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# Trust Building with Chinese Host Country Nationals

Fenny ANG

*MDI Training and Development International, Indonesia*

Hwee Hoon TAN

*Singapore Management University, [hhtan@smu.edu.sg](mailto:hhtan@smu.edu.sg)*

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# Trust building with Chinese host country nationals

Fenny Ang

*Department of Training, MDI Training and Development International,  
Jakarta, Indonesia and*

*University of South Australia, Adelaide, Australia, and*

Hwee Hoon Tan

*OBHR, Singapore Management University, Singapore*

## Abstract

**Purpose** – Integrating the literature on trust building and cultural intelligence, the purpose of this paper is to understand how expatriate managers build trust with their host country nationals (HCNs) in China.

**Design/methodology/approach** – Qualitative data collected via extensive interviews with 12 expatriate managers and 34 HCNs from seven multinational companies in Shanghai.

**Findings** – The authors find that expatriate managers and HCN managers build trust via competence/ability at the onset. The trust relationship becomes stronger over time with the development of affect-based trust via cultural intelligence of the expatriate managers.

**Research limitations/implications** – Implications for theory and practice following the results are discussed.

**Originality/value** – This study used the cultural intelligence perspective to understand the trust building process. In addition this study interviewed both sides to the trust dyad; the expatriate manager and the HCN manager. Hence, it provides perspectives from both sides of the trust building process, one of the first studies to do so.

**Keywords** Trust, Expatriates, Cultural intelligence, Chinese host country nationals

**Paper type** Research paper

A 2014 survey report on global relocation trends found that while China continues to remain one of the top three investment destinations since 2000, China is also ranked as the most challenging country for international assignees with the highest assignment failure rate (Brookfield, 2014). Understanding the reasons for the failure rates and finding solutions to these challenges are therefore imperative to multinational companies (MNCs) as expatriate assignments are costly (Brookfield, 2014; Collings *et al.*, 2007; Toh and DeNisi, 2005). This high assignment failure rate could be due to many causes, one of which is the inability of expatriate managers to lead across cultures. In fact, Livermore (2010) reported that 90 per cent of key executives from 68 countries named cross-cultural leadership as the top management challenge for the next century. To examine such leadership challenges, we look into the literature on expatriate assignments where adjustment to the host environment and being effective in the assignment has been an area of keen research (e.g. see Tan *et al.*, 2001; Toh and DeNisi, 2005, 2007; Tung, 1987). One primary indicator of adjustment effectiveness is the ability to build and sustain trust in cross-cultural contexts (Chua *et al.*, 2012). This ability to maintain trust relationships is particularly crucial in China where relationships are said to be predominantly affect-based; that is, relationships are built based on “emotional bonds between individuals” and specifically in McAllister’s (1995) words, “expressions of genuine care and concern”. Hence, to be effective in the host environment both in terms of adjustment and work

performance, trust relationships are essential. However, trust building with Chinese nationals remains a “black box” for many expatriate managers. Expatriate managers in the field have often cited anecdotal cases of difficulties of building trust with Chinese host country nationals (HCNs) who are subordinates but the actual process has not been clearly delineated in the academic literature. To date, most of the general research on expatriates has examined issues such as adjustment of spouses (Cole and Nesbeth, 2014; Selmer and Leung, 2003) and personality fit (Bruning *et al.*, 2012; Freeman and Olson-Buchanan, 2013), but little on trust building efforts of expatriates. In addition, HCNs now are increasingly well educated, confident and already in leadership positions (Gassmann and Han, 2004) and likely hold views that impact the effectiveness of the expatriation exercise. The challenge of unlocking the psyche of such HCNs becomes all the more daunting.

Another stream of work on enabling effective expatriate assignments examines the dispositional and competency of expatriates (e.g. Bhaskar-Shrinivas *et al.*, 2005; Bird *et al.*, 2010; Mendenhall, 2006; Shaffer *et al.*, 2006). However, it seemed that there is no single stable disposition or individual competency that will “guarantee” that the expatriate will lead and adjust successfully. The recent development of the cultural intelligence (CQ) construct defined to be an aptitude that is malleable and can grow over time (Earley and Ang, 2003) appears to be one area that could potentially enhance cross-cultural trust building. This is because the malleable quality of CQ means that more executives could be trained to be effective global managers, especially in building trust with the HCNs.

In sum, this paper leverages the work on trust building and CQ to explore the above issues for expatriate managers, and particularly for expatriate managers operating in China. Adopting a qualitative lens, we specifically address the following:

*RQ1.* How do expatriate managers build trust with HCNs in China?

*RQ2.* What role does the expatriate manager’s CQ play in building trust with HCNs in China?

We contribute to the literature on trust and expatriate management by situating trust building as a key element of success in expatriate management that is facilitated by the enactment of CQ by expatriate managers.

## **Literature review**

### *Interpersonal trust in cross-cultural contexts*

The business world has long recognized the importance of employees’ trust in their leaders. Trust is generally defined as “a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviours of another” (Rousseau *et al.*, 1998). Trust in leaders has been found to lead to higher managerial effectiveness, more effective teams and better business outcomes (Colquitt *et al.*, 2007; Dirks and Ferrin, 2002; Mayer *et al.*, 1995; Mayer and Gavin, 2005; McAllister, 1995; Rousseau *et al.*, 1998). The general consensus in most of the Western trust literature is that trust mediates the relationship between leadership and successful leadership outcomes (Casimir *et al.*, 2006). However, there is little to no research on trust building between individuals from different cultures (e.g. Jiang *et al.*, 2011 as an exception). In fact, most of the work is largely done on building trust within the same culture (e.g. Wasti *et al.*, 2011).

In addition, trust is built on the perception of the leaders’ trustworthiness; namely, that of the leader’s ability, benevolence and integrity (Mayer *et al.*, 1995). Particularly, Wasti *et al.* (2011) have found benevolence to be most important in trust building efforts

in collectivistic countries such as Turkey and China. Mayer *et al.* (1995) in their seminar work defined benevolence as the intent “to do good to the trustor, aside from an egocentric profit motive”. Another stream of work on trust has defined trust to consist of cognition-based trust and affect-based trust (McAllister, 1995). Cognition-based trust is generally considered as rational and character-based, and is the basis by which followers would consider the leader’s trustworthiness, i.e. their integrity, competence, reliability and dependability (McAllister, 1995). Affect-based trust refers to trust that is based on emotional exchanges in a relationship built on reciprocal care and concern of each other’s well-being. McAllister (1995) found cognition-based trust to precede affect-based trust between peers in organizations in the USA. However, studies in the Asian context have found affect-based trust to be more primary in the trust building process (Chua *et al.*, 2008; Tan and Chee, 2005; Tan *et al.*, 2001).

The issue of taking risks and being vulnerable in trust relationship is compounded by cross-cultural situations where the “collective programming” (Hofstede, 1980) of both parties results in varying norms and values which impact how trustors will place trust in another (Cannon *et al.*, 1999; Casimir *et al.*, 2006). As many cross-cultural researchers have found, culture plays a moderating role in the trust-initiation and trust building processes between supervisors or leaders and local employees in yielding effective workplace behaviours and outcomes (Banai and Reisel, 1999; Cannon *et al.*, 1999; Casimir *et al.*, 2006; Tan and Chee, 2005; Wang and Fulop, 2007; Yamagishi and Yamagishi, 1994). For example, Tan and Chee (2005) examined trust in Singapore, a Confucian-influenced society and found trustworthiness to be dependent on roles and rank. In addition, individuals in such societies also view trust as more affective (emotional, relationship based) rather than cognitive (rational, logic-based) in nature. Other China-specific trust studies also found that there are lower tendencies towards trusting out-group members and stronger preference towards personal affect-based relationships in the trust formation and work outcomes relationship (Chen *et al.*, 2014; Jiang *et al.*, 2011; Wang and Fulop, 2007; Wasti *et al.*, 2011; Wong and Tjosvold, 2006). Using Hofstede’s (1980) dimensions of culture, China is high in power distance and collectivism. In fact, Javidan *et al.* (2006, p. 82) also found the Chinese to be “less future oriented, less assertive, more collectivist, both small group and socially, and more rules oriented”.

Given that China is a collectivistic and relationship-based society (Hofstede, 1980; Javidan *et al.*, 2006), Chinese employees have been found to respond better to affect-based trust relationships with their leaders, as measured by the perceived level of contribution, respect, loyalty, personal rapport and emotional investment (Bai *et al.*, 2012; Child and Mollering, 2003; Li *et al.*, 2006; Wang and Fulop, 2007). Zhang *et al.*’s (2014) recent review on business leadership in the Chinese context highlighted that Chinese employees have an additional dimension of moral modelling in their definition of transformational leadership, in addition to Bass’s (1985) dimensions of charisma, visionary and individualized consideration (Li and Shi, 2008). It appears therefore that the Chinese culture, being paternalistic in nature, expects leaders to be both the moral authority and role model but to also express care and concern for employees in all aspects of their lives. In reciprocation, the employees’ role is to obey and to be loyal. These studies on leadership behaviours shed light on the expectations in the trust building relationships among the Chinese. In fact, while Liew *et al.* (2011) found a distinct “boss effect” with Chinese participants in their study where the Chinese respond faster to their supervisor’s bidding, it is unclear how the Chinese would respond to a supervisor from another culture. It is likely that in an expatriate manager – Chinese HCN relationship, the boss will continue to be dominant.

### *Cultural intelligence (CQ) as a global competence*

Cultural intelligence is defined as “the ability to manage effectively in culturally diverse setting” (Ang and Van Dyne, 2008). Empirical studies have found CQ to significantly influence inter-cultural effectiveness and expatriate outcomes (Ang and Van Dyne, 2008; Ang *et al.*, 2007; Bückner *et al.*, 2014; Flaherty, 2008; Imai and Gelfand, 2010; Rose *et al.*, 2010). Unlike cognitive intelligence or other personality traits, cultural intelligence is malleable (Ng *et al.*, 2009; Shaffer and Miller, 2008).

CQ is a multi-dimensional construct comprising cognitive, meta-cognitive, motivational and behavioural dimensions. Cognitive intelligence (CQ1) reflects the knowledge of norms, cultural artefacts and practices that are acquired from personal experiences and education. Meta-cognitive CQ (CQ2) refers to the higher order cognitive processes that one engages to comprehend and control the cultural knowledge acquired. Individuals with high CQ2 are aware of others’ culture-specific mental models and are able to adapt their own models accordingly. Motivational CQ (CQ3) refers to the ability to direct attention and energy towards functioning successfully in cross-cultural settings. Behavioural CQ (CQ4) is related to the verbal and non-verbal actions demonstrated in cross-cultural interactions. These four facets of CQ are conceptually different capabilities that may or may not correlate with each other but aggregate into a composite CQ (Ang and Van Dyne, 2008).

While CQ research is still nascent, many studies in recent years have tried to understand the antecedents and consequences of CQ and its impact on cross-cultural leadership effectiveness (Imai and Gelfand, 2010). In the context of the expatriate literature, CQ was found to predict performance and expatriate adjustment outcomes (Kim *et al.*, 2008) while cognitive and meta-cognitive CQ have been found to predict outcomes that require higher level cognitive processing such as decision-making and task performance (Mannor, 2008). Particularly, motivational CQ was found to predict coping behaviours such as adjustment and withdrawal from expatriate assignment and behavioural CQ to predict task and contextual performance in the cross-cultural workplace (Ang and Van Dyne, 2008; Ang *et al.*, 2007).

### *CQ and trust*

To date, CQ and trust have not been extensively examined together although a few recent studies focused on CQ as a catalyst to trust development in the cross-cultural contexts (Bückner *et al.*, 2014; Imai and Gelfand, 2010; Li *et al.*, 2006; Rockstuhl and Ng, 2008). Rockstuhl and Ng (2008) found that trustors who have higher cognitive and meta-cognitive CQ reported higher trust levels towards their partners and partners’ behavioural CQ moderated the negative effects of cultural diversity on trust building, resulting in the increase in incidents of joint information-sharing. In a study in the virtual environment between 36 cross-cultural student peer dyads, Li *et al.* (2012) found individuals’ behavioural CQ to influence partners’ trust. Cross-cultural qualitative work by Wasti *et al.* (2011) on within culture dyads found that while different cultures appear to build trust via ability, benevolence and integrity, the manifestations of each are different. For example, in Turkey, one manifestation of Benevolence is that of “personalized generosity”, a concept that speaks to care and concern in the personal life domain, as opposed to the largely North-American definition of Benevolence which focuses largely on care and concern in a professional domain.

In sum, in the current study we explore how expatriate managers build trust with key Chinese HCNs who are integral to their success and the role CQ plays in the trust building trust process.

## **Research methods**

### *Methodology*

We employed Heidegger's interpretive phenomenology methodology to uncover layers of hidden "truths" via the interview medium, as expressed in words and narratives (Van Manen, 2006). This qualitative research methodology does not aim to achieve a degree of generalization, uniformity or predictability, but rather seeks to gain the most complete understanding of the trust building phenomenon, including that of the researcher, as one cannot disengage from the reinterpretation and reconstruction of the actual lived experience in the world (Gubrium and Hostein, 2000). The validity of this interpretive approach is premised upon participants being likened to trustful actors who can talk openly and honestly about each other in interviews (Moldoveanu and Baum, 2011), and that the researcher cannot be standing outside, looking in, disinterested and disengaged from the lived realities that are reconstructed by the participants in the interviews (Gubrium and Hostein, 2000).

### *Sampling*

We adopted a non-probability purposive sampling process to enable a more thorough understanding of the expatriate manager trust building experience. We sampled expatriate managers from foreign MNCs who have varying years of experience, are in western MNCs with more than 1,000 employees and are from industries that are subject to rapid regulatory changes. This set of criteria was set up so as to more closely mirror the industries in China where most expatriation takes place.

Through our personal contacts, we invited 20 expatriate managers from seven foreign MNCs to participate in the research. In total, 12 expatriate managers responded to the invitation and provided a list of their Chinese HCN direct reports. All Chinese HCN subordinates who received the invitation agreed to participate in the research. The final sample consists of 12 expatriate managers and their corresponding 34 HCNs in seven western MNCs in Shanghai, China.

The expatriate managers in this sample hold titles such as "Marketing Director", "R&D Director", "Global Services Director", "Program Director", "Partner" and "Associate Partner". With the exception of the R&D director and programme director, all expatriate managers have both financial accountabilities and responsibilities for day-to-day internal operations.

In total, 75 per cent of the expatriate managers are between 35 and 55 years of age and 25 HCNs are younger than the expatriates in the sample and between the ages of 25-35 years (73.5 per cent). While the split between male and female for the HCNs was equally distributed, nine of the 12 expatriate managers are male. Of the 12 expatriate managers interviewed, seven are of Asian descent and eight of the expatriate managers could speak *Putonghua*. Four of the 12 expatriate managers have been working in China for more than ten years, while rest of the eight have spent three or fewer years in China on assignment. Table I presents the geographical and industry background of the sample.

### *Interview questions*

We adopted a qualitative, interpretive phenomenology approach to uncover layers of hidden "truths" as expressed in words and narratives of interviewees, as this approach strives to understand the trust building process as it develops without imposing a frame on it (Van Manen, 1997).

<i>Companies</i>	<i>Expatriate manager</i>		<i>Host country national</i>	
	Male	Female	Male	Female
A – banking	1	0	4	1
B – banking	2	0	0	2
C – banking	1	1	1	5
X – consulting	3	0	4	1
Y – consulting	0	1	1	1
Z – manufacturing	2	0	5	6
P – consulting	0	1	0	3
Total	9	3	15	19

  

<i>Age groups</i>	<i>Expatriate manager</i>		<i>Host country national</i>	
	Male	Female	Male	Female
25-35 years old	1	0	12	13
35-45 years old	3	3	4	5
45-55 years old	3	0	0	0
55-65 years old	2	0	0	0
Total	9	3	16	18

  

<i>Codes of western MNCs</i>	<i>Nationality</i>	<i>Ethnic chinese?</i>	<i>Years in China</i>	<i>Speaks Putonghua?</i>
A	Singaporean	Yes	15	Yes
B1	American	No	20	Yes
B2	Scotland	No	0.25	No
C1	Dutch-Chinese	Yes	3	Yes
C2	Canadian	No	18	Yes
X1	Canadian-Hong Kong	Yes	0.5	Yes
X2	Indian	No	3	No
X3	American	No	3	No
Y1	Malaysian	Yes	5	Yes
Z1	American	No	3	No
Z2	Malaysian	Yes	4	Yes
P1	Singaporean	Yes	18	Yes

**Notes:** The first alphabet in the MNC coding system reflects the MNC, e.g. respondents B1 and B2 are from the same MNC, while the number next to the code reflects the respondent. For example, there are two respondents in MNC B

**Table I.**  
Sample demographics

A set of semi-structured interview questions was developed to facilitate the interviews, and pilot tested twice for clarity with two expatriate managers and two HCNs (all four are separate from the above sample). The interview questions revolve around interviewees' experiences working with HCNs (for the expatriate managers) and expatriate managers (with HCNs), perceptions of their counterpart's trustworthiness, their views on CQ and assessment of theirs and their counterpart's level of CQ. All interviews were conducted face-to-face by the first author and in English as all informants were conversant in English. Quotes were captured verbatim with the imperfect grammar to preserve integrity of the interview content but we have endeavoured to minimally correct the syntax to ease readability.

### *Data analysis*

Approximately 2,192 minutes of interview data collected by the lead researcher from 46 interviews (12 expatriate managers and 34 HCNs) were audio-taped and transcribed. The lead author then transcribed the interview data which was then imported into

NVivo for coding, analysis and interpretation. Broad central themes were created as free nodes, a priori, and grouped based on literature reviews, which were then organized further into two major node trees to answer the following:

*RQ1.* How do expatriate managers build trust with HCNs in China?

*RQ2.* What role does the expatriate manager's CQ play in building trust with HCNs in China?

The first node mapping onto *RQ1* captures the definitions of trust, factors of trustworthiness and behaviours demonstrating trustworthiness and how trust decisions were made. The next node mapping onto *RQ2* captures CQ. Using Earley and Ang's (2003) definition of CQ, data on *RQ2* was coded into CQ1 – knowledge, CQ2 – meta-knowledge, CQ3 – motivation and CQ4 – behaviours.

In analysing and interpreting the data, we used Conklin's (2007) method of analysing data horizontally, writing up textural descriptions and composite textural descriptions and then expanding into structural descriptions and composite structural descriptions. The last step is that of providing some synthesis to recreate a composite truth to explain the phenomenon of trust building. Data were also analysed by constant comparison analysis and keyword-in-context within an organization and across organizations to examine how the patterns informing the trust building process and behavioural patterns mapped onto the CQ. In addition, we juxtaposed interpretations according to the research questions to illustrate common themes and patterns. We report findings of the common themes that emerged from the above process.

## Results

Table II illustrates the thematic count of the node tree generated by the NVivo software that tracks the frequency of each node family (themes) used to iteratively code, analyse and interpret the data. We organized the NVivo node tree according to the responses to the two main research questions. Top key findings are based on a mix of the highest numbers of references and sources that responded to key themes and by the researchers' interpretation of the data.

*RQ1. How do expatriate managers build trust with HCNs in China?*

*The role of competence.* From the data analysis, we found that trust formation of HCNs with expatriate manager start with cognition-based trust in the initial relationship building stage. The behaviours that build trust are largely competence based – e.g. competence and knowledge, talk content not fluff, efficiency and effectiveness at work, results-oriented, set goals (see Table II). Many expatriate managers and HCNs mention that the initial decision to trust the other party comes from witnessing some form of work competence. In this study, we adopt the definition of Mayer *et al.* (1995) where competence is part of a group of skills and characteristics that “enable a party to have influence within some specific domain” (p. 717) and operationalized as functional, technical or leadership competence required for managing teams effectively, building up customer base and navigating across intricate governmental relations and regulatory requirements effectively.

Establishing credibility with the team is particularly important for expatriate managers as they need to quickly legitimize their own roles and positions in the face of HCNs' scepticism of the need for expatriates to fill those positions. As one senior HCN manager aptly said, “I am not a junior staff, I have my experience, and I can define [...]



No.	Name of node	Source <sup>a</sup>	References <sup>b</sup>	Maps to
1.	Trustworthiness criteria	15	119	
2.	Behaviours that build trust	13 <sup>d</sup>	97	<i>RQ1</i> <sup>c</sup>
	Consistent and deliver on promises – word and deed	8		
	Coaching and providing feedback	5		
	Competence and knowledge, talk content not fluff	5		
	Efficiency and effectiveness at work	5		
	Provide safe environment	4		
	Supportive and provide endorsement	4		
	Results-oriented, set goals	3		
	Obtain buy-in and feedback	3		
	Prove yourself	3		
	Spending time with selected people	3		
	Credible and reliable	2		
	Take accountability	2		
	Pay attention	2		
	Benevolence – the good guy	2		
	Suspend judgement	1		
	Confidence	1		
	Contribution and value to my boss	1		
	Respectful	1		
	Principled with integrity	1		
3.	Behaviours that do not build trust	3	4	<i>RQ1</i>
	Aggressive	2		
	Shrug off responsibility, full of excuses	2		
	No recognition or take others' credit	2		
	Betrayal	1		
	Being calculative and insincere	1		
4.	Building trust takes time	4	5	<i>RQ1</i>
5.	Trust decisions	13	38	<i>RQ1</i>
	Proximity and distances	5	10	
	Calculated decisions	4	6	
	Trust needs to be earned	4	6	
	Trust first	3	3	
	Loyalty	2	4	
	Trust institution, therefore trust individual	2	2	
	Gut feel	1	1	
	Leap of faith	1	1	
6.	Outlook towards work and life	14	68	<i>RQ1</i> and <i>RQ2</i>
	Work is relationship based	11	18	
	Demarcate work and life	9	16	
	Global mind-set	5	9	
	Cooperate rather than trust	5	6	
	People are just people	4	4	
	Family-orientation	3	5	
	It is all about people	3	3	
	Playing a role	2	3	
	Ethnocentricity, self-sustainability	2	2	
	Practical or pragmatic-money, career	1	2	

**Table II.**  
Results from the tree  
(continued) node diagram

No.	Name of node	Source <sup>a</sup>	References <sup>b</sup>	Maps to
7.	Communications and working styles	14	240	<i>RQ1</i> and <i>RQ2</i>
	Leaders' personality and characteristics; e.g. openness and flexibility, willingness to confront, personable and approachable, willing to be vulnerable and take risk	12	86	
	General working styles; e.g. nurturing and developing people, empowerment and delegation, inclusive, manage expectations	13	64	
	Language	10	34	
	Straightforward, direct and transparent	9	19	
	Be the bridge	7	13	
	Emotive vs fact-based	6	13	
	Save face – avoid humiliation	3	5	
	Communicate common objectives to bring people together	1	1	
8.	CQ1 cognitive knowledge – what do I know	8	20	<i>RQ2</i>
	Context and background	4	7	
	Local market insights	4	5	
	Field work and observations	4	4	
9.	CQ2 meta-cognitive knowledge – how do I use my knowledge	8	16	<i>RQ2</i>
	Understand and identify with locals	5	8	
10.	CQ3 motivation – why I do the things I do	12	40	<i>RQ2</i>
	Mutual benefits	7	13	
	Personal preferences do not dictate actual behaviours	3	5	
	Preparedness in new culture	2	4	
	Prior personal experiences	2	2	
11.	CQ4 adapt behaviours – what I do outwardly	14	100	<i>RQ2</i>
	Adapt to local market and landscape	10	26	
	Be part of local social network-team building and socializing	9	16	
	Adapting behaviours and styles contextually	8	13	
	Localize – one of them and assimilated	8	12	
	Identity	6	21	
	Mimic behaviours	5	6	

**Notes:** <sup>a</sup>Sources refer to the narration by the interviewees (both HCNs and expatriate managers); <sup>b</sup>references refer to the number of times the sources refer to the behaviours in the node directly or indirectly; <sup>c</sup>*RQ1* – research question 1; *RQ2* – research question 2. <sup>d</sup>Do note that the numbers do not add up as the table reports only the nodes relevant to the two research questions in this study

**Table II.**

if he or she is qualified to coach me”. She also said that she expects her expatriate manager to teach her something she does not already know.

*Competence defined by expatriate managers and HCNs.* Our data also show that both expatriate managers and HCNs expect the same demonstration of competence at the onset of the relationship. However, the expectations governing competence are strikingly different for each party. For the expatriate managers, the HCNs' trustworthiness is demonstrated by their competence in delivering the results and work outcomes. Failure to deliver may result in loss of the expatriate managers' trust:

[...] Trust is on the capability of the person. That's just [...] delivery. Can they deliver the budgets I gave them? (C-EM1-see explanation for code in Table I).

For HCNs, competence is also expected of their expatriate managers, and it is based on the knowledge transfer from expatriate managers to help them become better professionals, and to assist them in their career paths. They consider knowledge exchange a mutual benefit:

[...] if they bring professional experience to the local team, I think this is their contribution [...] I think through this interaction, the local team can mature and also get exposure, and for these (expatriate) managers, when they go back, they have global experience (B-HCN1).

While expatriate managers equate competence with the ability to deliver work outcomes, they also expect their HCNs to take risks in making decisions and be accountable to them:

This guy has challenges delivering because he refuses to make a decision on his own or take any risk so he's just sort of [...], weighs it all out and (wait) for me to make the decision [...] (X-EM3).

Another area where an expatriate manager's competence is evaluated is the way they communicate and follow-through a vision:

[...] they have very strong capability to show us the big picture but after that, you can't have any details, actions or something [...] they can only show the big picture and what is [...] I think we cannot 100% trust what they say [...] (X-HCN2).

Here the HCN allude that he does not believe what the expatriate manager is telling him on the surface level because based on his experience, expatriate managers are very capable of painting a vision at a very high strategic or design level, but may not have thought through the details at the execution level. The Chinese are very proud of their mantra, "Do first, and talk later". They prefer to execute the given task first, and then talk about the achievements later when there are concrete results. An expatriate manager who can chisel the finer details into executable steps demonstrates competence which in turn fosters HCNs' confidence in them.

The data show that as time passes and the frequency and nature of interaction intensifies, both parties would have ample opportunities to gauge each other's competence. The data in Table II shows that as time passes, HCNs were able to assess each other's competence leading to the next decision of whether to emotionally invest more in the relationship.

### *RQ2. What role does cultural intelligence of the expatriate managers play in building trust with HCNs in China?*

The second key finding is that expatriate managers who demonstrate culturally intelligent behaviours that are viewed to be "from the heart" are perceived as having higher CQ and are more likely to earn affect-based trust from their HCNs.

*"Heart-buying" behaviours.* Most HCNs frequently use the Chinese word "heart" to describe their trust building experiences with expatriate managers. A HCN succinctly describes such culturally intelligent behaviours which breed affect-based trust as "buying people's hearts". This term is often used in China to describe the art of winning the hearts and minds of people to secure loyalty and trust. One HCN said, "It's your ability to play the inner heart's war" referring to expatriate manager's ability to appreciate the emotional psyche of HCNs to adequately engage in psychological games when building trust relationships with stakeholders in the local context. In our findings, "buying people's hearts" is a type of CQ when manifested behaviourally, lubricates the trust building process

between expatriate managers and HCNs, particularly in engendering affect-based trust. In the Chinese context, the use of the term “buying heart” invokes a very deliberate act that goes beyond focusing on the needs of the other party. When used by HCNs in the context of trust building by expatriate managers, we interpret it as understanding what the norms are in the culture and taking the extra step to act in line with the expectations of the culture, hence “heart-buying” behaviours is a type of CQ. That is, from the HCNs’ perspective, these “heart-buying” behaviours are in accordance with the paternalistic leadership style of care and concern and are more nuanced. Said one HCN, “CQ is like your house keys that you use to unlock an otherwise closed door. Once the door is open, you can start building trust”. Thus, data on this aspect of trust building are categorized as key “heart-buying” behaviours that expatriate managers exhibit to garner affect-based trust from HCNs (e.g. “be part of the local social network”, “localize” under CQ4 in Table II).

One of the most cited “heart-buying” behaviours is the willingness of expatriate managers to take risk in protecting HCNs professionally, particularly in times of trouble (e.g. “willingness to be vulnerable and take risks”, under Leader’s personality and characteristics, Table II). When HCNs are asked why they trust their expatriate managers, comments such as “he takes the bullet”, “he backs me up” or “she protects me” are common threads. A very experienced expatriate manager who has spent her last 18 years in China found that the way to build loyalty and affect-based trust was to defend HCNs and take a fall where necessary:

I’ve found that the most loyal people are those who [...] when they’ve run into trouble, they will stand up and say, [...] you’re my team, I’m the boss, I’ve given you guidance, if you’re now under pressure, it’s our pressure. And I’m going to back you. I think if you don’t leave them hanging to dry when something’s goes wrong, [...] they know that they can trust that you will keep their best interests at heart (C-EMI).

*Empowerment and development.* Empowerment and development are behaviours that demonstrate the ability to be aware of others’ mental models (CQ2) and signify an adaptation to the needs of the employees. Specifically, with the paternalistic nature of the Chinese supervisor-subordinate relationship, empowering and developing subordinates signal the care and concern meted out to subordinates.

We found that affect-based trust can be fostered when HCNs see that the expatriate managers consider their potential, take the risk to trust in their capabilities and empower them to succeed (see Table II). Thus, when things do not turn out the way they were planned, the expatriate manager does not blame the HCNs. This creates an environment of safety and trust which encourages HCNs to take risks to realize their potential (see Table II):

What (is) amazing is that she also think(s) I have potential, so she gave me lots of [...] opportunity, to interact with senior people. She has never said anything [...] that puts the blame on me. She just says [...]. whatever does not kill you will help you to grow (C-HCN5).

Again, this empowerment process is built upon the expatriate manager’s initial perception of whether the HCN is willing to take some risks themselves in the form of the HCNs’ ability to execute the tasks competently. When such ability is not demonstrated, cognition-based trust is not engendered:

This guy has challenges delivering because he refuses to make a decision on his own or take any risk so he’s just sort of [...], weighs it all out and for me to make the decision and then when I make a decision, right or wrong and especially if it’s wrong, then it’s my fault, of course (X-EM3).

*Adapting communication styles.* We also found that trust is built when expatriate managers are perceived by HCNs to adapt their usual communication styles to suit the local context. HCNs perceive that expatriate managers in general are more inclined to straightforward communication and favours transparency in dealing with customers (see Table II). Expatriate managers who prefer a more direct style of communication see themselves as being able to fairly and objectively confront issues, ask tough questions and not flinch from confronting the matters at hand. As one expatriate manager said:

I like to be straightforward [...] get to the point. I don't have time to listen to you, don't give me a long drawn-out story. Huh, this is an American company, I have a lot on my plate so get things done. I don't have the time to sit down and just chat (X-EM3).

Yet HCNs believe that there is a certain China "peculiarity" that not every expatriate manager is able to master:

Because foreigners normally, they will be straight talking with you, they don't care about people's feelings you know [...] but to Chinese, you have to care about people's feelings, even when you want push back, you have to push back in a nice way [...] You have to play some tricks, you know, [...] but foreigners they go direct, they go straight and sent e-mails to their clients and said, I think you should do this [...] and our client will normally kind of jump up and say, what are you talking about because I am a client [...] I pay you money [...] (P-HCN1).

Those expatriate managers that are able to navigate around difficult customers and complicated situations are perceived by HCNs to have high CQ. This specific ability reflects a higher level cognitive strategy, CQ2 which enables them to be more adaptive and flexible in the communication styles as they are perceived to be able to switch between the mental frames of Eastern and Western work philosophies:

I saw that when she talks to a Shanghainese, she will speak Shanghainese and that impresses me much [...] for the white person, people, she will speak in English which makes me think like she's just like a foreigner. Ya. Her ability to move from one frame of mind to another is very fast, that's how I feel. Yes, she's very flexible (P-HCN2).

*It is not just about language fluency – societal and historical nuances.* In the present study, six out of 12 expatriate managers are of Chinese descent and fluent in *Putonghua* (see Table I), as were two out of four Caucasians in the sample. These expatriates who speak the local language believe they are more advantaged to build rapport with their HCNs, as evidenced in this quote:

[...] so, I studied *Putonghua* at school and I'm [...] I can confidently say I'm very fluent in *Putonghua*. And the ability to communicate in *Putonghua* just helps to build a rapport (C-EM2).

Yet our data showed that language fluency that helps to bridge communication between the two parties may not automatically build trust. Some expatriate managers agree that learning *Putonghua* is a culturally intelligent behaviour and conveys personal commitment to connect better with HCNs (see Table II):

[...] to me, I feel if I can speak the language, I could probably do things a lot differently than I do today (X-EM1).

However, a few of overseas Chinese expatriate managers (of Chinese descent) and Chinese returnees (known as “Hai Gui” or “sea turtle”) who are fluent in the language are not considered high in CQ, and specifically CQ2. Consider this example:

My boss can speak *Putonghua* but the problem is that his vocabulary doesn't match the intention. So when he said in *Putonghua* “Let me explain to you in the simplest manner” [...] I mean, it's nothing wrong. Maybe if it's in English it is not bad, you know. It's simple but I mean if you keep using it [...] 10 times in the conversation, it's not good [...] (Y-HCN2).

In this conversation, the word “simple” is unfortunately and unintentionally translated into an air of superiority by the HCN.

Despite language fluency, a few HCNs who work with overseas Chinese expatriate managers from Taiwan, Hong Kong, Malaysia or Singapore also perceived a psychological gap due to a clash of identity or perceived difference in socio-economic status:

I think somehow for him it gives me the feeling that [...] because he's a Chinese American maybe he thinks he is [...] he always pretends that he is American. But his look is Chinese. So I think he may be trying to differentiate himself from you (Z-HCN7).

In this case, the expatriate manager who has been educated and worked in America for a decade before returning to China is considered an out-group member even though he is of Chinese descent and speaks *Putonghua* like a native. On the other hand, this expatriate manager shares that he felt very alienated in his own homeland, despite “straddling” between the two cultures (China and America). This expatriate manager's motivation to build trust with his HCNs may be dampened by these feelings of alienation.

Another observation was that HCNs perceive overseas Chinese managers from Singapore or Hong Kong to be consciously drawing a line that translates into “us vs them”. While HCNs recognize that overseas Chinese managers from Singapore or Malaysia adopt a more Western leadership approach, they believe that they are bound together by the common use of *Putonghua*. Hence, HCNs perceive smaller cultural differences with overseas Chinese managers as compared to Western managers who lack the language fluency. However, HCNs felt disrespected when Singaporean colleagues speak in English amongst themselves. The HCN is probably not aware that while Singaporeans can speak *Putonghua*, it is still a second or third language for many of them, and they are more comfortable in English, their “native” language. From the HCN's point of view, however, the Singaporeans are deliberately “pushing them out” by speaking in a “foreign language”. Western expatriate managers however, are not subjected to such perceptions as HCNs are likely to not expect them to master the Chinese language, and hence excuse them as they are “so foreign”. HCNs give higher CQ evaluations to Western expatriate managers who speak fluently in *Putonghua* because of perceived efforts made to acquire a difficult language in order to assimilate into their Chinese community.

*Bridges to the trust relationship.* Our qualitative data also found that non-*Putonghua* speaking expatriate managers handpick HCNs to play the role of the “bridge” to help them understand local culture and navigate through the social and political nuances in day-to-day operations (“be the bridge”, Table II). These expatriate managers use the informants as bridges when they want to understand what people are feeling and

thinking on the ground. Consider these two exchanges between the expatriate manager and the HCN who sees himself as a “bridge”:

He told me exactly what the team was thinking. They didn't tell me. They've never told me [...] but he always tells me, he's sort of like their spokesperson, the unofficial spokesperson, and tells me what the team is thinking (X-EM3).

From the perspective of the HCN:

So sometimes we have breakfast together. I can share honest feeling what's the feedback from Chinese people, right? Because sometimes you know Chinese may not openly share but I can become this bridge (X-HCN3).

HCNs chosen to be “bridges” usually possess high proficiency in English, have studied or worked in different countries or have worked at different MNCs within China. Hence, they can understand the cross-cultural dynamics and willingly function as the go-between for the expatriate managers and other team members. These “bridges” in turn assist other HCNs with poor English language skills to understand the work styles and expectations of the expatriate manager.

From the perspective of the HCNs “bridges”, expatriate managers who adopt such strategies are more effective in navigating in the cross-cultural context:

I see a lot of foreigners who can speak Chinese but they still do not know the Chinese. The value is not that you become Chinese; the value is that you really understand Chinese, and you know who the right person you can work with is (Z-HCN11).

In this case, HCNs do not necessarily expect their expatriate managers to understand the local culture but to have enough market insights to understand the changes in the business landscape and the understanding of the audit, compliance and regulatory requirements that are imposed by the Chinese government. Further, HCNs advised their expatriate manager to spend time understanding the workforce psyche as a key to building relationships of trust with the HCNs:

You either have domain knowledge or knowledge to build client relationships, or to “buy people's hearts”, then this working knowledge is really not too important. So, you must have 1 of the 3 at least. If you have 1 or the other, then knowledge of China is not so important (Y-HCN1).

*Understanding individual psyche-personal attention.* Ultimately, it appears that what matters most to HCNs is how much personal attention the expatriate manager pays to the individual in understanding his individual psyche. This is concurred by a majority of HCNs who assessed their expatriate managers “high” on CQ because they feel that expatriate managers who are willing to spend personal time with them would be more caring, and therefore, more trustworthy. One expatriate manager says that it is important to go drinking with staff and customers, and offers this insight:

They want to drink with me, not because they like to drink, but because they want to see if I am willing to be a little drunk and be relaxed with them, and that I have nothing to hide.

Expatriate managers who are considered of high CQ alluded that it is crucial to understand emotionally the psyche of the people, their fears and aspirations; and doing so is not a one-time exercise. Conversely, HCNs who assessed their expatriate managers “low” in their CQ observed that these managers seem to draw a line between professional and personal time and are unwilling to invest time to build relationships

with HCNs. When asked if he spends time to build deeper relationships with his local staff, one expatriate manager said, “I don’t have the time. They are all matured professionals. They don’t need me to baby them!”

As the second research question revolves around the role of CQ in trust building, we observed that the largest count of CQ lie with CQ4 – behaviours. This is likely because when respondents are asked about what motivates their expatriate managers to behave in certain ways, HCNs tend to say they do not know but would proceed to describe more behaviours to justify. That is, while interviewees are able to provide examples of outward behaviours (e.g. participate actively in team building and socializing activities) as demonstration of being culturally intelligent, the actual interviews did not yield many conversations about the “why”, or the motivation behind these behaviours. However, when doing the final comparative analysis between CQ4 and CQ3, we found CQ3 to be the most important sub-construct in our data set in addressing the internal motivation (answering the “why” question) of individuals. Understanding motivations in HCNs is basic in training expatriate managers to adapt his or her behaviours outwardly in a cross-cultural context (Wijesinghe, 2009). Consistent with our research methodology of interpretative phenomenology, we injected our own interpretation and how we see the world as legitimate data points.

*Additional analysis – length of time in expatriate assignment.* An additional analysis we undertook was to compare the length of time in expatriate assignment. We found that expatriate managers in assignment for fewer than five years view HCN differences as largely personality based:

[...] it’s all about personality, not a lot of difference, even back in Canada, when I was a manager managing my team, I deal with different people from different background right, some are more aggressive, some are more introvert type person, it’s pretty much similar, right? (EL1, Company X).

However, expatriates managers with more than 15 years of expatriate experience attributed HCN differences to culture. This provides an insight into the impact of such attributions on the management of HCNs:

[...] So, when I looked at the team, I said all my team is Chinese. But then once you kind of start talking to them, you find out some of them are from Taiwan, some of them are from Hong Kong and within them, they’re thinking also different [...] The way to approach them differently. That took me probably about 8 to 9 months before I started realising – hey, it’s not all Chinese are the same [...] (EL2, Company X).

## **Discussion and conclusion**

The present study adopts a two prong approach in understanding the trust building efforts between expatriate managers and their Chinese HCNs. As trust is a dyadic process, this research contributes to the literature by focusing on obtaining and interpreting two different perspectives of the trust building process. That is, from the expatriate manager’s perspective, and from that of HCN subordinates to better understand the trust building process. By triangulating the data from both sides, we answer the questions of how trust is built between expatriate managers and their Chinese HCNs and the ways in which CQ enabled them to do so.

Despite findings from the trust literature that the Chinese collectivistic society prefers affect-based trust building (Chen *et al.*, 2014; Tan and Chee, 2005; Wasti *et al.*, 2011), we found the demonstration of competence to be key for both parties, hence



cognition-based trust is more dominant in the trust building efforts between expatriate managers and their Chinese HCNs in the early part of the relationship. Over time, with credibility established via both parties' competence, the role of affect-based trust building takes over. In this phase of affect-based trust building, HCNs deem "heart-buying" behaviours, empowerment and development, changing of communication styles, understanding societal and historical nuances, bridge-building and understanding the individual psyche to be central in building affect-based trust.

Thus in this trust building effort, it appears that the context (in terms of the reason for the expatriate assignment) plays a big role as expatriates are on specific time-related assignments with possible expectations of knowledge transfer to the local office within a timeframe. From the Chinese HCNs' perspective, business results are likely to be more tangible and salient than the relationship. Studies on Chinese HCNs' desire to learn from expatriate managers and the expatriate manager's role to transfer knowledge align with this set of results (e.g. Riusala and Suutari, 2004). While trust building within the Chinese society is largely affect-based, one should not assume it to be the same with individuals from different cultures. This resonates with Mayer *et al.*'s (1995) assertion that trust is context specific. In fact, in the current study, "benevolence – the good guy" is only one of many behaviours in trust building between expatriate managers and their Chinese HCNs.

In the roles CQ plays in trust building, we found several themes such as "heart-buying behaviours"; empowerment and development; adapting communication styles, etc., to be important to the HCNs. These manifested behaviours that lead to perceptions of trustworthiness seem to stem from the heart and maps back to Mayer *et al.*'s (1995) definition of "benevolence", which is the extent to which the trustee perceives an attachment to the trustor and the trustee wants to do good to the trustor without expecting any reciprocal actions. As seen in the present study, such desire to "do good" is manifested in the Chinese context as an emotional response to protect the trustors from harm, in return for loyalty and consistent work performance. In this case, protecting HCNs from potential risks that would otherwise jeopardize the HCNs' career is one of the ways expatriate managers demonstrate benevolence. To the HCNs, such behaviours are in line with their expectations from a paternalistic leader, and acting based on cultural expectations is one manifestation of CQ. Hence CQ is the enabler of affect-based trust building.

While labelled differently, the above behaviours may not seem to differ much in comparison to Mayer *et al.*'s (1995) factor of trustworthiness named Benevolence. However, we assert that in the Chinese context, the manifestations of "benevolence" or "buying of hearts" is more intentional and expectant, contrary to Mayer *et al.*'s (1995) definition of benevolence where reciprocal actions are not emphasized. As trust building evolves over time, expatriate managers recognize their need to make the decision to invest more time and effort in their HCNs through socialising efforts, engaging in social activities that go beyond the professional working hours, and more importantly, allowing HCNs to enter into the expatriate manager's "personal space" (i.e. sharing intimate details about each other's personal lives). Our finding is that some expatriate managers feel that it is worthwhile to engage HCNs at a more emotional level even though it calls for personal time sacrifice as they see remarkable returns in terms of loyalty and positive citizenship behaviours in the HCNs. However, there are other expatriate managers who felt that to invest more than the professional requirements would compromise their own identities and desire for personal space.

The findings from this study extend our knowledge of the trust building process as we find CQ to be needed to convert cognition-based trust to a more sustainable

affect-based trust through manifestations of culturally intelligent behaviours that amount to “buying hearts”. We assert that each of the four CQ sub-constructs plays differing roles of varied intensity across the trust formation and development process. CQ2 is the sub-construct that enables a higher level of cognitive processing of the information and context in understanding the different nuances (e.g. issue of Hai Guis). However the most important sub-construct that lubricates the trust process is CQ3, the motivational CQ sub-construct. CQ3 is the internal drive to want to exhibit behaviours that are considered culturally intelligent, which sits squarely at the crux of the dyadic relationship.

Interestingly, our findings are in contrast with what CQ scholars have advocated on the importance of knowing the local cultural practices and norms, CQ1 (Ng *et al.*, 2012). Such knowledge does not appear to be as important in the development of the trust relationship, especially at the later stages of trust development. The data shows that expatriate managers with knowledge of local customs and norms are not perceived to be more trustworthy. Some HCNs opined that the time expatriate managers take to learn about the local customs and culture is better spent to understand what motivates the HCNs. We postulate that motivational CQ (CQ3), the sub-construct that refers to the internal motivation that triggers an individual’s mind-set and willingness to either engage or disengage in a cross-cultural situation is the key thrust to driving expatriate managers’ behaviours to “buy hearts” and build trust in HCNs (Livermore, 2010).

#### *Theoretical contributions*

The study contributes to literature on trust building between expatriate managers and their Chinese HCNs by providing a contrary view of what is important in the trust relationship across cultures. Specifically, while our earlier theorizing would suggest that the expatriate manager benefits from using affect-based trust as a starting point in trust building, what we found is that cognition-based trust is more important.

Our second contribution lies in how this study explicates the expatriate managers’ use of CQ as a tool to develop emotions-based strategies and actions to earn and establish affect-based trust in HCNs after cognition-trust is earned. The behavioural manifestations of CQ in the Chinese context (e.g. “heart-buying” behaviours) may differentiate a well-adapted and trusted expatriate manager from another less successful one. This finding is important to expatriate adjustment theories (e.g. Mendenhall, 2006) that advocate inter-cultural competences for effective expatriation because from our results, CQ should be on the list of global competences. More importantly, we believe that motivational intelligence (CQ3), the sub-construct that directs energy and activates an individual’s intention to act in certain directions, is the affect-based key to unlocking the trust building process. Activating a person’s motivational intelligence (CQ3) involves cognitively referencing his existing mental schemas, then planning what to do with the information, and engaging one’s own emotions and inward motivation to behaviourally “buy people’s hearts” and “win the psychological war”. We venture to claim that such contextual remarks (“buy people’s hearts” and “win the psychological war”) are beyond the Western definition of benevolence as benevolence in the Chinese context is a more deliberate process that individuals enact purposefully to further the trust relationship.

#### *Managerial implications*

Our findings have several practical implications for HR practitioners, expatriate managers, HCNs and the organization.

From an expatriate management point of view, there are implications to the human resources practitioners in terms of the selection process and the pre-departure training programmes used to prepare expatriates for assignments. First, instead of assignments based on available and interest in the foreign posting, HR practitioners would benefit from obtaining direct input from HCNs on job scope and expectations, and to jointly select potential candidates based on a proven track record in the technical or functional competencies that are required and expected in the host country. That is, to also take into account the HCNs' preferences and motivation (e.g. knowledge transfer) for the work relationship to facilitate trust building and subsequent performance.

While overseas Chinese managers and "Hai Guis" are increasingly being tapped for China assignments due to their multilingual language abilities and perceived cultural similarities, organizations cannot assume such language proficiencies to automatically translate into effective cross-cultural flexibilities. Instead, more effort should be made to develop their perceptual-cognitive and emotional management skills so that they can be more aware of prejudices and stereotypes related to their ethnicity and from there, manage these issues. That is, building a relationship is more nuanced than mere language abilities.

Further, in terms of implications for expatriate managers, expatriate managers are also deemed to coach the HCNs who expect for knowledge transfer, especially in terms of skills transfer, thus building the local talent pool as part of the localization and succession plans. To do so, expatriate managers themselves need to be equipped with coaching skills in the first place. The organization can assign a professional executive coach with Chinese work experience to an expatriate manager to help the latter gain insights into the coaching process as well as to navigate through the cross-cultural adaption process. The coach's repertoire should include imparting self-reflection techniques that help the expatriate manager be aware of his own set of prejudices and stereotypes to reflect on his encounters and behaviours with HCNs, analyse his intentions and motivations, all of which help to shape his behaviours to promote trustworthiness and personal effectiveness.

From an organization's point of view, given that initial trust is built via competence of the expatriate managers, effort should be made to help them be effective by clarifying both the roles the expatriate assignees would play and the corresponding role expectations of the HCN subordinates. This set of expectations should be clearly communicated by both the expatriate managers and the HCNs. In addition, adjustment on both parties can be further expedited by implementing periodic performance reviews and formalizing the accountability process between the sending and receiving offices, and between expatriate manager and HCN subordinates.

### *Limitations and future research*

While there are significant findings from this study, it is not without limitations. The small sample size and the nature of non-probability purposive sampling may not allow for findings to be generalizable beyond the sample. In addition, although the sample is drawn from personal contacts, there may still be a tendency for participants to provide socially desirable responses. However, since participation in this study was voluntary, this concern may have been somewhat mitigated. In addition, given that the HCNs are younger than the expatriate manager, some bias in the responses could be present due to China's high power distance culture as these younger HCNs may be more receptive to trust building efforts by the older expatriate managers.

While the one-on-one interviews yielded rich data, participants may have been hampered in fully expressing their thoughts in English as evident in their frequent

pauses and tentativeness. Also, the use of self-reports and respondents' reflection on past events may be limiting as considerable memory recall is needed with the structured interviews. We have, however, tried to overcome this limitation by asking very specific questions, asking for specific examples and asking different questions to triangulate the responses.

Given our findings, more work can be done in this area of expatriate managers' trust building with HCNs. The present study focused on expatriate managers as most of the issues appear to be in the manager-subordinate relationship. However, the trust building process may be different if the expatriate is not a manager but a peer or a subordinate. Given a high power distance culture such as China (Javidan *et al.*, 2006), the adjustment of expatriates who are not in power positions may be different. Another area of potential research would be for a more focused approach where one examines how expatriate managers of different nationalities can build trust with the Chinese HCNs. While our sample consists of expatriate managers from different countries, we do not have a critical mass of expatriate managers from specific countries to make generalizations.

The present study examines trust building from the perspective of the expatriate manager. Future research can examine trust building efforts of HCNs with their expatriate managers. This is because the HCNs' motives in the trust relationship could determine how they build that trust. For example, those interested in knowledge transfer would start with cognition-based trust as we found in this study, but knowledge transfer is certainly not the only motivation. Other possible motivational factors include personal development, genuine curiosity towards other people's culture and career progression. Also, while we have interviewed both parties to the relationship in the present study, we propose more ethnographical observations in terms of third party observations (researcher observes cross-cultural interactions between the expatriates and HCNs) to further triangulate data from self-reports and memory recall.

In conclusion, the importance of the expatriate manager's competence on the job cannot be understated. Equally important is the need to equip expatriate managers with a reasonable level of CQ to connect with HCNs' minds and hearts to enable affect-based trust.

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## **Appendix. Structured interview questions**

### *Questions for host country nationals*

- (1) What is your general experience in working in a recent cross-cultural assignment, e.g. when did you begin, where were you stationed, what was your role? Who were your team mates or colleagues? Who was your leader?
- (2) What were your experiences in working with expatriate managers in this assignment? What was your role in this? What were some of the best parts of this experience, the most challenging parts, and the interesting parts?
- (3) How did you and your expatriate leader begin to build a working relationship? What worked well? What did not work so well? What was your relationship based on? Why?
- (4) To what extent do you believe trust development was important for the success of this operation? Do you think your expatriate leader felt the same way? Why or why not? What feedback did you rely on to make that case?
- (5) What is "trustworthiness" in your view and how do you judge whether a person is trustworthy or not? What do you consider before you make that judgement call? What influences your perception of your expatriate leader's trustworthiness?
- (6) To what degree do you think your expatriate leader has a working knowledge of the culture, economics and socio-politics of this country? Why do you think that is the case? What kind of impact does it have on the entire operations?
- (7) How well did you think your expatriate leader has adapted his behaviours to the local culture and context? What worked well? What did not work as well? Why?
- (8) What do you think motivates your expatriate leader to act in the way he/she does? What do you think goes through his/her mind in making decisions and working with you and your team mates on a daily basis?
- (9) What is "cultural intelligence" in your view and what does a "culturally intelligent leader" look like in your mind? How would you rate your expatriate leader's cultural intelligence? Why?
- (10) How important is being culturally intelligent in a project like this and would you trust the leader more if he/she is considered more "culturally intelligent?" Why or why not?

### *Questions for expatriate managers*

- (1) What is your general experience in working in a cross-cultural assignment, e.g. when did you begin, where were you stationed, what was your role? Who were your team mates, peers and subordinates?



- (2) What were your experiences in working with local staff in this assignment? What was your role in this? What were some of the best parts of this experience, the most challenging parts, and the interesting parts?
- (3) How did you and your local staff begin to build a working relationship? What worked well? What did not work so well? What was your relationship based on? Why?
- (4) To what extent do you believe trust development was important for the success of this operation? Do you think your local staff felt the same way? Why or why not? What feedback did you rely on to make that case?
- (5) What is “trustworthiness” in your view and how do you judge whether a person is trustworthy or not? How do you think you are perceived by your local staff in terms of your trustworthiness? Why? What do you think influence their perceptions?
- (6) To what degree do you think you have a working knowledge of the culture, economics and socio-politics of this country? Why do you say so and how is it manifested in your daily interactions at work?
- (7) To what extent do you think you adapted your behaviours to the local culture and context? What worked well? What didn’t work as well? Why?
- (8) What are your motivational factors for acting the way you do? How do they affect your decision-making process, if at all?
- (9) What is “cultural intelligence” in your view and what does a “culturally intelligent leader” look like in your mind? How would you rate your own cultural intelligence? Why? How do you think your local staff would rate you? Why?
- (10) How important is being culturally intelligent in a project like this and would you be able to garner more trust from your local staff if they considered you more “culturally intelligent?” Why or why not?

**Corresponding author**

Associate Professor Hwee Hoon Tan can be contacted at: [hhtan@smu.edu.sg](mailto:hhtan@smu.edu.sg)