The Hygiene Factors Contributing to Work Satisfaction, Interaction with locals and Life Satisfaction among Dell Expatriates in the Asia Pacific Region

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# TABLE OF CONTENTS

		Page
ACKN	IOWLEDGEMENT	i
TABL	E OF CONTENTS	ii
LIST (	OF TABLES	vi
ABST	RAK (MALAY)	vii
ABST	RACT	ix
Chapt	er 1 INTRODUCTION	
1.0	Introduction	1
1.1	Background	3
1.2	Problem Statement	4
1.3	Research Objectives	6
1.4	Research Questions	7
1.5	Definition of Key Terms	7
1.6	Significance of the Study	9
1.7	Organization of the Remaining Chapters	10

# **Chapter 2 LITERATURE REVIEW**

2.0	Introd	uction	11
2.1	Comp	arison of Theories and Models	11
	2.1.1	The U-Curve Theory of Adjustment	12
	2.1.2	Herzberg's Motivation-Hygiene Theory	13
2.2	_	riates Adjustment in the Host Country as the Dependent Variables Present Study	20
	2.2.1	Work Satisfaction/Job Satisfaction	24
	2.2.2	Interaction with Local Nationals	25
	2.2.3	Life Satisfaction	26
2.3	Hygie	ne Factors as Independent Variables of the Present Study	26
	2.3.1	Manager's Supervision	27
	2.3.2	Interpersonal Relationship	28
	2.3.3	Working Condition	28
	2.3.4	Salary	29
	2.3.5	The Implementation of Administrative Policy	30
	2.3.6	Work Security	30
2.4	Theor	etical Framework of the Present Study	31
2.5	Hypot	hesis Development	32
	2.5.1	The Relationship between Manager's Supervision and Expatriates 'Adjustment	33

	2.5.2	The Relationship between Interpersonal Relation and	
		Expatriates' Adjustment	34
	2.5.3	The Relationship between Working Condition and	
		Expatriates' Adjustment	35
	2.5.4	The Relationship between Salary and Expatriates' Adjustment	36
	2.5.5	The Relationship between Company and Administrative Policy and Expatriates' Adjustment	37
	2.5.6	The Relationship between Job Security and Expatriates' Adjustment	38
2.6	Summ	ary	39
Chapt	ter 3	METHODOLOGY	
3.0	Introd	uction	41
3.1	Resear	rch Design	41
3.2	Variab	oles	43
3.3	Sampl	ing and Population	43
	3.3.1	Sample Size	44
3.4	Measu	ires	45
	3.4.1 I	Expatriates' Adjustment measurement scale (Dependent Variables)	45
3.5	Hygie	ne Factors	47
	3.5.1	Manager's Supervision	48
	3.5.2	Interpersonal Relation	48

	3.5.3	Working Condition	48
	3.5.4	Salary	48
	3.5.5	The Implementation of Company and Administrative Policy	49
	3.5.6	Work Security	49
3.6	Statist	ical Data Analysis	49
	3.6.1	Frequency Analysis	49
3.7	Summ	ary	52
Cha	pter 4	DATA ANALYSIS	
<b>Cha</b> <sub>2</sub>		DATA ANALYSIS of the Respondents	52
•	Profile o		52 54
4.1	Profile o	of the Respondents	
4.1	Profile o	of the Respondents ess of the Measures	54
4.1	Profile of Goodn 4.2.1	of the Respondents ess of the Measures Basic Statistics- Pilot study	54 54

4.3	Descrip	otive Statistics of Variables	63
4.4	Correlat	ion Analysis	63
4.5	Hypoth	eses Testing	66
4.6	Multip	ple Regression Assumptions	66
	4.6.1	Outliers	66
	4.6.2	Constant Variability of Independent Variables	
		(Homoscedasticity)	66
	4.6.3	No Multicollinearity	67
	4.6.4	Normality of Observations	
		(Residuals are Noramlly Distributed)	67
	4.6.5	Normality of Error Term	67
4.7	Regre	ssion	68
	4.7.1	Summary of Hypotheses	70
	4.7.2	MANOVA Discussions	71
4.8	Summar	у	76
Cha	pter 5	DISCUSSIONS AND CONCLUSIONS	
5.0	Introd	uction	61
5.1	Recap	itulation of the Present Study	61
5.2	Discus	ssions	62

	5.2.1	The Relationship between Managerial Supervision at Dell and	
		Expatriates' Adjustment	63
	5.2.2	The Relationship between Workplace Environment at Dell and	
		Expatriates 'Adjustment	63
	5.2.3	The Relationship between Relationships with Peers at Dell and	
		Expatriates' Adjustment	63
	5.2.4	The Relationship between Pride and Security at Dell and	
		Expatriates' Adjustment	64
5.3	Implic	eations	64
5.4	Limita	ations and Recommendations for future research	65
5.5	Concl	usion	65
Refere	noog		
Refere	ences		
Apper	ndix (es)	)	
		LIST OF TABLES	
		LIST OF TABLES	
			Page
Table	2.1	Factors Affecting Job Attitudes	19
m 11	2.2		
Table	2.2	Motivators and hygiene factors according to Herzberg's	10
T 11	2.1	motivating theory	19
Table		Job Satisfaction (JS)	46
Table	4.1	Frequency Count and Percentage of Respondents	
		Demographics	52

Table 4.2

Reliability Test on the Variables of the Present Study

55

Table 4.4	Independent Variable	58
Table 4.5	Reliability Coefficients of the Variables	61
Table 4.6	Descriptive Statistics of the variables	63
Table 4.7	Pearson Product-Moment Correlation of the Study's	
	Variables	65
Table 4.8	Regression Results Using "Satisfaction with Job & Jol	b's
	Benefit"as Dependent Variable	68
Table 4.9	Regression Results Using Satisfaction with" Life & Ca	areer
	Satisfaction" as Dependent Variable	69
Table 4.10	Regression Results Using Living, Working,	
	Communicating in the Host Country as Dependent	
	Variable	69
Table 4.11	Results Summary of the Hypotheses	70
Table 4.12	Multivariate Test	72
	LIST OF FIGURES	
		Page
Figure 2.1	The U-Curve of Cross cultural adjustment for expatriates	13
Figure 2.2.	Herzberg Theoretical framework	14
Figure 2.3	The Matrix of Herzberg's Motivating theory	20
Figure 2.4	Theoretical Framework of the Present Study	31
Figure 2.5	Restructured Theoretical Framework	62

Dependent Variable

57

Table 4.3

#### **ABSTRAK**

Pembangunan profesional ekspatriat telah menjadi semakin penting kepada organisasi transnasional sejak beberapa dekad yang lalu (Adler, 2008; Mendenhall, 2006; Mezias & Scandura, 2005). Walau bagaimanapun, apabila ekspatriat tiba di negara tuan rumah tugasan mereka, mereka berhadapan dengan pelbagai jenis cabaran profesional dan peribadi (Crocitto et al., 2005, p.528), sehingga kepada tahap yang tinggi dan tekanan daripada persekitaran. Oleh itu, sebagai tindak balas kepada perubahan persekitaran perniagaan global dan kemampanan kajian ini meneroka faktor 'hygiene' yang menyumbang kepada penyesuaian ekspatriat semasa bekerja untuk sebuah syarikat multinasional dirantau Asia Pasifik.

Objektif kajian ini adalah untuk meneroka faktor 'hygiene' yang mungkin menyumbang kepada proses penyesuaian ekspatriat di kalangan ekspatriat yang bekerja di Dell dari segi kepuasan kerja, interaksi dengan rakyat tempatan dan kepuasan hidup mereka. Faktor 'hygiene' yang berkhidmat sebagai pembolehubah bebas telah beberapa gambaran pada punca kadar berhenti kaya di kalangan ekspatriat Dell yang terus meningkat setiap tahun. Satu rangka kerja konsep yang komprehensif telah dibangunkan yang terdiri daripada penyesuaian ekspatriat sebagai pembolehubah yang bergantung (kepuasan kerja, interaksi dengan penduduk tempatan dan kepuasan kehidupan), dan faktor 'hygiene' sebagai pembolehubah bebas yang akan terdiri penyeliaan, pengurus hubungan interpersonal, syarat kerja, gaji, polisi syarikat dan pentadbiran dasar, dan keselamatan pekerjaan. Ekoran penemuan yang daripada kajian ke atas penyesuaian ekspatriat, soal selidik telah diedarkan kepada 120 ekspatriat yang bekerja di Dell

dengan lima kewarganegaraan yang berbeza (Thailand, Filipina, Pakistan, Indonesia dan Vietnam) baru mengenai pelarasan. Hasil kajian ini menunjukkan bahawa faktor 'hygiene' mempunyai kesan yang signifikan terhadap kepuasan kerja ekspatriat, interaksi dengan rakyat tempatan dan kepuasan hidup. Begitu juga dengan kajian ini dan penemuan memberi pengetahuan yang lebih menyeluruh tentang sama ada dan bagaimana faktor 'hygiene' menyumbang kepada proses penyesuaian ekspatriat. Dalam jangka praktikal, kajian ini mempunyai implikasi mengenai proses penyesuaian ekspatriat dalam usaha untuk meningkatkan peluang kejayaan dan mengekalkan individu yang berbakat dalam tugasan antarabangsa.

#### **ABSTRACT**

The professional development of expatriates has become increasingly important to transnational organizations over the past few decades. However, once expatriates arrive in the host country of their assignment, they are confronted with the "numerous kind of professional and personal challenges" of their career adding to the heightened level of uncertainty and stress in today's rapidly changing business environment. Thus, in response to the changing global business environment and its sustainability the present study explores hygiene factors contributing to expatriates' adjustment while working for a multinational company in the Asia Pacific Region.

The objective of the present study is to explore the hygiene factors that contribute to expatriates' adjustment process among expatriates working in Dell in terms of work satisfaction, interaction with local nationals and their life satisfaction. Hygiene factors which served as the independent variables maygive some pictures on the root cause of the attrition rates among Dell expatriates which keep increasing each year. A comprehensive conceptual framework is developed which consist expatriates adjustment as the dependent variable ( work satisfaction, interaction with local and life satisfaction), and Hygiene factors as independent variable which is consist of manager's supervision, interpersonal relationship, working condition, salary, company and administrative policy, and job security. In the wake of conflicting findings from studies on expatriates' adjustment, questionnaires were distributed among 120 Dell expatriates of five nationalities to gain new knowledge about adjustment. The findings of the present study

show that hygiene factors have significant effect towards expatriates' job satisfaction, interaction with local nationals and life satisfaction.

Likewise the present study and the findings provides more comprehensive knowledge about whether and how hygiene factors are contributed to expatriate adjustment process. In practical term, the present study has implication regarding expatriate adjustment process in order to improve the chances of success and to retain talented individual in the international assignments.

## Chapter 1

#### INTRODUCTION

#### 1.0 Introduction

There is always growing needs to use expatriates whenever an organization expands its business overseas. Expatriates are needed in international assignments in order to complete important strategic tasks of an organization (Gregersen & Black, 1998; Brewster, 1998; Downes & Thomas, 1999) and in order to survive in a competitive international business environment and to maintain sustainable competitive advantages in the international marketplace.

Expatriates are employees sent by their employers to work in a foreign country. The firm is normally referred to as the parent company, while the country of employment in design to complete international assignments is known as the host country (Stahl et. al., 2009). Expatriates are very different from domestic employees in that they are embedded in cross-cultural work environment and life (Shen & Yan, 2010). Once they arrive in the host country of their assignment, expatriates are confronted with the "greatest number and kind of professional and personal challenges" of their career (Crocitto et. al., 2005, p.528), adding to the heightened level of uncertainty and stress in today's rapidly changing business environment.

For instance, multinational corporations (MNCs) use expatriates not only for the reasons of corporate control and the reasons for their expertise in important global market, but also to facilitate entry into new markets or to develop international management competencies (Boyacigiller, 1991; Bird & Dunbar, 1991; Rosenzweig, 1994; Shaffer, Harrison & Gilley, 1999; Forster, 2000). Poor expatriate management

system, can, therefore, threaten the organization's performance and capabilities within the international field (Chew, 2004).

The effective management of expatriate assignments is an important challenge for international human resource managers due to Expatriates represents a major investment for multinational corporations (MNCs) (Shaffer, 1999). Wederspahn (1992) mention and has been estimated that the first-year costs of sending expatriates on foreign assignments are at least three times the base salaries of their domestic counterparts. Sixteen to forty percent of assignments end in failure (Black, 1988), and these costs rosefrom \$250,000 a decade ago (Copeland & Griggs, 1985) to \$1 million per failure for U.S. firms today (Shannonhouse, 1996). In spite of these high costs, MNCs are increasingly using expatriates, not only for traditional control and expertise reasons, but also to facilitate entry into new markets, or to develop international management competencies (Torbiorn, 1994).

Previous study conducted by Chew (2004) found that approximately two hundred respondents acknowledged that ten per cent of their expatriates tend to leave the organization within six months from their overseas assignments and for some of the reasons cited by expatriates for coming back because they failed to perform task assigned and, poor performance (Grant & Heijltjes, 2000; Hodgetts, 1993; Fieldman & Thomas,1992; Stening & Hammer, 1992; Feldman & Tompson, 1993) lack of cross cultural adjustment (Black & Gregersen, 1991; Black, 1992; Shaffer et al., 1999; Riusala, 2000), were feeling down and discourage by their leaders, unable to adapt with multitasking working style, loss of career direction and promotional opportunities, a sense that the company undervalue their international skills and family situation (Harvey, 1985; Tung, 1987; McDonald,1993; Forster,2000; Chew, 2004). The professional expatriates live in a country which is different in all aspects

from their home country and are confronted with various political and cultural adjustments (Magnini & Honeycutt, 2003). They have to live a very different way of life than in their own country and perform in an unfamiliar work context (Selmer, 2006). These situations, to some extent, make their assignments challenging and frustrating.

An in-depth literature review shows that more research regarding expatriates tends to focus on the negative outcomes such as premature return, poor expatriation, repatriation adjustment, and a high turnover rates (Shen, 2010; Ali, 2003; Ali Van der Zee & Sanders, 2003; Vander Zee, Ali & Haaksma, 2007) but less attention is paid to the hygiene factors contributing to expatriates' work and life satisfaction, which may lead to premature return as well as an increase in turnover rates.

# 1.1 Background

DELL Asia Pacific is one of the MNCs hiring expatriates in countries where it operates, currently is facing significant challenges which is showing a very high turnover of expatriate. Referring to Human Resource quotes in Dell Global Business Center Malaysia, in 2010 there was 30% turnover among expatriates and 50% turnover in 2011, which is an alarming number. Research has shown the expatriates often lack the necessary cultural awareness and realistic job previews for their assignments, contributing to the high failure rate of expatriate assignments (Caligiuri, 2003; Early & Mosakowski, 2004; Tung, 1998). Since the professionals expatriate live in a country which is different in all aspects from their home country, besides confronted with various political and cultural adjustments (Magnini & Honeycutt, 2003) they also have to live a very different way of life than in their own country and perform in an unfamiliar work context (Selmer, 2006). These situations, to some extent, make their assignments challenging and frustrating. Li (2009) mentioned that

in their new assignments, expatriates are bound to face different work environments and different cultural-originated colleagues as well as markedly different lifestyles and cultural environments. Furthermore, in the expatriate management literature mentioned that better adjustment assumed to lead to higher performance (Hannigan, 1990). But some empirical studies have provided inconsistent evidence. For example, Nicholson and Imaizumi (1993) found that self-reports of performance were positively related to work adjustment, but not to general or interaction adjustment. On the other hand (Parker & McEvoy, 1993) found a negative relationship between general living adjustment and the level of performance of expatriates. Kealey (1989) demonstrated that the highest performing expatriates in terms of transferring skills and knowledge to host nationals, were also the most likely to experience severe culture shock.

The present study aims to provide the up-to-date information on the current work experience of Dell expatriates working-based in Malaysia and they are serving the Asia Pacific Region. The present study examines the hygiene factors contributing to expatriates' work and life satisfaction based on the Herzberg theory, the two-factor theory of motivation which holds that two sets of factors influence job satisfaction and job dissatisfaction which are hygiene factors and motivators (Fred & Doh, 2011). Thus, the present study will only focus on how hygiene factors such as manager supervision, interpersonal relationship, working condition, salary, company and administrative policy, work security will give impact on Dell expatriates' adjustment.

#### 1.2 Problem Statement

Many multinationals find it difficult to attract and retain talented individuals (Parboteeh, 2010). When an international assignment is not completed, it is necessary to replace the expatriates as soon as possible (Bird & Dunbar, 1991; Swaak, 1995; Pucik& Saba, 1998). The costs of expatriates' failure to the MNCs are both direct and indirect. The direct cost includes salary, training, travel and relocation cost and expenses. The indirect cost could be a loss of market share, difficulties with host government and demands that parent country nationals be replaced with host country nationals (Dowling, Schuler & Welch, 1994; Stone, 1994; Forster, 2000). The average cost per failure to a parent company is estimated between 65,000 to \$300,000 USD depending on various factors (Shay & Baack, 2004; Mendenhall & Oddou, 1985).

Dell Global Business Center Malaysia currently employed 120 expatriates, 90expatriates are based in Penang and they are assigned as Inside Sales Account Managers, Customer Care Representatives and Technical Support Services. The remaining of the 30 expatriates are working in Kuala Lumpur. There are three major main organizations countries under three leadership in the (www.dell.intranet.com). The first one is MYSG which is Malaysian and Singapore team, the second one is INDO CHINA which is serving for Thailand, Vietnam, Cambodia, Laos, Myanmar, and the third group is SADMG (South East Developing Market Groups) which is serving for Indonesia, Philippines, Pakistan, Bangladesh, Afghanistan, Sri Lanka, and other 22 South Pacific Islands.

For instance, Dell Global Business Center Malaysia sets challenging target for the sales team, customer care and technical support team, and they are constantly under pressure to perform. Due to the culture of high pressure working environment, the low performers and expatriates working at Dell who are not able to handle stress generally would not be able to survive for long-term working with Dell. This may lead to big issue as Dell is not able to retain talentedindividuals inits organization. When an experienced and highly talented employee leaves an organization and is back-filled by another new hire, it generally takes approximately up to 6 months for the organization to ramp up the new hire before he/she could start performing at highest peak. Time and money are wasted along the process. Therefore, researcher considers this is one of the big issue that needs be studied and to be looked into to find any possible ways to overcome.

Hence, the researcher would be very interested to study on how Dell organization is able to retain its expatriates by investigating the Hygiene Factors among the expatriates (manager's supervision, interpersonal relation, working condition, salary, company and administrative policy, work security) contributing to work and life satisfaction among Dell expatriates which finally try to examine why Dell expatriates are staying or leaving the company.

## 1.3 Research Objectives

There are a few research objectives of the present study, they are:

- 1. To what extent the manager's supervision/leadership style at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction and life satisfaction)
- 2. To what extent interpersonal relation at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)
- 3. To what extent working condition at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)

- 4. To what extent salary at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)
- 5. To what extent the company and administrative policy at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)
- 6. To what extent work security at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)

#### 1.4 Research Questions

- 1. Does manager's supervision at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)?
- 2. Does interpersonal relation at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)?
- 3. Does working condition at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)?
- 4. Does salary at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)?
- 5. Does company and administrative policy at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)?
- 6. Does work security at Dell is positively related to expatriates' adjustment (in terms of work satisfaction, interaction with local and life satisfaction)?

#### 1.5 Definition of the Key Terms

A few key words that are extensively used in the present study are as below:

**Dell:** Dell is organizing the company globally around three major customer segments —large enterprise, public sector and small and medium business. Today's changes are the next logical step in Dell's business, from a global company managed regionally to truly global businesses. This step has introduced Dell to more people in more places than ever before (<a href="www.intranet.dell.com">www.intranet.dell.com</a>). Dell operates in several countries and is therefore known as a multi-national corporation. Dell is a large company with direct investment in one or more foreign countries. It operates in developing countries, where it provides technology, finance capital, and marketing skills in return for a profitable market. In the present study, the focus is on Dell Global Business Center which is located in Penang, Malaysia.

**Dell Asia Pacific Region**: in Penang is Dell's branch in which expatriates from SADMG (South east Developing Market Groups) which is serving for Indonesia, Philippines, Pakistan, Bangladesh, Afghanistan, Sri Lanka, Indo China (Thailand, Vietnam, Cambodia, Laos, Myanmar), and other 22 South Pacific Islands.

**Expatriate:** Any individual who works outside their country of birth but does not immigrate to the country where they work (Barber & Pittway, 2000).

**Home country**: the country of birth for the expatriate (Barber & Pittway, 2000).

**Host country:** the country that the expatriate works in (Barber & Pittway, 2000). In the current study, it refers to Malaysia.

*Hygiene Factors:* are dissatisfies, using the term "hygiene" in the sense that they are considered maintenance factors that are necessary to avoid dissatisfaction but that by themselves do not provide satisfaction (Fred, 2012).

**Job Satisfaction:** Is the extent to which a worker feels positively or negatively about his or her job (Odom, Boxx & Dunn, 1990).

**Interaction with local national:** Time spend with the local national, value of time spent learning about the culture, the ability to speak with the local community.

**Life Satisfaction:** Satisfaction involves people thinking about their life as a whole, including factors such as whether they are achieving their goals, are doing as well as other people around them, and are happy generally rather than just right now. Happiness consists of, a set range which consists of the barriers to becoming happier, or also known as you biological capability to become happy.

#### 1.6 Significance of the Study

- 1. The results of the present study will have both academic and industrial implications. In addition, the linkage that the study tries to build on the effect of Hygiene factors that may leads to premature return of expatriates which are less researched in terms of expatriates' adjustment. The present study will be carried out in one International Company i.e. Dell, which focuses on the Asia Pacific Region expatriates which are based in Malaysia.
- 2. The results of the present study is to help Company to provide first-hand information for Dell Human Resource Departments to design corresponding effective recruitment and retention programs for International assignments at Dell Malaysia. It can help to introduced Human Resource (HR) practices that would help organizations to select, develop, and retain competent expatriates (Oddou, 1991; Arthur & Bennett, 1995; Stroh, Gregersen & Black, 1998; Hiltrop, 1999; Riusala, 2000; Varner, 2002). The results of the present study presented in this paper suggest that the management of international human resources is increasingly being acknowledged as a major

determinant of success or failure in international business. It concludes by proposing that a well-managed and proactive response to an expatriate may help a company retain experienced international employees.

- 3. In addition, the results of the present study is significant in order to add the body of knowledge, specifically in the field of expatriate studies and International management among expatriates in Asian Countries. Furthermore, it is hoped to create awareness on issues of Hygiene Factors contributing to work and life satisfaction in order to build a more productive workforce in years to come.
- 4. Finally, the presentstudy may share useful information which expatriates can learn. However, the organization supports expatriates and attempts to contribute to employee success in the overseas assignment will significantly increase the probability of successfully managing expatriate, consequently, multinational corporations will be able to strive to improve their capability in managing human resources internationally.

## 1.7 Organization of the Remaining Chapters

The following chapters include Literature Review, Methodology, Results, Discussion and Conclusions. In Chapter 2 Literature Review, previous literature on the Hygiene Factors contributing to work and life Satisfaction among Dell expatriates is reviewed. Hypotheses are developed based on the findings and theories from previous studies, and the conceptual model of the present study is developed based on hypotheses. Chapter 3 contains detailed information on the methodology of this study. The data from the empirical study are analyzed and the results are presented in Chapter 4. Chapter 5 consists of a brief summary of the present study and discussion of the results.

#### Chapter 2

#### LITERATURE REVIEW

#### 2.0 Introduction

The purpose of the present study is to investigate the hygiene factors contributing to work and life satisfaction among Dell expatriates' adjustment in the Asia Pacific Region. This chapter reviews the relevant literature that forms the basis of the present study. It constitutes a review of the past literature on expatriate's adjustment, and it also addresses the effect of manager's supervision, interpersonal relation, working condition, salary, company and administrative policy, and work security with the discussions on the model of the Two Factor Theory. The Two Factor theory is formulated by a well-known work-motivation theorist Frederick Herzberg and his colleagues. Next, this chapter reviews previous studies which address the issue of expatriate adjustment, and hygiene factors. Expatriates' adjustment dimensions in terms of life satisfaction, work satisfaction, and interaction with local nationals are addressed with their relationships to the hygiene factors. This chapter then demonstrates how significant it is to identify hygiene factors contributing to Dell expatriates' life satisfaction well-being, work satisfaction and interaction with local people. Finally, discussion regarding theoretical framework of the present study and development of the hypotheses are presented.

# 2.1 Comparison of Theories and Models

In this section, theories and models that are related to the present study are discussed. Firstly, the U-Curve Theory of Adjustment which relates to expatriates adjustment living overseas is discussed. Secondly, the Hygiene Theory is discussed.

#### 2.1.1 The U-Curve Theory of Adjustment

There are four phases of adjustment based on The U-Curve Theory (Black and Mendenhall, 1991) that expatriates have to go through while living in the host country. This theory has been continuously used as a theoretical perspective on cross-cultural research whenever expatriation adjustment is discussed. The theory presents four phases of adjustment which are explained below follow by Figure 2.1:

- (i) Honeymoon stage: In this stage, expatriates usually may feel excited with all the new things that can be found and offered in the host country. These wonderful feelings which always refer to as tourism stage will continue to exist up to the first couple of weeks or months.
- (ii) Culture shock: This phase starts when expatriates start to feel uneasy, and uncomfortable in their daily life in the host country. This stage requires an adequate coping response from expatriates. Some may perceive this phase hardly and may not want to proceed living in the host country.
- (iii) Adjustment stage: This is the period where expatriates start to feel comfortable in the host country's environment and gradually adjusting themselves to the new culture, in spite of some disturbances. The expatriates begin to become aware and appreciate the cultures of the host country and realize of the differences of cultures between the host country and their home country.
- (iv) Mastery stage: This is the stage in which expatriates possess the ability to function and live effectively in the host country.

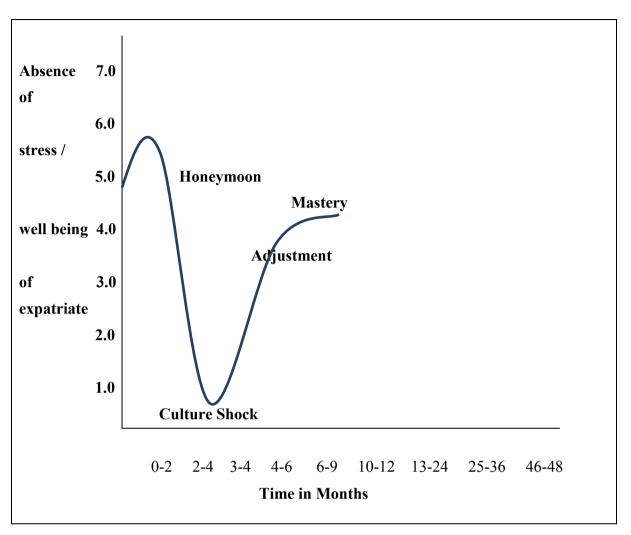


Figure 2.1: The U-Curve of Cross cultural adjustment for expatriates

Source: Graphic Source: H. De Cieri, P. J. Dowling and K.L. Taylor, "The Psychological Impact of Expatriate Relocation on Partners," International Journal of Human Resources Management, Vol. 2, 1991, p. 380.

#### 2.1.2 Herzberg's Motivation-Hygiene Theory

Based on Herzberg's motivation-hygiene theory, there are several factors in the workplace that cause job satisfaction and a separate set of factors which lead to dissatisfaction. The main idea of Frederick Herzberg is that job satisfaction and job dissatisfaction act independently towards each other. This theory suggests that to improve job attitudes and productivity, management must recognize and manage both sets of characteristics and do not consider that an increase in satisfaction leads to

decrease in dissatisfaction (Harvard Business Review, 2011). Therefore, if management wishes to increase job satisfaction, it should be concerned with the nature of work itself (the opportunity to achieve self-realization, gain status, assuming responsibility and so on). If, on the other hand, the management wanted to reduce dissatisfaction, it must focus on the work environment (policies, procedures, supervision, and working conditions) and research by Olan rewaju (2011) also lends to support Herzberg's theory. He found that responsibility was a hygiene factor to the business faculty while Herzberg's subjects consisted of accountants and engineers who viewed responsibility as a motivator. These findings indicated that hygiene factors are can be connected to the adjustment of working place, working environment, working time or company culture. Thus, the researcher would assume the same situation in the expatriates' adjustment situation, in which expatriates also have to adjust to these hygiene factors. Arguably, these adjustments to the expats would be more challenging since they are working in foreign country with different cultures and background compared to theirs.

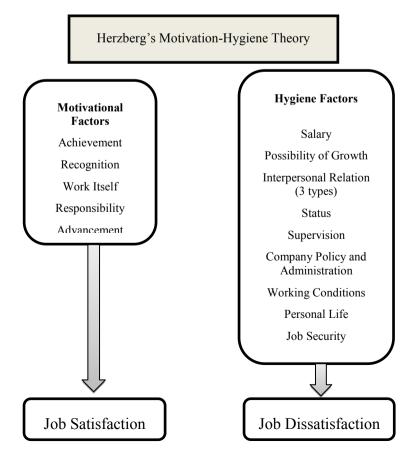


Figure 2.2.Herzberg Theoretical framework

Source: Derived from F. Herzberg et al (1959). The Motivation to Work. New York: John Wiley and Sons, p. 73.

Likewise, as a result of Herzberg's study in figure 2.2, there are 11 factors determine job dissatisfaction, they are: salary, possibility of growth, interpersonal relations with subordinate, interpersonal relation with superior and interpersonal relation with peers, status, supervision, company policy and administration, working conditions, personal life, and job security. Factors that caused negative feelings of job satisfaction were called as hygiene factors (Herzberg et al., 1959). In addition, Herzberg (1966) showed the relationship of hygiene factors to the situation, context, or environment in which employees do their job while the absence of hygiene factors determined measures of job dissatisfaction.

Hygiene factors, or dissatisfies describe one's relationship to the job environment such as the type of administration and supervision received, the nature of interpersonal relationships, working conditions and salary are avoiders of unpleasantness (Larry, 2011).

Building further upon this idea Luthan and Doh (2012) in the previous study on expatriates' mentioned hygiene factors is organized into 6 dimensions: company and administrative policies, manager supervision, interpersonal relations, working condition, salary, work security and, its effects, to life satisfaction, interaction and job satisfaction. When there hygiene factors have been adequately addressed, expatriates will not be dissatisfied nor will they be satisfied (Luthan & Doh, 2011).

There are many of potential hygiene-factors identified by Herzberg's (1968) two-factor theory in general and education fields and has been discussed by many others(examples, Weasmet & Woods, 2000; Schonfeld, 2000; Scott & Dinham, 1999;

Checkley & Kelly, 1999; Adams, 1999; Klecker & Loadman, 1999; and Ballou & Podgursky, 1997; The Herzberg's study in 1968 showed these following factors mentioned later as hygienic factor in the working place: company policy and administration; supervision, Interpersonal relationship; working conditions; salary; status; and job security. Many studies have identified the following factors as causes of dissatisfaction among educators and, organizational policy and administration (for examples, Adams, 1999; Singh & Billingsley, 1998); supervision(Brock & Grady,1998); interpersonal relationships (Brock & Grady, 1998); Interpersonal relationships (Brock & Grady, 1998); working conditions (Schonfeld, 2000); salary (Checkley & Kelly, 1999) and job security (Shan, 1998).

In the present study, due to limitation of time and budget researcher will look only into 6 dimensions of hygiene factors which are manager's supervision, interpersonal relationship, working condition, salary, company and administrative policy, and job security. These dimensions of hygiene factors are postulated to Dell expatriates' life satisfaction, work satisfaction and interaction with local nationals.

To apply Herzberg's theory, the researcher would adopt a two-stage process to motivate expatriates. Firstly, to eliminate the dissatisfactions that expatriates are experiencing and, secondly, to help expatriates to achieve satisfaction in working and living in the host country. The causes of dissatisfaction are named as "hygiene factors" by Herzberg. Thus, by following Herzberg's hygiene factors, company may follow these steps in order to reduce dissatisfaction among expatriates:

- 1. fix and improve poor and obstructive company policies
- 2. provide effective, supportive and non-intrusive supervision
- 3. create and support a culture of respect and dignity for all team members.
- 4. build job status by providing meaningful work for all positions.

- 5. ensure wages are competitive and
- 6. provide work security

All of these actions may help a company to eliminate job dissatisfaction among expatriates. In other words, expatriates simply cannot be satisfied if they are mishandled. Once the hygiene areas are addressed, said Herzberg, the motivators will promote job satisfaction among expatriates and encourage high productivity.

According to Herzberg, remedying the causes of dissatisfaction will not create satisfaction. Nor will adding the factors of job satisfaction eliminate job dissatisfaction. If a hostile work environment exists, giving someone a promotion will not make him or her satisfied. However, the factors leading to job satisfaction are, "separate and distinct from those that lead to job dissatisfaction" (Fred & Doh, 2012). Therefore, if a company sets about eliminating all dissatisfying job factors, the company may create peace, but not necessarily enhance employees' performance.

After all, companies cannot neglect the hygiene factors for several reasons. First, employees who are generally unhappy and this would be apparent in their behavior. Second, hardworking employee, who can find jobs elsewhere, would leave; and thirdly, while mediocre employees would stay and compromise practice's success.

The lack of motivators among employees is sensitive issue which may be due to lack of hygiene factors. Organizations are suggested to provide more and better hygiene factors in order to obtain high performance level. Herzberg emphasizes strongly the need for companies to build motivators into their jobs. To facilitate this, he recommends that industrial relations departments be organized into two formal divisions, one deal with hygiene matters and the other to deal with motivators.

However, it also extends the theory in several respects. One such extension uses two factors to develop the concept of worker typology. Normal type is described as follows (Herzberg, 1968):

- 1. The employee who has both hygiene and motivator fulfillment, who is not unhappy (hygiene) and is also very happy (motivation).
- 2. The employee who is on both need systems but has little fulfillment in the hygiene area even though motivator satisfaction is good. Such a "starving artist" is both unhappy and happy.
- 3. The employee who is also on both need systems but whose satisfactions are reversed—hygiene's are good but motivators are poor; such people are not unhappy but neither are they happy.
- 4. The down and out the employee who in general is lacking in fulfillment generally and is both unhappy and lacking in happiness.

To these four types, Herzberg (1968) were added certain abnormal profiles that characterize people who are not actually on the motivator dimension at all and who attempt to substitute by increasing hygiene factors for the motivator deficiency. Such people may also resort to psychological mechanisms, such as denial of their hygiene needs and fantasized motivator satisfaction, which further compound their hygiene problems. In these pathological instances an inversion occurs in that fulfillment of hygiene needs may be viewed as satisfying, not merely as an avoidance of dissatisfaction.

The following table presents the top six factors causing dissatisfaction and six major factors causing satisfaction, listed in order of higher to lower interest.

Table 2.1

Factors Affecting Job Attitudes

Leading to Dissatisfaction	Leading to Satisfaction (Motivational Factors)	
(Hygiene Factors)		
Company policy	Achievement	
<ul> <li>Supervision</li> </ul>	• Recognition	
• Interpersonal relationship	Work itself	
<ul> <li>Working condition</li> </ul>	Responsibility	
• Salary	• Advancement	
• Relationship w/Peers	• Growth	

<sup>\*</sup>Adapted from Herzberg's (1968) Exhibit1, page 90.

To understand further about the Two-Factor Theory, Herzberg(1968) distinguishes between motivators and hygiene factors in his Two-Factor theory:

- Motivators bring positive satisfaction, arising from intrinsic conditions of the work itself.
- 2. Hygiene factors do not cause positive satisfaction, but no dissatisfaction occurred. Hygiene factors arising from extrinsic conditions.

Table 2.2. *Motivators and hygiene factors according to Herzberg's motivating theory Source :*[Koubek], 2005

## **MOTIVATORS**

#### **HYGIENE FACTORS**

High Level = Positive satisfaction High Level = No dissatisfaction

Challenging work Company Policy

**Recognition** Supervision

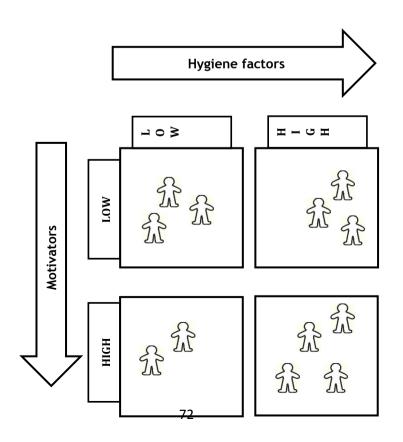
**Achievement** Relationship with boss and colleagues

**Responsibility** Work conditions

**Promotion** Salary

**Professional growth** Security

Low level = No satisfaction Low level = Dissatisfaction



Source: Newby (1999)

Figure 2.3 illustrates how the employees should be divided into four basic

categories according determining hygiene and motivation factors. When people

occurs in the upper left corner, the situation is the worst possible. Then it is important

to start with changes leading to hygiene satisfaction; and in the second phase the

motivational factors should be improved. Thus hygiene factors have to be in the first

place. Therefore, it is proved of how important it is to study the effect of hygiene

factors on expatriates' adjustment.

2.3 Expatriate Adjustment in the host country as the Dependent Variable of

the Present Study

The researcher of the present study would argue that expatriates are undoubtedly

facing these hygiene factors while working in the host country. Expatriates may face

many challenges, both at work and in everyday life. Since they have been transported

to a new and unfamiliar cultural environment, expatriates have to deal with extra

stress and challenges both in the work and outside environment (Selmer, 2006). Even

though, it is the same organizational culture that expatriates are working with. But the

working culture in the host country may be different. These differences may create

challenging working environment (Magnini & Honeycutt, 2003). Thus psychological

well-being is a good indicator of the level of their feelings to the new environment.

Meanwhile job satisfaction is an important indicator that expresses the evaluation of

affective and cognitive behavior of expatriates. Interaction with local nationals also

can be served as the indicator of expatriates' adjustment in the host country. Thus, in

73

the present study all these dimensions: psychological well-being, job satisfaction and interaction with locals are served as the dependent variables.

Expatriates' adjustment has been described by Black and his colleagues (Black, 1988; Black & Gregersen, 1991; Black et al., 1991) as having three dimensions: adjustment to work (job requirements), adjustment to interacting with individuals in the foreign country (socializing with host country nationals - HCNs), and general adjustment to the foreign culture (living conditions abroad). Exploratory factor analyses (Black, 1988, 1990; Black & Stephens, 1989) supported a multidimensional adjustment construct for American and Japanese expatriates.

Expatriate's literature concerns with expatriates' adjustment process are viewed as critical determinant of expatriates' international assignment success (Stroh et al., 2005). Furthermore, multinational companies are also fairly consistent in highlighting the difficulties associated with managing expatriates (Stroh et al., 2005).

Undoubtedly, living abroad offers a different lifestyle and set of experiences for expatriates. Facing challenges and making necessary adjustments are needed in order to survive the working and living in a foreign country (Rana-Deuba, 2000; Zakaria, 2000). However, the challenges encountered during any cross cultural transitions may appear to be stressful and demanding (Naumann, 1993). Adjustments consume time, effort and money. It requires patience and interest on the expatriates' side to make the adjustments process a success. Expatriates' adjustment to the environment in the host country implies that expatriates have become comfortable with the living and working standard in the host country; expatriates are able to communicate and interact with host country nationals, and they are comfortable with the local business practices, work values and living standard in the host country (Black, et al., 1991; Black, Gregerson, and Mendenhall, 1992).

However, when expatriates start living in a host country, they have to make new friends and acquaintances. This process can take place at times when expatriates are not ready to adjust to the new situations and environment in the host country. They may have some views and expectations of what local employees of the host country would be like. However, this may lead to frustrations because the real and current situation in the host country is entirely different from their expectations (Bjorkman & Schaap, 1994; Kaye & Taylor, 1997; Sergeant & Frenkel, 1998) . Frustrated over spending time with the local nationals, the value of time spent learning about the local culture, the inability to communicate in local language, difficulty in making new friends and acquaintances will lead expatriates to feel unhappy. Thus, they may find these situations difficult to be socially satisfied.

Furthermore, the relevant literature reviewed has examined the factors associated with premature return of expatriates to their home country (Shaffer, Harrison, & Gilley, 1999). This work demonstrates that international assignee often fails because mainly they cannot adapt to the local culture in the host country; problems with expatriates' spouses and family member's adjustment which also rated highly as contributors to the expatriates' early return (Black & Gregerson, 1997, 1999; Shaffer et al., 1999).

In addition, in the previous research done by Anderson (2003), were also mentioned that the major contributing factor to expatriate failure is an inability to adjust to the foreign environment rather than a lack of technical competence. Hence, Selmer (2000) and Yavas (2001) ask for adjustment in different areas which are adjustment to work, adjustment to interaction with people in the foreign countries, and general adjustment to the culture and living conditions.

In this context, it is important to investigate how hygiene factors may influence expatriates' adjustment in terms of job satisfaction, interaction with local nationals and life satisfaction which finally leads to turnover intention. Given that the present study deals with hygiene factors thus dimensions on the influence of expat's work and life satisfaction, interaction with local nationals that may lead to Dell expatriates' intention to leave their international assignments are important to study. Therefore, it is worthwhile to investigate how different types of perceived difficulties can affect expatriates' work satisfaction, life satisfaction and the level of interaction with local. In the present study, Dell Global Business Center (DGBC) which is headquartered in Penang, and Kuala Lumpur branch Malaysia was chosen as the working location of the target population because Dell Global Business Center is where employees mostly expatriates from various countries are stationed there. Among the nationalities of Dell's expatriates are Indonesia, Philippines, Vietnam, Pakistan and Thailand.

In the present study, expatriates' adjustment are measured by using three dimensions, which are job satisfaction, interaction with local nationals and life satisfaction (which also have been used by Black, Mendenhall and Oddou, 1991; McEvoy and Parker, 1995). Below are the discussions of the three dimensions. These three dimensions are the dependent variables of the present study.

#### 2.2.1 Work Satisfaction/Job Satisfaction

Employee's job satisfaction has become an important dimension in organizational culture studies. The relevant literature review (for example, Castro & Martins, 2010) explained that job satisfaction is an employee's perceptions and evaluations of a job, influenced by expectations of the employee unique needs, and values. This statement is supported by Ahmed et al. (2011), who mentioned that job satisfaction is an