Horn, 1991; Hu and Bentler, 1998).

To study the generalisability of multidimensional measures of the concept of this study, CFA using LISREL 8 (Joreskog and Sorbom, 1996) was employed. The confirmatory use of SEM allows for a statistical test of the goodness-of-fit for the proposed four-factor solution.

Also, CFA rectifies for the attenuation in the relationships between constructs due to measurement error. LISREL 8 provides a $\chi^2$-statistic (and associated degrees-of-freedom), a GFI, an adjusted goodness-of-fit index (AGFI), CFI, NFI and the RMSR, and RMSEA for the estimated model.

**Model fit**

Results of the model fit are shown in Table IV and Figures 3 and 4. The output was examined for common anomalies such as negative error variances, extremely large parameter estimates, etc. No such anomalies were identified. Based on the overall goodness-of-fit statistics, the four-factor model for personal wellbeing yielded satisfactory fit statistics (i.e. $\chi^2 = 140.03$, df $= 116$, $p < 0.01$, RMSR = 0.04,

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>No. of respondents</th>
</tr>
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<tr>
<td><strong>Industry</strong></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>104 (12)</td>
</tr>
<tr>
<td>Financial</td>
<td>140 (29)</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>222</td>
</tr>
<tr>
<td>Female</td>
<td>22</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
</tr>
<tr>
<td>30 years</td>
<td>18</td>
</tr>
<tr>
<td>30 to 45 years</td>
<td>122</td>
</tr>
<tr>
<td>45 years</td>
<td>104</td>
</tr>
</tbody>
</table>

*Notes: Values in parentheses indicates the number of manufacturing and financial organisations used in the study*
CCM
15,3
256

Table IV.
LISREL goodness-of-fit measures for convergent validity

<table>
<thead>
<tr>
<th>Goodness-of-fit measures</th>
<th>Personal wellbeing</th>
<th>Intra-cultural interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-square ((X^2))</td>
<td>140.03*</td>
<td>134.03*</td>
</tr>
<tr>
<td>Degrees-of-freedom (df)</td>
<td>116</td>
<td>110</td>
</tr>
<tr>
<td>RMSR</td>
<td>0.04</td>
<td>0.02</td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.02</td>
<td>0.01</td>
</tr>
<tr>
<td>GFI</td>
<td>0.92</td>
<td>0.93</td>
</tr>
<tr>
<td>AGFI</td>
<td>0.89</td>
<td>0.87</td>
</tr>
<tr>
<td>TLI</td>
<td>0.93</td>
<td>0.92</td>
</tr>
<tr>
<td>CFI</td>
<td>0.91</td>
<td>0.93</td>
</tr>
<tr>
<td>NFI</td>
<td>0.94</td>
<td>0.90</td>
</tr>
</tbody>
</table>

Note: *p < 0.01

Figure 3.
Results for personal wellbeing model

RMSEA = 0.02; GFI = 0.92, AGFI = 0.89, CFI = 0.91, NFI = 0.94), indicating that the reproduced correlation nearly equals the observed correlations in the model (Bagozzi and Yi, 1988). Further, the Tucker-Lewis index (TLI) (Tucker and Lewis, 1973) for the proposed model was 0.93 suggesting that the model captured most of the intercorrelations in the data (Table V).

Similarly, the four-factor model for intra-cultural interaction also yielded a satisfactory fit (i.e. \(\chi^2 = 134.03, \text{df} = 110, p < 0.01, \text{RMSR} = 0.02, \text{RMSEA} = 0.01, \text{GFI} = 0.86, \text{AGFI} = 0.89, \text{CFI} = 0.93, \text{NFI} = 0.90\)), again indicating that the reproduced correlation nearly equals the observed correlations in the model (Bagozzi and Yi, 1988). Again, the TLI (Tucker and Lewis, 1973) for the proposed model was 0.92 suggesting that the model captured most of the intercorrelations in the data (Table VI).
Discussion
The results of this study support the strength of the multi-dimensional intervention model for explaining the various personal wellbeing and intra-cultural intervention interventions confronted by the cross border managers. The study demonstrated a high fit between the theoretical model and the empirical findings as well as a different pattern of relationship among the components of the model.

To confirm that personal wellbeing and intra-cultural interaction variables were related interventions, the models examining these relationships were compared and the resultant model revealed that the data were a sound fit. It was found that the personal wellbeing and intra-cultural interaction constructs were predictors of interventions, and each has been postulated as sound constructs for the necessary adjustment interventions.

Hence, results derived from this study associated with the need for both personal wellbeing and intra-cultural interaction can be found within the eight constructs.
derived in this study, vis., Quality of Life Awareness, Host Business and Cultural Awareness, Family Impact Awareness, Staff and Business Colleague Awareness, Cultural Reinforcement and Support, Home and Host Country Networks, Cultural Inclusion and Host Language Skills for cross-border managers and suggest that such dimensions need attention across the board by Australian organisations in the South-East Asian business region for cross-border managers.

**Personal wellbeing interventions**

With respect to personal wellbeing interventions i.e. interventions that attend to a cross-border manager’s psychological state and potential health, interventions both prior to and whilst on a cross-border business assignment need to be attended to, and would include: developing and enhancing home country networks, quality of life awareness, host business and cultural awareness and family impact awareness. Such interventions are then likely to assist cross-border managers (and their organisations) come to terms with the potential psychological problems indicated by

<table>
<thead>
<tr>
<th>Construct</th>
<th>Item</th>
<th>$\beta$</th>
<th>$t$-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>QLA</td>
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<td>0.76</td>
<td>17.67**</td>
</tr>
<tr>
<td></td>
<td>AHR</td>
<td>0.83</td>
<td>23.3**</td>
</tr>
<tr>
<td></td>
<td>KRS</td>
<td>0.85</td>
<td>20.92**</td>
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<tr>
<td></td>
<td>KCL</td>
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<td>13.69**</td>
</tr>
<tr>
<td></td>
<td>AHC</td>
<td>0.72</td>
<td>12.53**</td>
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<tr>
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<td>KCM</td>
<td>0.63</td>
<td>8.98**</td>
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<td></td>
<td>KHG</td>
<td>0.74</td>
<td>15.81**</td>
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<td>UHC</td>
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<td>UHE</td>
<td>0.73</td>
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<td>CEI</td>
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<td></td>
<td>RSP</td>
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**Table V.**

Standardised path coefficients for personal wellbeing

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<td>AIS</td>
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<td>24.59**</td>
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<td>RCB</td>
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<td>18.22**</td>
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<td>GES</td>
<td>0.74</td>
<td>17.52**</td>
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<td></td>
<td>FIW</td>
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<td>PHL</td>
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<td>26.81**</td>
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</tbody>
</table>

**Table VI.**

Standardised path coefficients for intra-cultural interaction

**Notes:** *p < 0.05; **p < 0.01; ***p < 0.001
Nicholson (1997) and Molinsky (2007) which may occur and result from an unwitting lack of attention to the personal needs of managers when sent on cross-border assignments.

As noted by Zimmermann et al. (2003) assisting in the development and maintenance of coping strategies and Molinsky (2007) vis., adjustment to psychological challenges is central to effective adjustment. In turn failing to attend to what are obviously critical factors in manager effectiveness is likely to contribute to a lack of learning and inappropriate messages sent to important business stakeholders.

**Intra-cultural interaction interventions**

With respect to intra-cultural interaction interventions i.e. interventions linked to mixing with the host environment, interventions both prior to and whilst on a cross-border business assignment also need to be attended to, and would include: host language skills, cultural inclusion, cultural reinforcement and support and staff and business colleague awareness.

Such interventions are then likely to assist cross-border managers (and their organisations) come to terms with the potential for effective social networking as noted by Wang (2003) and Wang and Nayir (2006). Failing to provide adequate support here may result again in contributing to a cross-border manager’s lack of cultural integration and thus contribute to failing to enhance learning and its transfer which are such important outcomes of cross-border assignments.

How cross-border managers react to their cross-cultural circumstances and the potential impact of the personal wellbeing and intra-cultural interaction interventions may also provide some useful insights into the potential for job burnout amongst cross-border managers. Bhanugopan and Fish (2006) make the point that as expatriates take up their assignment in a foreign country, mismatches maybe experienced. Hence, without the appropriate adjustment interventions “depersonalization” has the potential to diminish a cross-border manager’s sense of “personal accomplishment”, contribute to “expatriate job burnout”; and have a negative impact on the development of important business associations, the development of critical strategic associations and individual career advancement.

Garvin (1993, p. 80) also supports this issue in the way he addresses the “learning organisation” as “...an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights”. Modifying an organisation’s behaviour is reification in this context, but nevertheless implies the importance of ensuring that cross-border managers are properly adjusted to their particular cross-cultural assignment and cross-cultural circumstances if the best possible business and career results from a cross-border assignment for both the manager and the organisation are to be derived. Wang and Nayir (2006), Nicholson (1997) and Molinsky (2007) each allude to similar issues associated with human nature in organisational life linked to the personal problems which can result from failing to take account of key personal dimensions in designing work agendas.

Without effective adjustment; business and cultural learning is less likely to occur. Without individual learning; development is even less likely, and new knowledge and meaningful insights into effective cross-border manager mastery becomes seriously problematic.

Developing our understanding as to such key adjustment concerns may open the way to understanding the types of change and intervention processes necessary in putting in place strategies to assist the adaptability of people and businesses when...
crossing mind, cultural and geographic borders. Ensuring the personal wellbeing of
cross-border managers and supporting their intercultural interaction can only assist
this.

Importantly though, change activity should open the way for cross-border businesses
to establish a broader diversity of interventions within its management development
structures. This requires cross-border businesses to acknowledge not simply cross-
cultural diversity at home. More importantly, cross-border businesses also need to
acknowledge that “things” are done differently when transcending cultural boundaries
and this message needs to be conveyed effectively to all its management staff.

Failing to develop this awareness is likely to further contribute to adjustment
difficulties, including the unwitting support of dysfunctional behaviour. As a
consequence depression or withdrawal can occur, through poor behavioural choices,
thus contributing to the increased potential for assignment failure, in whatever form it
might be measured. This is likely to result in a loss of important strategic business
associations and career advancement for individual managers from cross-border
business experiences.

Understanding the interventions that support personal wellbeing and intercultural
interaction may not only mitigate problems surrounding poor acculturation and
subsequent poor behavioural choices, understanding may contribute to improved
coping, learning and ultimately improved job performance. As a result, further assist
the effective adjustment of cross-border managers into their new cultural and business
circumstances; including the ongoing effectiveness of their businesses and business
associations.

**Directions for future research**
The respondents to this study were all Australians. Hence, the wording of the
questionnaire was not a critical issue in terms of cultural understanding of terminology
employed. However, extending theories and frameworks and their interrelated
constructs into other cultural contexts raises important questions as to whether the
instruments designed to measure important constructs are cross nationally invariant
(Hui and Triandis, 1985). Hence, some questions as to results would need to be
addressed where evidence of measurement invariance, does not exist (Horn, 1991,
p. 119). Therefore, future research may be directed towards assessing measurement
invariance of the constructs of adjustment of cross-border manager within and across
nations identified in this paper. That is testing the framework on cross-border
managers from other cultural contexts should prove to be an interesting and valuable
extension of the research reported in this paper.

In addition, understanding the potential impact of one’s personality (Caligiuri, 2000)
and/or acculturation choices (Berry, 1997) and value orientations (Fish et al., 2008, in
press) on the types of adjustment interventions needed may provide further scope to
understand the potential efficacy and application of the identified interventions. This
suggests linking the interventions to selection strategies and practices to ensure that
those with “appropriate mindsets” are identified in the first place, which may then
contribute to the more effective application and management of the identified
interventions. Gaining answers to such questions may open the way to understanding
other types of interventions necessary to assist in establishing more effective
International HRM staffing strategies for cross-border managers from a variety of
cultural contexts and with varying degrees of experience when such managers cross
mind, cultural and geographic borders.
Conclusion
Key results from this research included the need to deal with specific adjustment interventions that increased the potential for personal wellbeing and intra-cultural interaction. The implications for organisations include, ensuring interventions exist that develop both personal wellbeing and intra-cultural interaction strategies and which support cross-cultural business and social “mastery” such that critical cross-border business and personal career goals can be achieved. Importantly, adjustment effectiveness goes beyond the personal wellbeing and intra-cultural interaction skills themselves to the business associations and personal career advancement that is gained from successful adjustment to and involvement within new cultures.

Whilst this paper has emphasized the importance of key adjustment interventions, the development of cross-cultural mastery for such managers’ and the associated expertise is only one of many outcomes to be derived from the effective implementation of programs that support and sustain the interventions. Hence, it will also be critical that HR strategists develop appropriate strategies to implement the identified interventions. Whilst the importance of transferring people is especially important for the cross-border transfer of knowledge and expertise, appropriate adjustment interventions will test the ultimate effectiveness of their cross-border managers.

In order to ensure successful adjustment and meaningful cross-border manager involvement, further attention needs to be paid to the management of global assignments. Particular consideration will have to be given to the measurement invariance of the framework identified in this paper, the efficient implementation of the interventions, the knowledge and skills gained abroad, and the retention of employees with international experience and competence.

References


Further reading


About the authors

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