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# Satisfaction with an expatriate job: the role of physical and functional distance between expatriate and supervisor

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### Satisfaction with an expatriate job: The role of physical and functional distance between expatriate and supervisor

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Satisfaction with an expatriate job: The role of physical and functional distance between expatriate and supervisor

#### **Abstract**

**Purpose** – This study focuses on satisfaction with an expatriate job and how such satisfaction is linked to leadership. Specifically, this research examines how two different kinds of distances—physical distance and functional distance—between an expatriate and his/ her supervisor are related to satisfaction with the expatriate job.

**Design/** methodology – The study was conducted among 290 Finnish expatriates. Moderated hierarchical regression analysis was conducted in order to test the research hypothesis.

**Findings** – The results show that low functional distance with a supervisor is related to greater satisfaction with the expatriate job. The physical distance is not directly connected to expatriate job satisfaction, but the common effect of the two types of distance shows that among those whose functional distance is low, working in the same country with the leader is linked to greater expatriate satisfaction than recorded among those who were physically distant. Interestingly, expatriates with high functional distance are more satisfied with the expatriate job if they work in a different country to their supervisor.

Originality/value —This study makes a contribution in three areas; first, it addresses the understudied phenomena of international work-specific job satisfaction, specifically satisfaction with an expatriate job. Second, it provides new knowledge on the outcomes of leader distance in the context of expatriation, a work situation that is inherently related to changes in physical location and to organizational relationships. Third, it contributes to leadership literature and highlights the importance of the conditions and the context in which leadership occurs.

**Keywords**: International Mobility, Expatriate, Job Satisfaction, Leadership, Leader Distance

**Article Type**: Research paper

#### Introduction

The internationalization of economies has grown dramatically increasing the need for internationally mobile and highly skilled employees (Collings et al., 2009; De Cieri et al., 2007; Salt and Wood, 2012). Expatriates, people living outside their home country owing to their work, are a critical group of these international professionals, and essential assets for their employers, and therefore, their experiences and success relating to work merit attention (Bonache et al., 2018).

It has been stated, that one important predictor of expatriate success is job satisfaction (Culpan and Wright, 2002; Grant-Vallone and Ensher, 2001) defined as being a positive emotional state resulting from the appraisal of one's job or job experiences (Locke, 1976, p. 1300). Job satisfaction has been studied either as a general phenomenon similar for all employees or as an occupation- or work-specific experience, such as measuring satisfaction with a nursing job (van Saane, 2003) or international business travel (Mäkelä and Kinnunen, 2016). The focus in previous literature has been on expatriates' general job satisfaction (Bonache, 2005; Froese and Peltokorpi, 2011). However, research shows that especially when the aim is to explore employees' experiences in the international work context, it is important to take account of the international aspect of work because general measures may not capture the specific issues affecting that kind of work (Mäkelä and Kinnunen, 2016). This study contributes to current

knowledge by following an occupation- or work-specific approach to job satisfaction and focuses on satisfaction with an expatriate job.

Prior studies show that leadership plays a vital role in expatriates' general job satisfaction (Stroppa and Spieß, 2011). However, earlier studies about leadership and expatriation rarely take account of the specific nature of the international work context, in which, for instance, the distance from a leader is a pertinent issue (Antonakis and Atwater, 2002; Bligh and Riggio, 2013). Leader distance has been defined in several ways, for instance, referring to physical and functional distance between leader and follower (see e.g., Antonakis and Atwater, 2002; Antonakis and Jacquart, 2013; Griffith *et al.*, 2018; Napier and Ferris, 1993).

Physical distance can be caused by the physical structures of organizations, and globalization and new working structures are often shown to increase the physical distance between leader and subordinate (Avolio *et al.*, 2014; Zander *et al.*, 2012), especially in an international work context. Functional distance refers to the quality of the functional working relationship between the leader and the subordinate and has been studied with reference to Leader-Member Exchange (LMX) theory (Graen and Uhl-Bien, 1995; Napier and Ferris, 1993, p. 337). The high quality of the LMX relationhips is a significant antecedent of job satisfaction (Epitropaki and Martin, 2005; Erdogan and Enders, 2007), and has also been linked to expatriate success (Benson and Pattie, 2009; Pattie *et al.*, 2013).

Distance, both physical and functional, between the parties of these dyads may limit the availability of some important resources, such as the natural occurrence of interaction, support gained from each other and access to more developmental work tasks (Antonakis and Atwater, 2002; Varma and Stroh, 2001). Conservation of resources (COR) theory (Hobfoll, 2001, 2002)

states that the resources people have are important for their wellbeing; and job satisfaction is an essential indicator of such wellbeing (see e.g., Mäkelä and Kinnunen, 2016) and therefore COR theory is adopted as a theoretical basis for this study.

Although there is a growing body of research investigating the supervisory relationships of expatriates (Kraimer and Wayne, 2004; Kraimer *et al.*, 2001; Pattie *et al.* 2013), also highlighting the important role of the supervisor in the general job satisfaction of the expatriate (Stroppa and Spieß, 2011), the connection merits further study. The aim of this study is to focus on satisfaction with an expatriate job and how such satisfaction is linked to leadership. Specifically, this research examines how two different kinds of distances—physical distance and functional distance—between an expatriate and his/ her supervisor are related to satisfaction with the expatriate job. Therefore, the contribution of this study is threefold; first, it addresses the understudied phenomena of international work-specific job satisfaction, specifically satisfaction with an expatriate job. Second, it provides new knowledge on the outcomes of leader distance in the context of expatriation, a work situation that is inherently related to changes in physical location and to organizational relationships. Third, the current study contributes to leadership literature and highlights the importance of the conditions and the context in which leadership occurs. Below, the relevant literature is reviewed, and hypotheses developed.

#### Leader distance and satisfaction with an expatriate job

#### Physical distance and satisfaction with an expatriate job

Globalization and new working structures often increase the physical distance between leader and subordinate (Avolio *et al.*, 2014; Zander *et al.*, 2012), especially in an international work context. Expatriates working in the global or regional headquarters of multinational firms (MNCs) often have supervisors who are not located in the same country. From the leadership perspective, expatriation is challenging for supervisor-subordinate relationships especially given the frequent need to manage people who are physically distant and to manage the temporary nature of expatriate assignments (Benson and Pattie, 2009). The same challenges also apply to relationships between the expatriate and his/her own supervisor.

Although studies on expatriates and distance from a leader are limited, some research has investigated the link between the physical distance of expatriates and their mentors (Carraher *et al.*, 2008; Zhuang *et al.*, 2013). Those relationships are also equated with the supervisory relationship (Raabe and Beehr, 2003). It has been shown that the physical distance is connected to job satisfaction among expatriates, and having a mentor residing in the home country (i.e., someone physically distant) has a negative relationship to job satisfaction among expatriates (Carraher et al., 2008). Moreover, the relevance of physical distance between leader and the follower has become evident through the studies focusing on globally dispersed or virtual teams, which are also an important form of globalized work (Jimenes *et al.*, 2017). As with expatriation, work in global teams is also characterized by a globally dispersed working environment and limited face-to-face contact with team members who are physically distant (Maloney and Zellmer-Bruhn, 2006).

Studies on global and virtual teams reveal that remote team members feel isolated and perceive that they do not have access to critical information, and that they are not involved in crucial team decisions (Armstrong and Cole, 2002; Breu and Hemingway, 2004; Cramton, 2001). Expatriates working at a physical distance from their supervisor may find it difficult to participate in decision-making processes led by their remote supervisor, or they may feel that they are outsiders because of the reduction of naturally occurring face-to-face communication. Relying on COR theory (Hobfoll, 2011), such negative experiences are likely to reduce a person's satisfaction with their work. In the domestic context, it has also been shown that extensive time spent in a virtual mode at work (i.e., where there is minimal contact with the supervisor) is negatively related to job satisfaction (Golden and Veiga, 2008).

Though the physical distance between the expatriate and his / her leader can thus be expected to impact on expatriates' satisfaction with their work, no earlier studies analyzing this could be found. The impacts of the location of the supervisor have been analyzed, for example, in the context of expatriate performance management, but there the location of the primary supervisor was not found to be related to how successful the performance management was: success was more dependent on process-related factors such as what kinds of goals are set, how they were set, and how they were evaluated (Suutari and Tahvanainen, 2002). However, in the light of COR theory and findings from studies of expatriates and their mentors, as well as on virtual teams, we hypothesize as follows:

H1: Physical distance between the supervisor and the expatriate is negatively related to satisfaction with the expatriate job.

#### Functional distance and satisfaction with expatriate job

Functional distance between supervisor and the subordinate refers to the degree of closeness and quality of the working relationship between the supervisor and the subordinate (Napier and Ferris, 1993). Leader-Member Exchange (LMX) (see e.g., Dulebohn *et al.*, 2012; Graen and Uhl-Bien, 1995; Schriesheim *et al.*, 1998) theory offers a widely used approach to study such distance, in that the basis of LMX theory is that the leader and each of his/ her followers create a unique relationship. Typical features of high-quality relationships include trust, co-operation, and mutual affect between the partners (Graen and Uhl-Bien, 1995). The presence of such characteristics indicates low functional distance between relationship parties (Antonakis and Atwater, 2002) and good availability of various resources (cf., COR theory) likely to lead to better wellbeing, for example, in the form of job satisfaction. Low-quality relationships are based on formal work tasks and contracts (Graen and Uhl-Bien, 1995) and can be seen as an indicator of high functional distance between leader and follower (Antonakis and Atwater, 2002) and, thus, as a situation in which fewer resources are available to the follower (Hobfoll, 2001, 2002). From the perspective of COR theory, this leads to reduced wellbeing for the follower.

The focal role of high-quality LMX relationships as an antecedent of job satisfaction has been acknowledged in numerous studies in the domestic context (Dulebohn *et al.*, 2012; Epitropaki and Martin, 2005; Golden and Veiga, 2008; Harris *et al.*, 2009; Harris *et al.*, 2006; Vidyarthi *et al.*, 2014). It has also been argued that supervisory relationships in expatriate outcomes are undisputable (Benson and Pattie, 2009; Pattie *et al.*, 2010). Research on LMX in the context of a high-quality expatriation LMX relationship between leader and the expatriate follower is

suggested to be important for the job satisfaction of the expatriate, in particular when the supervisor is a local person (Boyd and Taylor, 1998; Froese and Peltokorpi, 2013). Additionally, earlier expatriate studies have shown that different kinds of social support positively influence the adjustment of the expatriate to their new environment (Bhaskar-Shrinivas *et al.*, 2005; Lee, 2010). The level of adjustment, in turn, relates to the job satisfaction of the expatriate (Gudmundsdottir, 2013).

In addition, earlier studies have shown that LMX is positively related to expatriates' perceptions of organizational support (Liu and Ipe, 2010) as well as task and contextual performance (Kraimer *et al.*, 2001). Though the research evidence is still very limited with regard to job satisfaction, a study by Varma and Stroh (2001) reported that high-quality LMX was associated with female expatriate satisfaction with their assignments. Therefore, in the light of LMX and COR theory and related empirical evidence, we hypothesize the following about the role of functional distance:

Hypothesis 2: Functional distance between the supervisor and the expatriate is negatively related to satisfaction with an expatriate job.

Interaction effect of physical distance and functional distance on the satisfaction with an expatriate job

As hypothesized above, we expect low distance, both physical and functional, to lead to greater satisfaction with an expatriate job. One main assumption in COR theory is that having multiple different kinds of resources strengthens a person's wellbeing (Hobfoll, 2001, 2002). In particular, if one has multiple resources it is more likely that suitable support for varying situations is

available compared to the situation where there is little variation of resources. Therefore, we also study the interaction effect of physical distance and functional distance on satisfaction with an expatriate job. Physical distance limits, for instance, natural interaction and opportunities to foster mutual support between leader and follower and therefore has been suggested to be a contextual factor with potential to moderate the effects of LMX on employee outcomes (Golden and Veiga, 2008; Howell and Hall-Merenda, 1999). It seems that physical distance between leader and the follower is likely to limit the available resources. However, this interaction effect has not been studied in the context of expatriation, and merits further research.

There are only a few empirical studies on the interaction effects of physical distance and functional distance on organizational outcomes. A study by Howell and Hall-Merenda (1999) showed that high-quality LMX was linked to stronger follower performance irrespective of physical distance, thus no interaction effect was found. In that study, the physical distance recorded between leader and follower varied from working on the same floor to working in a different city. In contrast with the present study, the distances involved were not as extensive as working in a different country and the study focused on performance rather than satisfaction with work.

Another study on physical distance and LMX in the context of virtual teams analyzed the connection between leader distance and general job satisfaction (Golden and Veiga, 2008). The study showed that if the quality of LMX was high, job satisfaction was almost equal for those who worked in a limited virtual mode or an extensive virtual mode. The study also showed that operating in an extensive virtual mode (i.e., having limited contact with the supervisor) in a low-quality LMX relationship caused job satisfaction to be weaker than in a situation where the leader

and subordinate worked in a limited virtual mode (i.e., the employee is in regular contact with the supervisor).

Identifying only these two empirical studies reporting different results indicates that more research on the boundary conditions under which the distant leadership occurs is required. Neither of the last-mentioned studies were conducted in the context of international work and therefore our study contributes to the research field of international work and global mobility. Earlier empirical findings are not totally aligned with COR theory's assumption that resources have cumulative or loss spiral effects (Hobfoll, 2002). In contrast, it seems that functional distance may operate as a resource that diminishes the negative effect of physical distance because both studies (Golden and Veiga, 2008; Howell and Hall-Merenda, 1999) reported that the positive relationship between low functional distance with a supervisor and its outcomes were not affected by physical distance. However, COR theory does allow that some resources may be more critical than others (Hobfoll, 2002).

Because existing empirical evidence is insufficient and prior research does not address the context of expatriation, we base our hypothesis mainly on COR theory's assumption that a situation characterized by more resources is better for individuals' wellbeing (e.g., job satisfaction) than a situation featuring fewer resources. Thus, we present the following hypothesis:

H3: Low functional distance will be related to higher satisfaction with an expatriate job among those who work in the same country as the supervisor than it will among those who work in a different country to their immediate supervisor, In addition, high functional distance will be

related to lower satisfaction with an expatriate job among those who work in a different country to their supervisor than it will among those who work in the same country.

The proposed study model and hypothesized relationships are summarized in Figure 1.

[Insert Figure 1. around here]

#### Method

#### Data collection

The hypotheses were tested and answers to research questions sought using data collected through an internet survey. The survey was carried out in co-operation with the Finnish trade union TEK (Academic Engineers and Architects in Finland) in 2016. TEK sent an e-mail invitation to each of its 1168 members shown as living abroad on its member register. A total of 305 survey responses were returned. Four responses were excluded because the respondents no longer worked abroad, and an additional 11 because the respondents did not work while living abroad. The final number of eligible responses was 290 and the final response rate 24.8%. Of the respondents, 76.7 % were men. The average age of respondents was 42.3 years. The three most common host countries for expatriates were Germany (16.2 %), the USA (14.1 %) and Switzerland (9.3 %) and in total the respondents listed 51 host countries. A total of 61.4 % of our respondents reported that they had sought work abroad on their own initiative and 35.9 % reported they were sent by their employer (2.8 % did not respond to that question).

#### Measures

Functional distance was measured by an eight-item LMX scale (Tanskanen et al., 2018). Sample items include: "We trust each other" and "We can genuinely listen to each other's opinions." Responses were given on a 5-point Likert scale anchored with strongly disagree (1) and strongly agree (5) and the Cronbach's alpha for the scale was .96.

Physical distance was measured with the question "Does your immediate supervisor mainly work with you... (select one of the following options): a) in the same country and in the same office, b) in the same country but in some other office, c) in Finland, d) in some other country" As the aim of this study is to explore whether the supervisor is located in the same country or in a different country to the expatriate, responses were recoded as a binary variable; the first two options as 1=same country and last two as 0=another country.

Satisfaction with expatriate job was measured through four items modified from the satisfaction scale used in the context of international business travel (Mäkelä et al., 2015; Mäkelä and Kinnunen, 2016; Westman et al., 2009). These items were modified to match the expatriate job context (sample item: "I like working as an expatriate"). The items were rated on a 5-point Likert scale anchored with completely disagree (1) and completely agree (5) and the Cronbach's alpha for the scale was .754.

Controls: Gender (a binary variable, where 1=male and 0=female), age, and length of stay in the current country (in full years) were controlled for. In addition, organizational position (1 for the lowest and 10 for the highest level in the hierarchy) was included as a control variable because it has been shown that the effects of leader distance may vary depending on organizational level

(Antonakis and Jaquart, 2013). Expatriation type (a binary variable, where 1 = Assigned expatriate and 0 = Self-initiated expatriate) was also controlled for in the study model.

#### **Results**

The analysis started with an examination of the dimensionality and discriminant validity of the scales for satisfaction with expatriate job and functional distance. CFA showed support for measurement validity for both LMX and satisfaction with expatriate job measurement scales. The two-factor measurement model indicated measurement validity for LMX and satisfaction with expatriate job scales by having an adequate fit to the data ( $\chi$ 2(62)=168.84; RMSEA=.077; TLI=.943; CFI=.961). With regard to standard goodness of fit cut-off values: RMSEA <.080 indicates acceptable fit, and TLI and CFI values over.900 indicate an acceptable fit while over.095 indicate a good fit (e.g. Hu and Bentler, 1999). In satisfaction with expatriate job scale the post-hoc correlated error-terms between 'I am satisfied with my current work tasks as an expatriate' and 'I especially like my job because it involves the possibility to live abroad' were estimated. All factor loadings were significant and standardized factor loadings generally high (>.800), though satisfaction with expatriate work had one relatively low loading (.615).

Means, standard deviations, and correlations between study variables are presented in Table 1. The intercorrelations showed, first, that functional distance related positively to satisfaction with the expatriate job, but physical distance did not. With regard to our control variables, the findings indicate that higher organizational position was positively related to satisfaction with the expatriate job. Gender, age, or length of the stay in the company did not have a significant relationship with the satisfaction with the job.

#### [Insert Table 1 around here]

A moderated linear hierarchical regression analysis was used with the following procedure: first, control variables were entered in step 1 to control for their effects; second, indicators of physical and functional distance were entered in step 2; and finally, the interaction terms of physical and functional distance were entered in step 3. In calculating the interaction terms, the variables were standardized to avoid multicollinearity (Cohen *et al.*, 2003).

#### [Insert Table 2 around here]

We did not find a significant relationship between physical distance and satisfaction with the expatriate job. Positive relationship between functional distance (functional distance is measured as LMX quality, thus the higher the LMX, the lower the functional distance) and satisfaction with the expatriate job ( $\beta$ =0.22, p<.05) was found, which shows that the lower the functional distance, the more satisfied expatriates are with their job) (see Table 2). Accordingly, if the expatriate had a low functional distance from his/ her supervisor, s/he was more satisfied with the expatriate job. In turn, the physical distance between the expatriate and the supervisor did not increase or decrease our participants' satisfaction with their expatriate job. In addition, our interaction term made a significant contribution to the explained variance. The interaction term between physical and functional distance was significant ( $\beta$ =0.22, p<.05), and is illustrated in Figure 2 (satisfaction with expatriate job presented in standardized values). Our findings show that those expatriates with low functional distance benefit from the situation of low physical distance: their satisfaction

with their expatriate job is higher when physical distance is low. In contrast, those who have high functional distance from their supervisor are more satisfied with the expatriate job if they also have high physical distance from the supervisor compared to the situation in which physical distance is low.

## [Insert Figure 2. around here]

In addition, among the control variables, a significant relationship was found between organizational position and satisfaction with the expatriate job; the higher the organizational level, the higher is the level of satisfaction with the expatriate job ( $\beta$ =0.22, p<.001). This model explained 23% of the variance in satisfaction with an expatriate job.

#### Discussion and conclusion

The aim of this study was to examine the direct and interaction effects of physical distance and functional distance between an expatriate and his/her supervisor on the expatriate's job satisfaction.

#### Main findings and theoretical contribution

This study contributes to the current literature by addressing the understudied phenomenon of international work-specific job satisfaction, specifically satisfaction with an expatriate job. In general, we found that expatriates were very satisfied with their jobs, recording a mean value of 3.98 of a maximum score of 5.0).

This study contributes to current research by forging a theoretical link between leader distance and expatriation specific outcomes and empirically testing that link. Hypothesis 1, suggesting that the physical distance between expatriate and his/her leader is related to satisfaction with the expatriate job was not supported. This finding counters findings among geographically dispersed virtual teams suggesting that distance between the supervisor and the team members leads to lower satisfaction (Golden and Veiga, 2008). However, our knowledge of the effects of the location of an immediate supervisor is still relatively limited in the expatriate context, and thus the findings on global / virtual teams may not hold in the expatriation context. The circumstances typical of an expatriate position, including moving to a new location and settling into new work and living contexts (probably for a limited time span) is likely to make the situation different to that of people remaining in their domestic working environment. It is also possible that digging deeper into the effects of physical distance of supervisor and expatriate, for example, taking account of geographical location, time zone differences and the infrastructure of the society in which the expatriate works would lead to different findings.

Therefore, future studies should focus on different aspects of physical distance between leader and follower also taking account if the leader is located in the expatriate's host country, home country, or some other country. However, in line with our findings, earlier studies on supervisor location and work-related experiences of expatriates have shown that the location of the primary supervisor was not related to the perceived efficiency of performance management either (Suutari and Tahvanainen, 2002). It is therefore possible that in the context of expatriation, the location of the supervisor does not have a similar effect on the employee's job-related experiences as it does in other kinds of jobs.

Hypothesis 2, suggesting a direct negative relationship between functional distance and satisfaction with the expatriate job was supported. The findings indicate that lower functional distance between relationship parties was related to higher satisfaction with the expatriate job. This finding is in line with previous studies conducted in the domestic context (Epitropaki and Martin, 2005; Golden and Veiga, 2008; Harris *et al.*, 2009). It also extends our understanding of the outcomes of high-quality leader-follower relationships in the context of expatriation as called for in prior research (Benson and Pattie, 2009; Pattie *et al.*, 2013). In addition, it is worth mentioning that there was no statistically significant difference in the functional distance between those whose supervisor worked in the same country (mean 4.0) compared to those whose supervisor worked in a different country (mean 3.9).

Reflecting the results above against COR theory indicates that functional distance between leader and the expatriate plays a more important role as a resource than the physical distance. In addition, since the studies underpinning COR theory were published (Grandey and Cropanzano, 1999; Hobfoll, 2002), communication technology has developed enormously and has improved the ease of communication over physical distance, which has inevitably affected leadership dynamics (e.g., Avolio et al., 2014). The recent discussion around the changing nature of expatriation raises the question of how much the development of information technology has changed the nature of the expatriation experience given it facilitates social interaction (Bonache et al., 2018; Kerri *et al.*, 2015). Therefore, the role of the utilization of modern communication channels and social media between expatriate and leader should be acknowledged. For instance, future studies should explore if intensity of social media usage can affect experiences of leader distance and through that, different outcomes, such as job satisfaction.

Hypothesis 3, suggesting that in a situation marked by low functional distance, low physical distance is more beneficial than high physical distance was supported. This finding is in line with COR theory (Hobfoll, 2001, 2002) that suggests wellbeing is related to the different kinds of resources available to people. Prevailing conditions, for instance, working with a person who provides social support (Hobfoll, 2002) can be seen as a resource that supports a person's wellbeing. It has also been shown that the more significant resources are available to someone, the greater are his/her opportunities to acquire additional ones. Aided by COR theory, we may assume that low functional distance together with low physical distance to the supervisor is a resource building situation. In particular, a low functional distance relationship based on trust and the dyad partners' willingness to interact, alongside physical closeness, especially if working in the same time zone and cultural context, is likely to be more beneficial for the expatriate and lead to greater satisfaction with expatriate job.

Hypothesis 3 anticipated also that high functional distance would relate to lower satisfaction with the expatriate job among those whose physical distance from the supervisor was high compared to those whose physical distance was low; that hypothesis was not supported.

Interestingly, for those relationships marked by high functional distance, working at a greater physical distance was more beneficial (i.e., they recorded higher satisfaction with the expatriate job) compared to the situation when physical distance was low. It seems that people who do not trust their supervisors and do not enjoy working with them enjoy the benefits of physical distance, probably because having to interact frequently with someone they do not have a good relationship with undermines job satisfaction. It is also very likely that expatriate jobs offer more autonomy than those in the home country (Jokinen, 2010) especially if the expatriate works in a

different country to his/ her supervisor. That may play an important role in the expatriate's experiences, such as job satisfaction, particularly for an employee with a high functional distance from his/her leader. In addition, our study contributes to leadership literature in general and highlights the importance of understanding the different boundary conditions under which leadership occurs. Our study might be especially interesting for LMX theory development as our findings partly contradict the basic assumptions of that theory that in certain conditions high functional distance (cf. low LMX quality) may lead to positive outcomes, such as greater satisfaction with the expatriate job when working in a situation characterized by high physical distance. More research is warranted in that field in both domestic and international contexts.

#### Limitations and future research

The current study has some limitations that should be acknowledged. Above all, the findings come from a study of cross-sectional design, meaning that we can draw no reliable conclusions on the causal direction of the effects. Longitudinal studies would be required to confirm the connections between leadership and satisfaction with the expatriate job. In addition, the data were based on self-reports, so common method variance may have affected our findings. However, it has been argued that it is an oversimplification to assume that common method variance automatically affects variables measured with the same method (Spector, 2006). In order to control for that, we compared two-factor and single-factor models for functional distance and satisfaction with expatriate job scales. A single-factor solution produced a poor fit with the data  $(\chi 2(54)=404.56; \text{ RMSEA}=.150; \text{ TLI}=.815; \text{ CFI}=.872)$  supporting the idea of two separate concepts and showing that common method bias was not a significant problem in our study.

Nevertheless, future studies should acknowledge this in their research design and, for instance, use several sources for data collection, perhaps involving questioning supervisors too. In addition, earlier literature has pointed out that expatriates (and their supervisors) can face challenges posed by a complex set of relationships with leaders in both the home and host countries (Benson and Pattie, 2009). Therefore, the effects of dual leadership (i.e., having one supervisor in the home country and another in the host country) (Vidyarthi et al., 2014) and perhaps of e-leadership (Avolio et al., 2014) merit further study in the future. The focus of our study was not on the quality of the supervisor-subordinate relationship per se, and therefore we suggest that future studies might scrutinize that phenomenon, and for instance, study how the quality of the relationship evolves during the expatriation. In addition, the physical distance between the expatriate and supervisor should be studied in more detail, perhaps involving studying how the geographical location of dyad partners is linked to individual and organizational outcomes.

#### **Practical implications**

The results of the study yield several practical implications to support job satisfaction among expatriates. This knowledge has practical implications for human resource management experts working in the field of global mobility, supervisors of expatriates, and expatriates themselves. By understanding the determinants of, and boundary conditions for, satisfaction with an expatriate job, organizational policies and practices, and also supervisors' and expatriates' behavior can be shaped to ensure the success of expatriation assignments.

First, expatriates and their supervisors should pay attention to their functional distance, especially in the form of LMX relationships. This could be supported on an organizational level by developing training and coaching initiatives to support the development and maintenance of high-quality LMX relationships. For example, leaders, regardless of physical location, should be trained to lead expatriates, and to understand the challenges associated with expatriation and international assignments, such as coping with a foreign culture or other issues around expatriate adjustment.

Moreover, although the role of the leader is focal, the leadership process should be seen as reciprocal; one in which also the subordinate is an active participant. Therefore, expatriates should actively involve themselves in the different kinds of exchanges with their supervisor, for instance, using communication channels to keep the supervisor updated on work-related issues, giving feedback to the supervisor, and volunteering for new projects or tasks. Based on our finding revealing the fact that in a situation of high functional distance, high physical distance is beneficial for expatriate job satisfaction, we suggest that taking organizations should encourage leaders to recognize subordinates willing to develop their work role, tasks, and task autonomy.

In addition, organizations (and especially human resource management experts) should pay greater attention to developing virtual and technologically driven working models (Pellegrini, 2015) to enable the leaders and subordinates to interact regularly, especially if the physical distance between them is high. Conference calls, e-mail and other communication channels should be utilized regularly to enable virtual interaction. Through these virtual working models, the expatriate and their leader can more effectively participate in exchange and interaction processes, even when the expatriate is on an assignment. Also meeting each other physically

during the expatriation, perhaps by scheduling international business trips to the same locations or visiting each other's working locations could be helpful. Such kinds of efforts can mitigate 'out of sight, out of mind' effects between parties and, in turn, may lead to lower functional and accordingly, .... distance and accordingly, increase resource exchange and expatriate job satisfaction.

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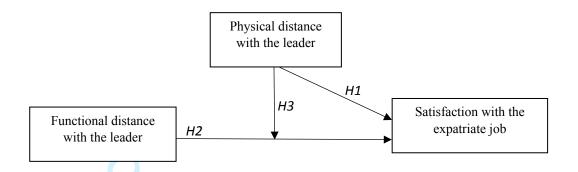
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Country of Gobal Mobility



odel and hypotheses c. Figure 1. Study model and hypotheses of the study.

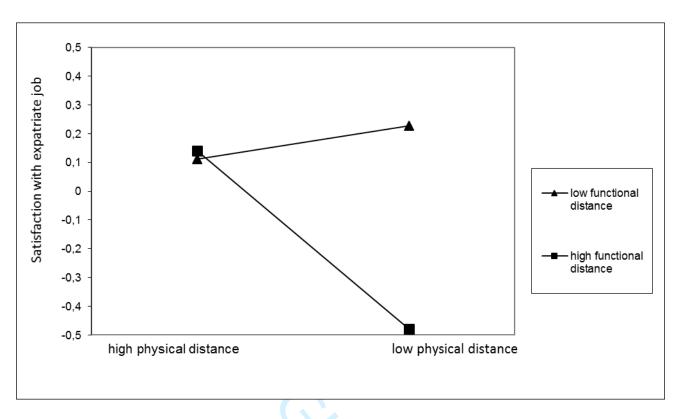


Figure 2. The significant interaction effect between physical and functional distance between expatriate and the supervisor on satisfaction with expatriate job.

Table 1. Means, standard deviations and correlations of the study variables (N = 282-290)

		S					5		
Variable	M	D	1	2	3	4		6	7
	42.3								
1. Age (in years)	5	9.3							
			0.5444						
2. Gender (men/ women)	76.7	-	.25**						
3. Length of the stay in host country	4.94	5.6	.45**	.09					
4. Organizational position (1-10)	6.50	1.8	.47**	.08	.26**				
				.17*	-	.21*			
5. Expatriation type (AE/ SIE)	36.8	-	.15*	*	.23**	*			
6. Physical distance			<u>-</u>				-		
(same country/ another country)	.70	-	.27**	11	08	.12	.34**		
7. Functional distance	4.00	.9	.07	02	.06	.06	07	.05	
7. I difetional distance	4.00	.)	.07	02	.00	.00	07	.03	
						.22*	.01	-	.39*
8. Satisfaction with expatriate job	3.98	.70	.03	04	.03	*		.10	*
*p<.05 **p<.01									

Table 2. Results of Hierarchical Regression Analyses for Satisfaction with expatriate job

	Satisfaction w	Satisfaction with expatriate job							
	(n = 277)								
Independent variables	Model 1	Model 2	Model 3	$\Delta R^2$	$\mathbb{R}^2$				
	β	β	β						
Step 1: Controls				.06**	.06**				
Age (in years)	09 (.01)	12 (.01)	12 (.01)						
Gender (men/ women)	04 (.10)	03 (.10)	04 (.09)						
Length of the stay in the host country	.01 (.01)	.00 (.01)	.00 (.01)						
Organizational position (1-10)	.27*** (.03)	.22** (.03)	.22*** (.03)						
Expatriation type (AE/ SIE)	02 (.01)	02 (.01)	01 (01)						
Step 2: Direct effects				.16***	.22***				
Physical distance		09 (.10)	08 (.10)						
(same country/ another country)									
Functional distance (LMX)		.40*** (.04)	.22* (.08)						
Step 3: Interaction				.01*	.23*				
Physical distance * Functional distance			.22* (.09)						
Note. $\beta$ = standardized beta-coefficient for each step, ; SE: standard error in parentheses, $\Delta R^2$ = change in explanation rate									
in each step, $R^2$ = explanation rate									
* <i>p</i> < .05; ** <i>p</i> < .01; *** <i>p</i> < .001									

Table 1. Means, standard deviations and correlations of the study variables (N = 282-290)

Variable	M	SD	1	2	3	4	5	6	7
1. Age (in years)	42.35	9.3							
2. Gender (men/ women)	76.7	-	.25**						
3. Length of the stay in host country	4.94	5.6	.45**	.09					
4. Organizational position (1-10)	6.50	1.8	.47**	.08	.26**				
5. Expatriation type (AE/ SIE)	36.8	-	.15*	.17**	23**	.21**			
6. Physical distance									
(same country/ another country)	.70	-	27**	11	08	.12	34**		
7. Functional distance	4.00	.9	.07	02	.06	.06	07	.05	
8. Satisfaction with expatriate job	3.98	.70	.03	04	.03	.22**	.01	10	.39**
*p<.05 **p<.01									