



# Integration of Chinese Expatriates in Finland

A Chinese MNC in Finland

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**ABSTRACT**

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The goal of this research was to study the situation of international expatriation of Chinese nationals in the foreign countries and determine the challenges they face and how the situation can be improved. The researcher focused on Finland, as there has been an influx of Chinese nationals in the country with many Chinese multinationals sending their workers in the international market. Using a case study of Chinese MNC X, the study adopted a qualitative approach and a subjective method to examine the Chinese expatriates in China and the challenges they face in their adjustment in Finland. Using the semi structured interviews, it was possible to determine the experiences and understand the feelings of these individuals in the new environment. The researcher used a purposive sampling technique. This is a form of nonprobability sampling method that involves the researcher using the expertise that they have to select a sample that is most useful for the research. The purposive sampling technique was used to select the 6 expatriates, who must have worked there for more than 2 years. The expatriates were strewn across different regions of China in a bid to offer a more balanced result for better and meaningful conclusions and recommendations. The study found cultural differences is one of the major factors that affect expatriate adjustment in the foreign country. It was evident that China has a unique culture compared to Finland which is demonstrated by the expatriates. Generally, it was established that the Chinese culture was mainly influenced by Confucianism philosophies and ethics. Therefore, the study emphasized the importance of intercultural training to enable the expatriates to be well-prepared for the new environment. The analysis shows that cross cultural training plays a very important role on the entire adjustment process of an expatriate. The study proved the existence

of a positive correlation between expatriate adjustment and CCT. It is evident that CCT can effectively shorten expatriate adjustment process and make the process better as well as smoother. According to the findings, the study recommends that companies that are sending expatriates to the international assignments should establish cross-cultural training to enhance success of these employees in their foreign mission.

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## 1 INTRODUCTION

### 1.1 Background information

Globalization characterized by fluid technological, capital, human, and cultural transfer has precipitated the growth and survival of international business. Consequently, multinational corporations have leveraged on the opportunities offered by globalization to the extent that many have continually posted positive financial and non-financial performance (Kour & Jyoti, 2021). A particular aspect that has had a tremendous impact on the growth of MNCs is the human capital transfer. Such a transfer is in response to the urgent need for MNCs to have top talent working for them because international business is highly competitive, innovative, and owing to the unique legal, environmental, social and cultural stipulations in each foreign country, often complex (Ko & Yang, 2011). Consequently, to actualize engagement with skilled, knowledgeable, and competent workers, MNCs have used expatriates. Expatriates are expert workers who are contracted or hired to work for a company that operates in a foreign country different from the workers' country of origin.

It is imperative to understand the current business environment in order to express the role expatriates play in the present business environment. In the present business operations, it is notable that the definition for expatriate has evolved with time. Traditionally, this was a term that was used to describe the people who were involved in the international experience for their work or the extracurricular nature (Kour & Jyoti, 2021). This may have involved different situations like the self-initiated expatriation and the international students, including the immigrants and the refugees. This means that the definition and the explanation of this term was quite broad for quite some time, which necessitated a better description, especially regarding the focus of the current study (Caligiuri et al., 2001). On the basis of the present study and based on the previous research conducted, the term expatriate refers to the employees or workers of the international business organizations that include the context of the limited timeframe. In other words, it describes the employees who are sent overseas by the international organizations, mainly on a temporary basis to do various organizational goals for a specific time. Notably, many global organizations now require such

people, who are sent beyond their home countries with the aim of providing a certain skill or competence for the company in the new country.

The reason that international companies tend to send employees to another country where the business has a presence with the aim of managing the foreign subsidiaries as opposed to hiring the nationals of that country has changed over time especially in the recent past. Some decades in the past, numerous free trade agreements were implemented across the globe (Caligiuri et al., 2001). This made companies to start considering moving overseas and developed massive overseas operations with the aim of reducing the production costs and also increase the market shares in the international business environment. In this regard, most of the companies started to enter the international markets through establishing foreign offices and plants (Wang & Tran, 2012). As these offices and plants needed people to work in, they started to send employees to manage them. This can be described as an ethnocentric mode of management (Suutari et al., 2002). In this form of management, the home country is the center where the headquarters of the Multinational Corporation (MNC) are based in the home country and tend to hold a massive power regarding the overall governance and the decision-making process.

With the rapid growth of globalization, many of these companies expanded their global operations using this ethnocentric approach, where they would send the nationals of the parent country to lead their foreign operations. These developments have been noted in the present business environment although a lot of transformations has been achieved (Suutari et al., 2002). This mode of management has been noted to allow companies to retain the major powers of making key decisions and be in control of the operations of the tightly coordinated transnational corporation. Notably, using the parent country national to lead the foreign subsidiaries, it is possible for the companies to better apply the same values and organizational culture across the entire value chain (Zhong et al., 2015). This also facilitates a better communication between the parent company and its subsidiaries due to the less language and cultural barriers.

Despite its success, this mode of management has also been noted to be costly to the company considering that they must make payments for all the transfer expenses to the foreign subsidiary. In addition, the companies are required to



make investments regarding the different compensation packages to ensure its optimal performance (Zhong et al., 2015). This type of management has been noted to increase the risk of adjustment at the organizational and the personnel level. Therefore, in order to mitigate and minimize the risks that arise, it is imperative for the companies to understand the implications of potential failure and be able to identify the reasons that caused this situation regarding the expatriate failure (Onosu, 2016). This enables the provision of support that is needed for these expatriate managers. This shows that expatriate management has been a concern as it is faced with numerous issues which should be investigated for its success in this era of globalization and internationalization.

## **1.2 Purpose and Objective**

Despite the increase in the expatriate due to internationalization of businesses, there has been a lot of problems in their international assignments that have necessitated further research. The challenges tend to make the adjustments for the expatriate in the host country to be more difficult. At times, it can even lead to the premature return or other types of expatriate failures like the decreased performance and productivity at the workplaces (Onosu, 2016). It should be noted that for quite a long time, the failure of expatriates was directly associated with the premature return situations that compelled the full length of the assignment in the international country to be considered a success. However, the concept of expatriation has significantly changed and demonstrated the need to evaluate the successes and failures from a different perspective (Krishnaveni & Arthi, 2015). Notably, many companies are now sending their employees abroad for more reasons compared to the past, implying that there is a significant change regarding the success or failure of these employees. More factors are now considered regarding the performance of the expatriates (Noman et al., 2020). For example, the performance of job in the foreign country is compared with the same employees' performance in the home country. Other aspects that have been considered include the successful transfer of the skills and the knowledge and the level of repatriation turnover in the company.

In this regard, the definition of failure of the expatriates tends to focus more on the goals of the specific assignment, since the employees are sent with different

assignment goals and purposes. Therefore, the failure of the expatriates has been described as the inability of the individual to perform in accordance with the expectations of the entity (Noman et al., 2020). However, the past studies and surveys have demonstrated that only about 30% of the companies tend to set assignment-specific goals that can effectively measure the job performance of the expatriates. This is one of the challenges for identifying the successes or the failures of the expatriates in their assignments. Without clear expectations or setting proper goals, the companies cannot evaluate the employee performance or monitor their progress consistently (Riusala & Suutari, 2000). This has become one of the challenges that has led to early return of the expatriates since it is hard to measure their job performances. Studies have also demonstrated some level of prematurity regarding the departure of the employees. For example, about 20% of the US based managers who were sent for the international assignments tend to return much earlier than the expected time (Noman et al., 2020). The high rate of premature return has been noted to be a major problem which may lead to poor performance of the companies. At least 80% of the American expatriates have been reported to fail when sent for the overseas assignments. This rate is consistent almost in all parts of the world, demonstrating that there are challenges that employees face when they relocate to work in a new country.

The purpose of this research is to study the situation of international expatriation of Chinese nationals in the foreign countries and determine the challenges they face and how the situation can be improved. It should be noted that the study focuses on Finland, as there has been an influx of Chinese nationals in the country with many Chinese multinationals sending their workers in the international market (Suutari et al., 2002). This study adopted a qualitative approach and a subjective method to examine the Finnish expatriates and their adjustment challenges in Finland. Using the semi structured interviews, it will be possible to determine the experiences and understand the feelings of these individuals in the new environment. In addition, the research aspires to bring a fresh qualitative input towards the Chinese expatriates and their subjective interpretations and meanings within the intercultural adjustments debates and findings that have been suggested by the quantitative approaches and the positivist methods and assumptions of the objective backgrounds.

Cross-cultural development for expatriates is of particular importance for Chinese MNC X due to certain salient forces. One, the company engages in significant R&D efforts which are typically human capital intensive and thus have many expatriates. Two, MNC X is a Chinese firm that insists, often indirectly, on having Chinese nationals work in their overseas operations and it is expected that there are Chinese expatriates working in Finland. This creates significant cultural differences owing to evidence for instance given by Hofstede (1965) that showed that most Asian countries, China being a significant part, espouse a collective (Communal) and high uncertainty avoidance that makes them more hierarchal as compared to their European counterparts who are more individualistic in their power distance index and have no high regard for hierarchal postures. While the cultural differences exist and have been codified, little is known about the level of cross-cultural training and development for expatriates working at Chinese MNC X which is a microcosm of expatriates working for Chinese MNCs operating in countries far from their country of origin. Consequently, this paper makes the proposition that low cross-cultural training and development for an expatriate working for MNCs is the main reason for expatriate failure and an enhancement of this has the potential to advance positive MNC performance.

### **1.2.1 General Objective**

The general objective of the study is to examine the Chinese expatriates and evaluate how they adapt new environments, especially in Europe. It has been suggested from the previous research that the cultural differences are one of the challenges that expatriates face that lead to failure to achieve their goals. Therefore, the study focused on the cultural differences between China and Finland and determine the role it plays towards the success or failure of the expatriates in the country. The study evaluated the situation with a focus of the following specific objectives.

### **1.2.2 Specific Objective**

1. To evaluate the cultural identities of Chinese expatriates working in Chinese MNC X based in Finland.

2. To find out the cultural barriers and challenges faced by Chinese expatriates in Finland.
3. To determine the level of cross-cultural training and integration for expatriates working in Chinese MNC X in Finland.
4. To establish how the cross-cultural training for expatriates in the Chinese MNC X in Finland has impacted on their productivity.
5. To establish how Chinese MNC X does cross-cultural management of the expatriates who are going to Finland.

### **1.3 Research questions**

The research questions were developed based on the background of the research problem noted in literature. While there are reports that expatriates have had a considerable positive impact on the performance of MNCs, significant business reports and empirical studies have increasingly shown that approximately 16% to 40% of expatriates have performed below expectation (Ko & Yang, 2011; Hånberg & Österdahl, 2009). Further, while other newer studies have found that expatriate failure is dwindling as more knowledge about the underlying causes come to the fore, still, there are growing studies and reports that maintain that one-third of expatriates fail in their assignments within the first two years of their service to the company (Kankaanranta & Lu, 2013; Lee et al., 2018; Pratono, 2019). The unmet expectation by some expatriates is a serious issue for MNCs largely as a result of the massive financial ramifications tied to that failure. Further, whereas underlying causes of expatriate failures have included poor expatriate management and leadership, cross-cultural training and development rank high among the identified causes (Lee et al., 2018; Pratono, 2019).

Working in a country that espouses a different cultural makeup than the one the expatriate identifies with can be challenging and disconcerting. In their very nature, expatriates are highly knowledgeable people, and their inability to adapt to the unique nuances of the local culture, incompetence in the local cultural language and general lack of cultural knowledge often lower their motivation to effectively work in their foreign stations (Kankaanranta & Lu, 2013). Further, even for expatriates who are more amenable to acquiring cultural knowledge and skills of the local environment often quickly come to the conclusion that the process is

long and arduous, and this also consumes valuable time (Lee et al, 2018). And yet, cultural training and development are important because MNCs operate within culturally diverse contexts and expatriates who are aware of these cultural differences and are knowledgeable about the cultural issues and language of the dominant culture are more prone to individual success, positive alignment with the organizational structure and culture of the MNCs and have better chances of helping the MNCs to perform better financially and non-financially (Luu, 2016).

Notably, China has achieved a significant progress regarding the globalization rate since the reforms that were introduced by Deng Xiaoping in 1978. This enabled its market to free, which attracted a lot of foreign direct investment (FDI) in the country. Similarly, a lot of Chinese companies grew and even established basis in other countries including Europe (Riusala & Suutari, 2000). There is a high presence of the Chinese companies in other parts of the world, with joint ventures and even wholly owned subsidiaries been noted and established in other parts of the world. One of the countries where there is a significant establishment of Chinese companies is Finland (Suutari et al., 2002). This has led to a significant growth of the presence of Chinese nationals in Finland. Despite this growth, it has been argued that being a Chinese expatriate in Finland is not an easy thing. Generally, China is termed by the Westerners as the most distant of all the places, which creates a major gap regarding the flexibility in the movements. One of the challenges that the expatriates face is the cultural gap. Western people tend to consider the expatriates from China as people who are enigmatic. Notably, the significant cultural differences between the Chinese and the Finnish people have been noted and reported in various pieces of literature (Suutari et al., 2002). In this regard, the intercultural adjustment of the Chinese expatriates in Finland is one of the most significant challenges and is an important aspect for the success of the expatriates in their overseas assignments. Although it is notable that expatriates face a lot of problems in their quest to demonstrate their skills and achieve the organizational goals, there is a scarcity of the measures of success and a proper description of the cultural differences. This has made it hard to analyse the success or failure of the expatriates.

To effectively investigate this situation and meet the research objectives, the following research questions were examined.

Main question: How Chinese expatriate staff can successfully be integrated to Finnish culture?

Sub questions:

1. What are the cultural identities of expatriates working in Chinese MNC X in Finland?
2. What are the cultural barriers and challenges faced by Chinese expatriates in Finland?
3. What is the level of cross-cultural training and integration for expatriates working in Chinese MNC X?
4. How has cross-cultural training for expatriates impacted on the expatriates' productivity?
5. How does Chinese MNC X do cross-cultural management of the expatriates who are going to Finland?

#### **1.4 Methodology**

This section reviews how the study will carry out the research process from the research approach to the target population and sample size to data collection and analysis. The research methodology chapter is a very important section of any research as it describes the approaches that were deployed by the researcher and the techniques that are used. When designing a research study, it is imperative to have a proper understanding regarding the selection of techniques and the tools that are available to the researcher. A research methodology describes the manner in which the researcher intends to carry out the research (Schoonenboom & Johnson, 2017). For the problem being investigated to be solved, it is imperative to develop an effective approach that ensures that there is reliability and validity of the findings. This section is important as it gives the legitimacy to the research and provides with sound process of verifying the findings. A proper methodology provides an opportunity for other scholars and researchers to replicate the research in case they need to (Caruth, 2013). This is an important part regarding the credibility of the study findings. In case the researchers, face criticism regarding their findings, they can justify them with the methodology they used to get these results. Therefore, this chapter discusses the

various crucial approaches that were used by the researcher to collect and analyse data, and a justification of the specified methods on how they suited this study. More will be covered in detail in Chapter 3.

### **1.5 Organization of the study and limitation**

This study is organized in six chapters.

Chapter 1 is introduction, which presents the introduction and background of the study. The definition and discussion of expatriates, the reasons that have necessitated expatriation, and the development of the same in Eastern and Western nations is discussed. Further, the chapter discusses the research gap that informed the research and the problem that needs to be investigated. The introduction chapter presents the research objectives and the research questions that guided the present study.

Chapter 2 is literature review, which examines both the theoretical and empirical review touching on cross-cultural development and training and international business as exposed by MNCs. The aim of the literature review is to evaluate the theoretical underpinnings and identify the research gap that was the focus of this study.

Chapter 3 is the methodology of the study, which describes the method and research design that was used to research the main research question regarding the Chinese expatriates and their adaption to the Finnish culture?

Chapter 4 is data analysis, which presents an analysis of the data collected.

Chapter 5 is findings, which discusses its meanings and implications in relation with the research questions.

Finally, chapter 6 is conclusion and recommendations, which presents a summary of the major findings and evaluates whether the main research objective was met. It also makes recommendations for practice and future research.

The study focuses on Chinese expatriates in Chinese MNC in Finland. There are no other expatriates from other countries or those who do not work in Chinese

MNC will be incorporated in the study. Therefore, the findings are limited to the Chinese expatriates who work in that company alone.

### **1.6 Reliability and Validity**

This study used accurate tools for data collection and analysis to ensure reliability. A questionnaire which was used in the study was approved for use in this study. A questionnaire is an approved tool that demonstrates reliability in data collection. The data collected was coded and analysed in SPSS, a statistical software that demonstrates high levels of reliability regarding statistical research. This demonstrates consistency in the findings, meaning that other researchers can use the tools and the methodology describes to obtain the same findings. The participants were not influenced in any way, meaning that the results represented the true finding among similar individuals outside the study. This demonstrates the validity of the study.

### **1.7 Significance and justification of the study**

The growth and development of technology has necessitated the consideration for knowledge and technology transfer as well as the establishment of the corporate management systems for the offshore sourcing. This also illustrates the demands for market expansion where numerous expatriates are required to undertake various tasks for the company that ranges from the initial establishment, marketing, general affairs, and technology. In this regard, it is notable that the personal traits and the work performance of the expatriates' impact on their success (Tahir et al., 2007). However, the past studies have demonstrated that there are numerous factors that affect the adaptation of expatriates and hence their performance. One of the major challenges is cultural adjustment, especially when moving to a country with a significantly different culture from the home country (Selmer et al., 1998). These cross-cultural adjustment problems that are caused by the various differences in life and the social culture tend to also influence the work stress of the expatriates. Despite this fact, there is little knowledge regarding the methods that companies can undertake to improve the work environment and make the adaptation easier. One of the methods of solving this problem has been



suggested to be cultural training of the employees (Littrell et al., 2006). However, there is little evidence especially the one relating the integration of the Chinese to the Finnish culture. Therefore, this study will provide evidence regarding the specific experiences of Chinese expatriates in Finland, and how different types of training can help them to adapt. The study is important as it provides knowledge in an area that has not been quite explored, and the findings will help Chinese companies and employees going to work in Finland.

## **2 LITERATURE REVIEW**

### **2.1 Introduction**

Cross-cultural development for expatriates has been noted to be important and necessary for the overall growth of MNCs in terms of both financial and non-financial outcomes. This section evaluates how expatriates' assignments are managed while focusing on the areas that have a massive impact in the intercultural adjustment of the individuals. In this regard, it is important to evaluate the strategic planning of these assignments and then evaluate the selection and the preparation of the expatriates before they can start their overseas assignment. Also, it is imperative to evaluate the theories and models that are considered to describe the intercultural adjustment. Therefore, this section examines theoretical and empirical reviews related to the cross-cultural development of expatriates in international multinational corporations. It also identifies the research gaps that the present study hopes to fill. More specifically, it discusses the Cultural Adjustment Model, presents the objectives and methodologies for cultural training and development, and also discusses studies that have linked cross-cultural development of expatriates to improved expatriate productivity and MNC performance.

### **2.2 Limitation Intercultural adjustment and expatriate assignment cycle**

Many companies in the present world have demonstrated the need to have expatriates in foreign investments to achieve the desired goals. It is noted that having people from the native country who have already worked with the company is a major boost that can lead to an easier success as they already have the culture and the goals of the company. However, studies have shown that expatriates are a major financial investment for such companies (Deshpande & Viswesvaran, 1992). In most cases, they tend to cost at least three or four times more compared to the employees who are sourced from the host country. According to Chen (2019) although there is an increased progress regarding the adoption of expatriates in many countries, there has been a major problem regarding measuring the performance of these individuals and the profitability that they demonstrate regarding the financial investment that is required. It is already noted that most of

the multinational companies have been facing a massive problem regarding the identification and acquisition of qualified and skilled talents that can work on their international assignments (Forster, 2000). In addition, it is noted that the number of the employees who are willing has been decreasing as a result of the rising amount of the dual-career couples. Notably, the expectations of the assignees have considerably increased regarding career progression, which results from the international assignments. This means that there is a need to manage the expectations for a company to effectively maintain a competent team.

The changes and the problems that are faced by the expatriates in their international assignments has forced a lot of MNCs to link their international staffing policies with the international human resource management strategies. Generally, they tend to adopt a more holistic and a strategic approach that controls the expatriation with the aim of ensuring that there is a high level of efficiency (Okpara & Kabongo, 2011). Considering the aim of the present research, there is a need to evaluate the assignment planning and an analysis of the selection and preparation in detail. This is imperative considering that a number of researchers of empirical studies have established that these are critical issues that impact on the intercultural adjustment of the expatriates based on the location of the assignment (Selmer, 2005a, 2005b; Dowling & Welch, 2004; Tarique & Caligiuri, 2004; Harris et al. 2003; Hechanova, Beehr & Christiansen, 2003; Forster, 2000; Harris & Brewster 1999a; Harris & Brewster, 1999b; Shaffer, Harrison & Gilley, 1999; Tung, 1998b; Schneider & Barsoux, 1997).

### **2.2.1 Strategic planning**

A strategic and a holistic approach towards the expatriate process can be illustrated as a cyclic process. This process consists of five key phases: strategic planning, selection, preparation and adjustment, performance measurement and compensation, and repatriation. These processes can be illustrated as shown in the figure below.

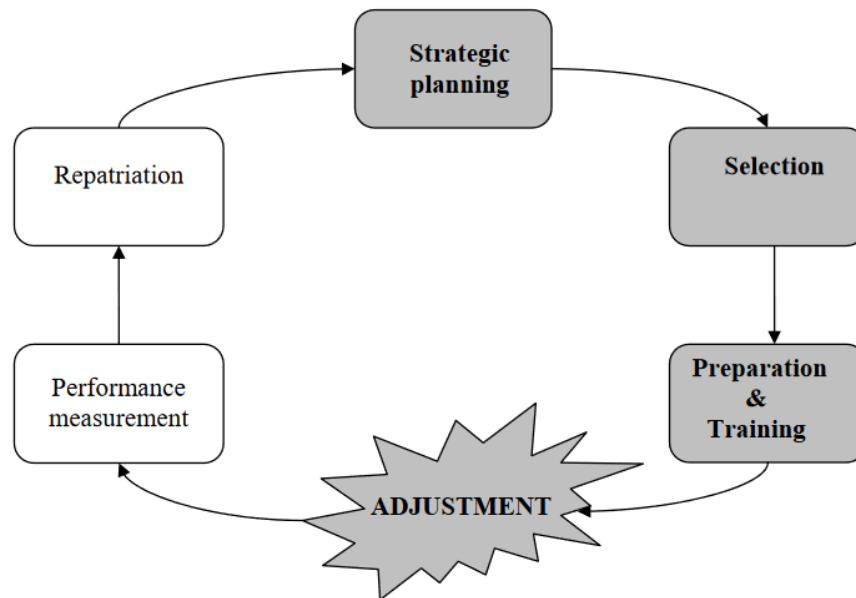


FIGURE 1. The Expatriate Assignment Cycle.

Source: Okpara & Kabongo, (2011).

In the expatriation job, it is notable that a multinational organization can employ three different kinds of people. This can be a parent country national, the host country national, or the third country national. The use of expatriates has attracted a lot of interest in studies since there is a massive development of the same in the companies that operate in different parts of the world. Therefore, there is a need to consider the reasons that lead the companies to make use of these individuals compared to other form of employees. According to Ko and Yang (2011), there are three main interrelated motives that tend to make the companies to adopt such a strategy. One of the reasons that make companies to adopt such moves is position filling. This describes the transfer of the technical skills as well as the managerial knowledge into the locations that it is needed. When this happens, the expatriates are considered to be messengers of the corporate tacit knowledge (Meriläinen, 2008). This is one of the major motivations for using expatriates as a transfer of the international managers. The other reason that has been cited for use of expatriates is the management development. The transfer of the talented managers tends to gain the international experience that may be crucial to the global operations of the multinational firm, and also for the development of the international team (Kealey & Protheroe, 1996). Finally, organizational development is a major consideration for expatriation. It should be noted that the socialization for managers from different nationalities tend to promote a particular

corporate culture, hence establishing the connections needed between the headquarters and the subsidiaries by developing informal verbal networks.

### 2.2.2 Expatriate selection

The selection of expatriate with proper competencies is an important aspect that has been considered to be a major consideration for the expatriate adjustment. It is first important for the company to find the right individual for the job, then provide the individual with the necessary platform to showcase their skills. Researchers have noted that numerous considerations must be at place for the right selection process to be achieved (Qin & Baruch, 2010). The factors that are considered by such a company can be categorized into both the individual and the situational factors. These factors can be illustrated in the form of a diagram as shown below.

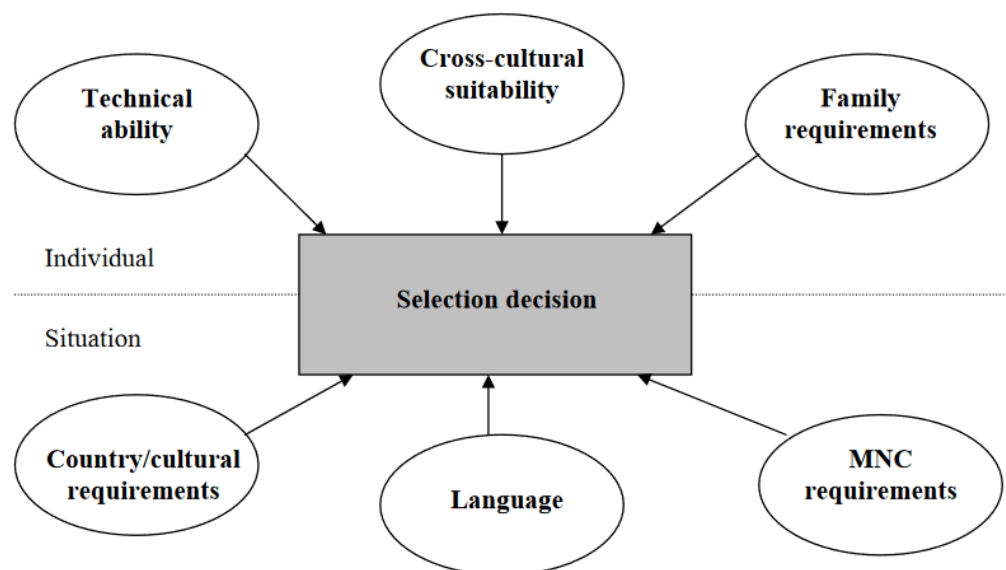


FIGURE 2. Factors Affecting Selection of Expatriates.

Source: Okpara & Kabongo, (2011).

### 2.2.3 Factors affecting selection of expatriates

Researchers have noted that the individual traits have an important role in facilitating the success of an individual when undertaking the international assign-

ments. However, the challenge that has presented numerous company managements is the manner in which the individual characteristics and the factors affecting the success of such individuals can be effectively measured (Okpara & Kabongo, 2011). The present psychological as well as personality tests have been criticized regarding their ability to effectively measure the cross-cultural abilities. Studies have shown that such measures are often inaccurate and do not demonstrate a proper correlation between the traits and the individual performances. However, Mendenhall and Oddou (1985) offered one of the most successful models that have been used to map the expatriates and their competencies. According to the researchers, the strengths and the weaknesses of the individuals can be measured in four dimensions that can predict the ability of the individual to effectively adjust into different cultural environments. However, this model has been criticized as it is too old, and many changes have been witnessed in the present business environment.

In practice, the selection of expatriates seems to be quite far from the theoretical perspectives. For example, it has been established that considering the impact of family on the expatriates' assignment is a factor that should not be ignored. As illustrated, it is evident that the number of dual-career couples has been increasing. This has led to a decrease in the number of qualified employees who can take overseas assignments (Meriläinen, 2008). Therefore, this is one of the factors that affect the adaptation of the expatriates who are forced to go and work overseas for the project of the organization. It is also important to evaluate the other factors associated with a proper and ease of settling. For example, Polón (2017) argued that some of the country and the cultural requirements tend to include the issues that are related to work permits and the cultural differences. Different countries tend to have different roles for men and women, which affect the adaptation of expatriates when changing countries with differing roles. The requirements of the multinational firms include the situational factors like the operations concerned, the duration of stay, and the type of assignment that needs to be undertaken (Ko & Yang, 2011). Other factors like the amount of knowledge that is needed to be implemented in the new country are a major consideration. Based on these situational factors, it is notable that the company might require a lot of training for the host country nationals regarding the location and the training skills

for a proper selection decision. In addition, language is an important consideration in selection processes.

#### **2.2.4 Expatriate preparation**

Expatriates are always expected to face numerous problems when adjusting to the new working environment. In order to minimize the risks that the expatriates might fail in their agenda, it is important for the companies to select the best candidates who have the highest chances of succeeding. A lot of studies have suggested different factors that may affect the success or the failure of an expatriate (Zhong et al., 2015). However, the findings are not conclusive. Some of the factors that have been noted to affect the expatriate success include the dissatisfaction of the family, the inability to adapt, the problems that people face with different styles of management, and the cultural and lingual issues. Due to these notable challenges that are faced by the expatriates and their families, researchers have investigated the ways in which the families and the expatriates can be properly prepared to face the assignments with more success. This has led to the calls of training before relocation. According to Suutari, Raharjo and Riikkilä (2002), such pre-departure training should consist of cultural awareness, the language training, preliminary visits, as well as the assistance with the practical and the daily issues.

Wang and Tran (2012) argued that when an expatriate does not understand the local culture, he or she is likely to fail or at least face some form of acculturation difficulties. This has made cultural training to be one of the major considerations. Therefore, different models have been developed with the aim of providing a framework of selecting cultural awareness training methods. A model that was developed by Tang (1981) consists of two key determining factors: the level of the interaction that is needed in the host country and the similarity between the host and the home culture. The aim of this model is to illustrate that the interaction between the expatriates and the host country members is low. In case the culture is the same, then the training should mainly focus on the job related issues. In most cases, there are cultural differences which may the adaptation to be difficult. In such a case, the training should focus on the cultural differences to minimize the differences and improve the adaptation process.

### **2.2.5 Expatriate adjustment**

The expatriate adjustment mainly considers the cultural shock and challenges that individuals face. According to Hofstede (2001), cultural shock tends to be caused by the acculturation stress that tends to derive from the intercultural communication and the cooperation with the representatives of a foreign culture. Studies have shown that cultural adjustment is a complex process which is more than just the adjustment to the new culture as many other issues are at play (Onosu, 2016). One of the issues discussed in studies is the anticipatory adjustment. This adjustment is affected by the cross-cultural training as well as the earlier international experiences. This tends to form a realistic expectation regarding the assignment circumstances. When an individual has more realistic expectations, then there are less expected problems regarding the circumstances of the assignment. According to Krishnaveni and Arthi (2015), realistic expectations play an important role in lowering the risk of suffering a particular devastating cultural shock. This means that the anticipatory adjustment can have a significant positive impact on expatriate adjustment. According to Black et al. (1991), the factors that affect the intercultural adjustment can be categorized into four. The first ones are the individual factors. These include the relational issues, self-efficacy, and the perception skills of the expatriate. The characteristics of the individual like perseverance and trust and the different social skills can play a vital role in the adjustment process.

The other factors that influence intercultural adjustment are the non-work factors. These include the cultural novelty, and the family adjustment. When there is a large cultural difference between the home and the host country, the adaptation is more challenging. When the family members face difficulties in adjusting to the new environment, the expatriate faces more challenges that affect the ease of adapting and hence the success in his job (Krishnaveni & Arthi, 2015). The organizational culture is also an important consideration for the, which includes the cultural novelty of the firm, the social support, and the logistical help. In case the expatriates job is new in the organizational culture, the job adjustments are more difficult and demonstrates negative consequences (Onosu, 2016). The logistical support like the housing and schooling can also make adjustment easier or more difficult. Finally, job factors like role discretion, clarity, and conflict have been described as important factors that lead to successes or failures of the adjustment



process. If the new job is significantly different than the old job, then the adjustment is more difficult.

### **2.3 Cultural Adjustment model and dimensions**

The movement of any expatriate from the host country to work for an MNC in a foreign country is characterized by cultural adjustments which may start from fascination to shock and even maladjustments. Theorists like Black and Mendenhall (1991) initiated the cultural adjustment u-curve to explain the four phases that an expatriate goes through in their cultural adjustment in a foreign country (See Figure 1 below).

The first phase is termed the fascination phase which ends after two months following the arrival of the expatriate but may last up to six months. This phase is also called the honeymoon, spectator, or the tourist period because it is characterized by an almost idyllic experience by the expatriate where he/she gets to see mostly the positives of the new area. The interaction with people is not deep and highly interactive but casual and friendly. This often creates a honeymoon feeling for the expatriate with feelings that the new area has friendly people who are out to make the experience better and where the expatriate meets with welcoming bosses and important people in the process of initial orientation (Black & Mendenhall, 1991; Hånberg & Österdahl, 2009). However, the honeymoon phase quickly transcends and basically drops to the shock phase.

The shock phase is characterized by the expatriate quickly feeling the weight of daily engagement with people and situations of the local culture. This period is created by a host of factors including the expatriate missing his family and friends back home, new daily routines that are different from what they were used to back home, transportation, school and social routines that are uniquely different for the expatriate and his family and even utter disdain for the local culture which expatriates may view as unfriendly and even inferior to their own (Black & Mendenhall, 1991; Hånberg & Österdahl, 2009). The shock phase is often serious that many expatriates who fail in their jobs because they were un-able to take control of this phase. Consequently, those expatriates with difficulties in managing this phase either leave the foreign country before their contracts are over, choose to only

socialize with other expatriates and thus remain aloof to local staff, get depressed and socially maladjusted, or become somewhat noncommittal to the tasks at hand. Nonetheless, for those who pass the shock phase, they enter into the adjustment phase (Black & Mendenhall, 1991; Hånberg & Österdahl, 2009).

The adjustment phase is often long and arduous and is characterized by the expatriate conforming or recovering from the initial shock. The conforming and recovering are made better by the expatriate learning the local language which is a strong avenue through which the expatriate learn the unique cultural codes of the local people which are codes that identify the norms, behavior, and mannerisms of the local people (Black & Mendenhall, 1991; Hånberg & Österdahl, 2009). Of note however is that the features that typify the shock phase always often still linger and is the reason why some scholars have had trouble delineating the two phases (Black & Mendenhall, 1991; Hånberg & Österdahl, 2009). It is in this phase that adjusting expatriates joke or takes lightly some of the cultural misinterpretations that commonly occur between them and the local people. The adjustment or recovery phase then often leads to the recommended mastery stage.

The mastery phase is where the expatriate gains cultural competence to the extent that he or she not only accepts the new cultural normal but also begins to be fascinated by and actually enjoy the new culture completely (Black & Mendenhall, 1991; Hånberg & Österdahl, 2009). This enjoyment is so deep that such an expatriate even misses it when he or she is away from it. The expatriate at the mastery stage communicates almost uninterrupted with the local people and the local cultural system and is so in tune with the whole process that one would perceive him to now actually be a local.

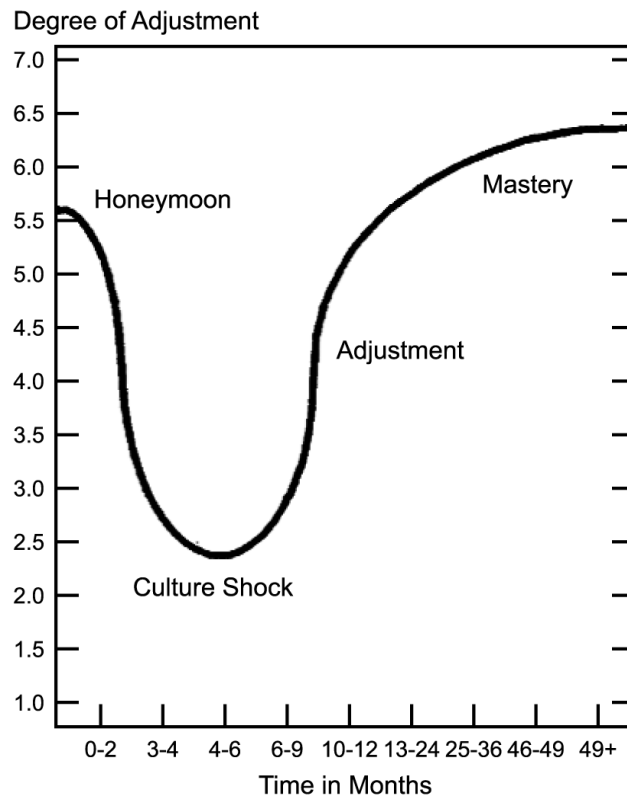


FIGURE 3. The four phases of cultural adjustment presented in the U-curve.  
Source: Black and Mendenhall, (1991).

The U-Curve has however been criticized for not being complete with other cultural theorists adding the W-shaped model that includes the reparation stage which is that phase where the expatriate has to adjust again back to his original culture when he goes back (Black & Mendenhall, 1991; Hånberg & Österdahl, 2009). Others have a J-shaped model that completely ignores the honeymoon phase while others insist that the honeymoon phase should actually be shortened (Takeuchi & Chen, 2013). However, a significant gap arising from this model and applicable to cases like the Chinese MNC X is the model's inability to describe cultural adjustment for expatriates who have moved more than once from one culture to another and have thus been forced to adjust and repatriate many times. This study hopes to study such expatriates and find out what happens and possibly help to fill this theoretical gap.

The cultural adjustments needed are also influenced by four dimensions, three of which deal with the individual, and the last of which is external and environment based. The first is the self-oriented dimension meant to increase the expatriate's self-esteem by reinforcing the new culture onto the expatriate's older culture and characterizes the individual's technical competence to deal with the new situation

(Hånberg & Österdahl, 2009). Then there is the others-oriented dimension that underscores the relational abilities of the expatriate to deal and communicate with those from the local culture. The third dimension is the perceptual orientation that allows expatriates to be able to perceive and predict what cultural issues may come in the future (Hånberg & Österdahl, 2009). Finally, there is the cultural toughness which presents the differences in cultural indices and power distance influenced by gender, race, and upbringing among many others. Within the particular case of the Chinese MNC X, cultural toughness is significant because as earlier noted, Hofstede (1965) had shown that most Asian countries, China being a significant part, espouse a collective (Communal) and high uncertainty avoidance that makes them more hierarchal as compared to their European counterparts who are more individualistic in their power distance index and have no high regard for hierarchal postures.

The cultural adjustment phases and the dimensions described above need organizational and individual effort to actualize. The next section looks at some of the objectives and methodologies to enhance cultural development and how international businesses have largely leveraged on this.

## **2.4 Objective and methodologies for cultural training and integration**

### **2.4.1 Objectives of cross-cultural training**

According to Riusala and Suutari (2000), the aim of cross-cultural training is to help employees to feel comfortable with the living and the working in a host nation, thereby enhancing the cross-cultural adjustment of the individuals and make them to feel comfortable when working and living in the host country. These activities enhance their cross-cultural adjustment and also strengthen their ability to understand and appreciate the multiple cultural perspectives. Considering the high statistics for the expatriate failure and the high cost of these failures and how they can impact on the multinational companies, studies have recommended that certain measures like training must be undertaken to ensure that the adaptation of the expatriates is more successful (Selmer et al., 1998). Most of the past studies have agreed that the cross-cultural training programs should be carried out and developed in a proper manner that helps the expatriates to achieve the three

key things (Okpara & Kabongo, 2011). Firstly, such a training should manage the individual change in terms of the personal as well as the professional transition into the new environment. The training should also be able to help the expatriates to manage the cultural differences, and lastly it should help them to manage their responsibilities that are within a different cultural environment.

#### **2.4.2 Methodologies of cross-cultural training**

The past studies have demonstrated various approaches that can be used for the cross-cultural training. Notably, the researchers illustrated that the skills and the abilities that are required for the expatriates tend to be indeed, highly demanding. Therefore, there is a need to integrate the training programs that are effective and can achieve the desired outcomes and objectives of training already outlined (Tahir et al., 2007). The four key methods that have been noted are: cognitive approach, affective method, experiential approach, and the language-learning approach.

Studies show that international businesses have used the cognitive, affective, experiential, and language training approaches to develop cross-cultural awareness of expatriates. The cognitive approach is the instilling of information and skills to expatriate in a lecture-based format. The approach is premised on the idea that knowledge imparts empathy which then leads to behavior change that allows expatriates to begin to conform and adjust to their new cultural surroundings. The viability of the cognitive approach has remained steady only recently being accused of being too intellectual and less experiential and simulative (Wang et al., 2017). Consequently, scholars have proposed the experiential approach in place of the cognitive approach as a means of instilling the simulative format (Luu, 2016). This is a form of training that was adopted and implemented in the past that encompassed the cultural orientation programs that were designed to provide the training with the information about the history, the religion, the geography, and the people of the target culture. This method of cross-cultural training has remained very popular in the present environment, although it was mainly practiced in the 1960s. However, there have been challenges of using this method as it demonstrates numerous challenges regarding information transfer.

Therefore, studies recommend the use of other methods for the cultural assimilations and the experiential exercises.

The other approach of training that has been developed is the affective approach. According to Kour and Jyoti (2021), this involves a method of learning the information and skills where the techniques used tend to raise the affective responses on the trainee. This leads to cultural insights that guide the trainee to understand the culture and the behavior of the new environment. According to Caligiuri et al. (2001), this can include the cultural assimilation strategies and the sensitivity training. Wang and Tran (2012) also highlighted that such a training can include the attribution training and the cultural awareness.

The affective approach allows expatriates to evoke cultural responses after getting information and skills. It does this through cultural attribution which is where the expatriate encounters expectations that offer cultural discomfort and attributions that are isomorphic. It also does this through cultural assimilation which is the interactions created between the expatriate and the local cultured staff (Rodsai et al., 2017). This is all in a bid to allow the expatriate to internalize the unique norms, values, and beliefs of the local culture. Notably, the overseas assignments imply that the expatriates must be able to establish the extensive contact with the nationals who are found in the host country (Wang & Tran, 2012). Therefore, a form of sensitivity training is needed to understand the nature of the cultural differences and their implications on the individual behavior. This type of training helps the trainees to understand their individual values and the culture to ascertain that the individual behavior may be completely different in the host country. The approach has however been criticized for not infusing language training to it to make it more effective and meaningful (Rodsai et al., 2017). In addition, it has been criticized for its failures since it does not teach the expatriates any specific knowledge about the new environment.

The experiential approach is a repudiation of the cognitive approach as it enforces simulation and the “learn by doing” training philosophy. It basically sets the expatriate in real-life situations and allows them to experience training on the go. Significant studies have noted the positive influence of the experiential approach while others have observed the lack of specific language training to the approach.

The language training is as it says, training expatriates to understand the language of the predominant local culture. As already noted, the conforming and recovering phase of the cultural adjustment cycle is made better by the expatriate learning the local language which is a strong avenue through which the expatriate learn the unique cultural codes of the local people which are codes that identify the norms, behavior, and mannerisms of the local people (Black & Mendenhall, 1991; Hånberg & Österdahl, 2009). But even more poignantly than the methodologies used to enhance cross-cultural development for expatriates working for MNCs is the benefits for international business that the development creates.

## **2.5 The cross-cultural development of expatriates and MNC productivity**

Some empirical reviews have identified a strong correlation between enhanced cross-cultural development of expatriates and improved expatriate productivity, MNC financial performance, and a host of MNC outcomes. Lee et al. (2018) examined the cross-cultural development of expatriates and apart from admitting that very scanty studies exist on this subject observed a strong link between the cross-cultural development of expatriates and the dynamic capabilities of MNCs. Dynamic capabilities mean that where expatriates are well adjusted to the cultural issues of local countries the competitiveness of MNCs is bound to improve. The present study intends to ascertain whether a similar result exists for the Chinese MNC X.

Rodsai et al. (2017) represent studies that have looked at the antecedents of cross-cultural development of expatriates working for MNCs in Asia. The study that was done in Thailand and which examined 117 expatriates from all over the world found that two main forces influence the cross-cultural development of expatriates. One of them is the financial backing given by MNCs to advance the development and the other is the training and training methodologies used by international businesses to also advance the cross-cultural development of expatriates. The study also observes that cultural adjustment is easier for expatriates who are trained and retained for over 5 years which lends credence to earlier assertions that cross-cultural development and adjustment take considerable time.

There have also been studies that have examined the effect of cross-cultural development of expatriates on MNC performance in terms of supply chain and financial outcomes. Two studies have shown that the cross-cultural development of expatriates significantly improves the global supply chain performance of MNCs (Luu, 2016; Pratono, 2019). This implies that to a significant extent cross-cultural development of expatriates presents MNCs with opportunities for growth considering that having experts in the MNC operations inadvertently generates positive results in the long run.

But even more applicable to the present study, Wang et al. (2017), did a study that examined the cross-cultural development of expatriates working for Chinese MNCs. The Wang study observed that Chinese expatriates encountered significant problems working for foreign-based MNCs due to social interactions that favored the home workers more than the Chinese expatriates. The study further notes that Chinese expatriates find it more difficult to culturally adjust to European cultures. The reason for this difficulty is the emphasis on work-life balance and centralized systems of governance espoused by most European MNCs which is often contrasted with the Chinese makeup. The result here agrees with the cultural dimension of categorization per country done by Hofstede (1965).

## **2.6 Research gap**

Although there are statistics that demonstrate the rate of failure or success, the lack of clear milestones or measures for success or failure has been a major problem that has affected the research on expatriates' failure and success. In the same way, there is little development regarding the measures that can be undertaken to improve the situation. The premature departures have been often criticized due to the lack of the solid empirical evidence that can relate the situation that employees face in the present business world. In the present analysis, it is notable that the recent pieces of research have demonstrated the premature rates of return are lower compared to the previous studies (Wang & Tran, 2012). However, it is not clear whether it is the rate that has reduced or the studies have improved their quality and reliability. In addition, while the overall percentage regarding the premature returns may have reduced, failures during the foreign assignments could be extremely costly for the multinational firms and hence there



is a need to take them seriously. Therefore, there is a need to understand the term expatriate failure in terms of the premature departure of the expatriation before achieving the desired goals or the underperformance of the individual in relation to the goals of the set assignments.

In addition, there is a scarcity of studies that have been conducted to evaluate the Chinese expatriates in the Finnish culture. Most of the studies have been conducted regarding the adaptation of the foreign expatriates based in China and how they cope with the Chinese environment. Therefore, there is a need to evaluate how Chinese adapt in other countries, and the challenges that they face in these countries. In addition, some of the pieces of the research that has been conducted describing the situation of Chinese expatriates in other countries is majorly quantitative. This means that there is a challenge of understanding the needs of the Chinese people and their experiences. With these gaps in the present research, the present research seeks to fill in and evaluate the opinions, feelings, and experiences of the Chinese expatriates in Finland. The findings will help in understanding the experiences of Chinese employees in other countries that have different cultural behaviors. The previous studies have not demonstrated the intercultural adjustment of the Chinese expatriates in Finland and what needs to be done to improve the situation that they are in.

### 3 RESEARCH METHODOLOGY

#### 3.1 Research philosophy

A research philosophy is a concept in research that is associated with the assumption, the knowledge required, and the nature of the study that is being conducted. Philosophy in research deals with the specific ways of developing knowledge. It determines the direction of the study and the type of approaches and reasoning that informs the process of obtaining the research findings. While there are numerous research philosophies that can inform particular research depending on the approaches used, it is important to use the most appropriate philosophy. This research used an interpretive research philosophy. This study is majorly qualitative in nature, which uses an interpretive, humanistic, and a naturalistic approach. Such an approach tends to place a significant importance on subjectivity of the research. One of the key assumptions when using this philosophy is that there is no single reality. A single phenomenon can contain numerous realities that can be experienced and interpreted by the researcher. In this regard, the researcher noted from past literature that there are conflicting reports regarding the role of cultural differences and training in expatriate adaptation. Through the use of this philosophy, the researcher is open to any form of reality based on the experiences of the population sample selected.

Therefore, it is notable that an interpretivist approach tasks the researcher with the duty of interpreting the different elements of the study. This means that there is a certain level of human interest in the study. Researchers using this philosophy tend to assume that the access to reality which can either be given or constructed socially can only be through the social constructions like consciousness, language, and shared meanings. Therefore, the researcher based his research method and direction on idealism that is used in grouping together the various diverse aspects in an objective view. Regarding the cultural implications of expatriates, the researcher is also a social actor who can indulge with the respondents to understand their plights. This reasoning facilitates an understanding of the attitudes and feelings of the respondents and sharing in their emotions to make the judgements regarding the research problem. This means that the researcher has a better chance of understanding of the participant's situation and making

the right interpretation as if he was a part of it. According to Saunders et al. (2009), this philosophy is more applicable and suitable in qualitative research, which makes it most suitable for the present study.

### **3.2 Research method**

In any research, especially the one that deals with emerging concepts, one of the greatest challenges that a researcher faces are selecting the suitable research paradigm and the corresponding methodology for the study. The selection of a suitable research method is informed by numerous factors such as the social phenomenon that is under investigation, the correlation between the researcher and the research environment, and the social realities. Although different research methods can be used in a study, it is important for the researcher to select the most suitable one that can facilitate credible findings. In the present study, the researcher used a qualitative research approach. A qualitative research approach is a research method that is mainly deployed in social sciences that collects non-numerical data. This could be in the form of texts, audio, or videos that demonstrate the concepts, opinions, and experiences of the participants. The researcher using this method aims to interpret the meaning of the data which helps in understanding the social life through which the targeted population is placed at. In this respect, the researcher aimed at understanding the challenges that Chinese expatriates face in Finland. It is argued that culture is one of the major obstacles for expatriates including the Chinese ones in Finland. Therefore, developing a qualitative approach would help to demystify this notion and provide an accurate understanding of the issues and particularly the role of culture on expatriate success or failure.

A qualitative research is imperative when a researcher intends to investigate and understand how people experience the world. Notably, internationalization has significantly increased with many companies establishing businesses in the international environment. This has led to an increase in expatriation, which has been associated with a lot of problems. The best way to understand the problems faced by these people is interacting with them. A qualitative method was, therefore, noted to be effective as it facilitates this understanding. One of the findings from the literature review is that most of the studies available about this topic have

used an empirical approach. Although it is credible, a quantitative method leaves gaps that can only be filled and understood properly through the use of qualitative findings. The aim of a qualitative approach, unlike the quantitative method, is to experience the issues that people go through in order to interpret why people are likely to behave in a particular way. This method is effective in this research as it helped the researcher to fill the gaps that were identified in the previous studies. It provided an opportunity for an in-depth understanding of the attitudes, behaviours, and social processes of the respondents and why they make their choices. While the previous quantitative studies might have shown a causal relationship between the cultural differences and adaptations of the expatriates, they might not have deduced the reasons behind this relationship. Therefore, this qualitative research provided with the interpretation of the meanings regarding the experiences of the respondents in different cultures and how it influences their work.

### **3.3 Research approach and design**

The study used a qualitative research approach as described in the research method section, which was utilized to access experiences, meanings, insights, and concepts that are non-numeric in form (Babbie, 2010). Qualitative research was useful to access in-depth information that presents a picture of occurrences, thoughts, and insights (Gentles et al., 2015). This is vital because, effective research must ensure that the data collected and analysed creates reliable, credible, measurable, unambiguous, and consistent results (Gentles et al., 2015). Qualitative research unlike quantitative research that is undergirded by numerical and statistical data is useful in examining complex subjects that would otherwise not be investigated. Based on this research design chosen, this study used a case study approach to examine the level of cross-cultural training and development for expatriates working in the Chinese MNC X. The case study allows for an in-depth seeking of information about a particular subject and allows for subsequent inferences that lead to conclusions and recommendations (Gentles et al., 2015).

A case study in research describes an in-depth study for a particular situation. It is chosen in case the researcher wants to get an in depth understanding of an

issue, event, or phenomenon that is of interest in the real life. This research design is effective when the researcher wants to evaluate and test the past scientific theories and models and how they apply in the real life. For example, previous empirical studies have suggested that cultural training helps to improve the success of an expatriate in an international assignment. While the statistical analysis might have shown the correlation, only an in depth an analysis can evaluate whether this proposition is actually true in real life. By using a case study of the Chinese expatriates, it is possible to deeply investigate and come up with conclusions that are based on real life experiences. Although a case study is narrow regarding the sample, it gives proves regarding the situation and the information obtained is more credible for the chosen sample.

### **3.4 Target population and sample**

In any research, it is not possible to include the entire population in the study. Therefore, a researcher is tasked with selecting a population sample that will be included in the final research. Such a population sample must be representative of the entire population in order to make sure that the results can be generalized. There are numerous sampling techniques that can help a researcher come up with an appropriate sample. For this case, a purposive sampling method was used. This is a form of nonprobability sampling method that involves the researcher using the expertise that they have to select a sample that is most useful for the research. This is an effective method for qualitative studies that use case study designs where the researcher intends to gain a detailed knowledge about a specific topic.

In this regard, in order to access useful and reliable information, the study targeted 6 Chinese expatriates working for the Chinese MNC X in Finland. A purposive sampling technique was used to select the 6 expatriates, who must have worked there for more than 2 years. Further, the expatriates were strewn across different regions of China in a bid to offer a more balanced result for better and meaningful conclusions and recommendations. This population sample was considered to be appropriate and adequate for the present type of research that used a qualitative method. A big sample could have been difficult to engage through

interviews for effective data collection, while a smaller sample could have been biased.

### **3.5 Data collection and instrumentation**

This study used interviews as the data collection methods. Interviews are research methods that are effective when collecting qualitative data from a small group of subjects. There are different types of interviews that can be used in a study: structured, unstructured, and semi-structured interviews. This study used a structured interview to get the opinions of the respondents regarding their expatriate experiences. This is a form of interview where all the participants are asked the same questions to identify the themes and their experiences for a particular issue. Using structured interviews enabled the researcher to ask the same questions to all the participants in the same order.

In this regard, an interview schedule was crafted by the researcher that was used to interview the 6 expatriates working at the Chinese MNC X. Interview schedules are vital to collect in-depth information that is qualitative in nature. Considering that the Coronavirus has created remote working and reduced human contact, online interviews were considered as opposed to the face-to-face ones. These include using the internet via online meeting with the interviewees at a time that would be convenient for them. In addition, secondary data was collected from documents that were considered by the researcher to be credible for this research regarding the level of performance of expatriates and the various factors that influence their adaptation and work. The two methods of collecting data are useful to enhance the trustworthiness of the findings by creating data triangulation (Babbie, 2010).

### **3.6 Data analysis**

The study used a thematic analysis for the data obtained. Thematic analysis is a form of qualitative analysis that is mainly applied to the set of texts like the interviews or transcripts. In this form of analysis, the researcher examines the data collected with the aim of identifying the common themes, topics, ideas, and patterns for the meanings that are often repeated. A coding method is used for the

data, which involves the recording and identifying the passages that are associated with a common theme.

In the present study, the interviews were recorded to actualize data coding in line with the themes of the study. Data from the interview schedule was transcribed and analysed using narrative analysis which is presenting people's quoted words based on the research questions presented. Thematic analysis that examines texts, images, videos, and reported format was also used to analyse the data (Maguire & Delahunt, 2017). The data results were then inferred and later conclusions and recommendations relevant to the study were made.

### **3.7 Ethical considerations**

Any study presents numerous ethical concerns that must be considered to ensure credibility of the study. Ethical considerations describe the set of principles that guide the research design and method that the researcher employs in a study when relating to the participants. In the present study, the researcher observed all the ethical considerations. First, the Chinese MNC X being researched was anonymous. This was important to protect the participants who agreed to take part in the study. Also, an informed consent was presented and sought from the selected interviewees were also assured of privacy, confidentiality, and integrity. The questions were also asked in an objective way to reduce opportunities for bias which have detrimental effects on research.

## **4 Data Analysis**

The purpose of this research was to study the situation of international expatriation of Chinese nationals in the foreign countries and determine the challenges they face and how the situation can be improved. It should be noted that the study focuses on Finland, as there has been an influx of Chinese nationals in the country with many Chinese multinationals sending their workers in the international market. This study adopted a qualitative approach and a subjective method to examine the Finnish expatriates and their adjustment challenges in Finland. Through the use of the semi structured interviews, it was possible to determine the experiences and understand the feelings of these individuals in the new environment. This chapter presents a discussion of the findings from the data collected in relation to the set research questions. Since the data collected was qualitative, it is organized thematically, where the researcher identified the main themes that were evident from the respondents.

### **4.1 Expatriation Motivation and Cultural Identities**

The concept of sustainability and implications of culture have been widely discussed in literature and were major considerations in this research. However, the concept seems to be rarely discussed together. The concept of sustainable development is mainly discussed in relation to policy. On the other hand, culture is discussed across numerous disciplines and even policy areas and has attracted a lot of attention towards sustainability (Zhong et al., 2015). It should be noted that the protection and even the promotion of the cultural diversity is a critical consideration for human rights, where the fundamental freedoms tend to ensure the ecological and the genetic diversity. This has been a major consideration in literature of globalization and how companies are adopting the new environment. In the cross-cultural literature, the issue of expatriation has been a major consideration, as demonstrated in the present study.

One of the major considerations was the motivation for this expatriation. Notably, expatriation is of paramount importance in many countries, particularly the ones



that tend to bring knowledge and talent from foreign countries. This is seen to have strengthened the competitive advantage and improve the global economic status. While the countries and companies tend to have their desires for expatriation, the motivation of the expatriates is quite different (Onosu, 2016). Therefore, the researcher intended to understand what motivates the expatriates in order to understand their cultural identities and how they impact on the working environment. One of the motivations for the expatriates can be considered to be the self-initiated expatriation (Tahir, Ismail & Ismail, 2007). Some people are influenced by the demographic characteristics of the intended country, while others are attracted by the opportunities to interact in this new country. For example, when asked about the motivation to work as an expatriate in Finland, one of the respondents argued that "I heard that Finland is the happiest country in the world and has been at the top of the index for many years. Finnish education is also quite famous in the world, so I want to bring my family to experience different life in Finland." Such an expatriate has an individual motivation to work in Finland. The goal is to experience new life in a foreign country. To such an individual, cultural differences and adjustment may not be a big problem.

Similar types of individual motivation were also noted in another respondent who argued that he intended to be an expatriate to "Expand my horizons and learn about the lives of other countries." This is an indication that there are massive opportunities when working abroad. However, culture was also seen to play a crucial role in motivating the expatriates to move abroad. One of the respondents argued that, "The main motivation is to experience the culture and living environment of different countries with family members." It can be recognized that culture is a major factor when deciding to move to another country. The individuals who like the culture of the foreign country are likely to be motivated compared to the ones who have a negative attitude. Although some people may enjoy the new working environment, the experiences, however, may not always be as anticipated. This significantly depends on the culture of the expatriates and how it properly integrates into the new culture (Riusala & Suutari, 2000). Therefore, the researcher sought to investigate the experiences of the Chinese expatriates in Finland, to understand the culture of the expatriates and its implications.

## 4.2 Chinese culture as a setting for intercultural adjustment

The culture of the expatriates is imperative in the success of adjustment in the new country. Therefore, it is important to understand the Chinese culture, in order to relate with the experiences of these individuals in the new country. It should be noted that the People's Republic of China is an exotic nation. China is one of the oldest existing empires on earth that is more than 4000 years of age, with a population more than 1.4 billion by 2020. Considering it is a very old empire, it is important to understand the culture of these Chinese people to understand how it affects the manner in which they do their work. Culture, according to Hofstede (1997) describes the mental programming that entails two major factors: nature and personality. Notably, human nature is inherited, contrary to culture, and is shared among all the humans. Personality is a combination of both the inherited and the learned. This is important in distinguishing one individual to another. This demonstrates the uniqueness of human culture as shown below.

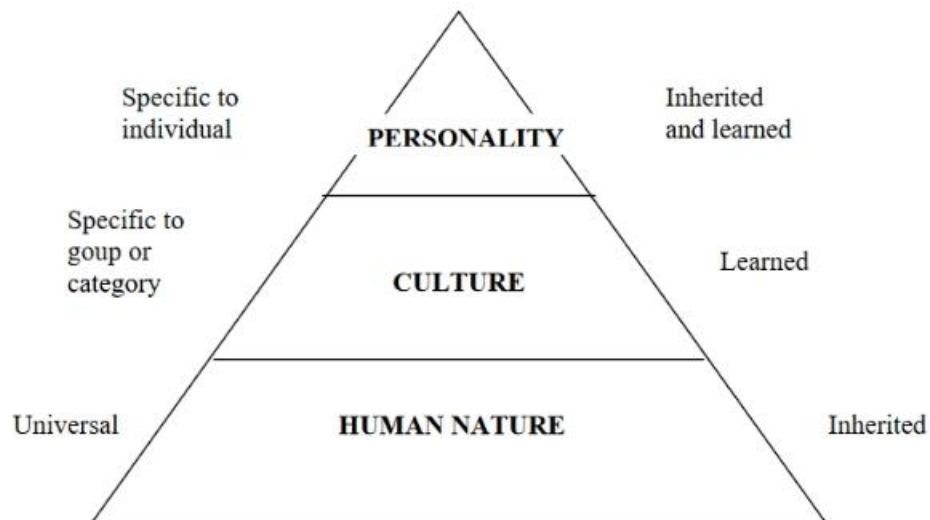


FIGURE 3. Levels of Uniqueness in Human Mental Programming.

Source: Uebelacker, (1991).

Therefore, Hofstede noted that the differences in culture can be noted from different manifestations. One of the cultural illustrations or manifestations of the Chinese culture is Confucian ethics. Confucius was a teacher in China and a great philosopher who lived around 500 BC. The philosopher taught Chinese people

about life and his wise teachings have widely been recognized in China as they formed the ethical basis and rules in the Chinese society. These rules have been integrated in all aspects of Chinese lives. As a philosophy of life, Confucianism entails five key virtues: humanity, righteousness, propriety, wisdom and faithfulness. These virtues tend to be demonstrated by Chinese in every aspect of life including the workplaces. In these provisions, the society tends to be based on inequality and the mutual and reciprocal obligations where some members of the society are required to respect others based on their social position. For example, junior members are expected to respect the elders and obedience is key. Family also plays a key role in this society and is the foundation of the society. In China, people tend not to be recognized as an individual but rather as members of a family (Meriläinen, 2008). This is imperative in the present case as members of the Chinese workforce tend to demonstrate this virtue even in the workplaces. Since they belong to the same group, people tend to behave virtuously towards others and should treat others in a manner that they would wish to be treated themselves. This concept of togetherness was important for the experiences of the Chinese expatriates when working in the Finnish society.

When asked what they had learned in the new environment, one respondent argued that, "After coming to Finland, my two children went to kindergarten and primary school in Finland. From the way the teachers teach, I can see that Finnish teachers respect individuals very much. There are no bad children, but the children are not all the same. It also had a positive effect on my work in Finland." From this respondent, it can be argued that he had a positive cultural experience in Finland. This has a positive implication on the attitude at the workplace. It should be noted that the Chinese culture in the workplaces is a bit unique compared to the Finnish one. Generally, the Chinese work ethic tends to prioritize on diligence and hard work. This is one of the principles that has formed the success that is being enjoyed in the country today. In addition, the work culture in China tends to value collectivism. The employees are likely to form positive bonds within the workplace. This was one of the characteristics of the Chinese expatriates working in Finland. Chinese people are likely to follow the various job aspects into details. They also value recognition and titles. The formal address is a show of respect. Such considerations have an impact on the experiences that an individual has in a new country.

One of the respondents agreed that teamwork is an important aspect in business success. The individual was even further challenged by the team management styles that are adopted in Finland. He argued that, "The team management style of Finnish colleagues and the serious and responsible attitude of work are worth learning." This is a show of motivation to the individual who is nurtured to bring teamwork and development in the workplaces. However, some respondents' note that Finnish people tend to put their goals first. This is different from the experiences in China where the organizational goals are put first. Although the titles and recognition are important for the Chinese employees, they cannot come before the organizational goals. This was a motivation to one of the expatriates who noted that self-recognition is important, as recognized in the Finnish culture. The respondent learned that, "In any situation, you should put yourself first, you should not lose yourself for work, and you should not sacrifice time with your family and children for work. Life should be a combination of work and rest. And I also learned from them how to respect colleagues and subordinates." While the respondent appreciates this, it should be noted that China is a very rigid society where the individuals follow strict principles on culture. Such principles are also reflected in the workplaces. Therefore, self-appreciation is a major consideration as illustrated by this respondent. It is a unique culture compared to what is experienced and nurtured in China, although the expatriate tends to appreciate the difference in perception.

### **4.3 Cross-cultural Differences and Implications**

There are numerous barriers of expatriate adjustment that expatriates face in a new environment. Cultural shock is one of the major challenges that expatriate are more likely to encounter in the new environment. It is mostly felt more by individuals whose culture greatly differ from that of the host country (Qin & Baruch, 2010). Fitting in a new environment is always a challenging task, thus it is possible that expatriate will encounter numerous challenges as they adapt in the new cultural environment. For instance, they may experience; loneliness, confusion, frustration, anxiety, and depression as they reside as well as work in a new environment. Moreover, some traditions and customs could be more surprising and confusing as well thus forcing expatriate may take long before fully adapting

and adjusting in the new environment (Onosu, 2016). Culture shock not only affect expatriate adjustment process, but also affect their overall productivity and effectiveness.

A common challenge that affects most of the expatriate in foreign nations is language barrier. It is a necessity for the expatriate to learn local language before travelling to the host country, however, some still neglect the need of acquiring this skill. Lack of knowledge of the native language by the expatriate pose a big threat to their adjustment process, productivity, and overall satisfaction living and working in a foreign country. Language barriers increase adjustment period as well as make the process more challenging to achieve it (Zhong et al., 2015). Which could also affect their work productivity. Language barriers have great impact on general interaction of the expatriate with the locals and fellow employees or business partners. Therefore, if the issue is not addressed, it could lead to adverse personal problems such as isolation, depression, and loneliness.

The success of Chinese expatriates in Finland was significantly affected by the cross-cultural differences between the two working environments. The researcher had sought to investigate how working in a cross-cultural company affected their performance. The findings demonstrates that a cross-cultural team has both challenges and opportunities. If properly handled with training and proper orientation, such an environment may lead to better success. This is illustrated by one of the participants who argued that, "In a cross-cultural company, work and life are more balanced, individual differences are more respected, individuals are encouraged to think more, express their characteristics, and they seldom criticize individuals. Chinese companies put more emphasis on collective struggle and can sacrifice individuals appropriately for collective goals. If the work is not done well, some supervisors may reprimand them." Notably, globalization and the advancement in technology have increased the importance of cross-cultural businesses (Krishnaveni & Arthi, 2015). Regardless of the country that one works in, there are high chances that the partners, the co-workers, customers, and suppliers and from a different country and a different culture. Therefore, the cross-cultural business environments that exposed the different cultural norms. Some of the experiences are positive while others are challenging. For example, a participant when asked about the difference in working in a purely Chinese team and a cross-cultural one he stated, "Like I said above, in Chinese teams, there is

a lot of competition among colleagues, who works longer, who does more, who does better, who has better relationship with the boss, etc. , so people don't pay attention to things other than work, and it feels a bit like a work machine. But in a cross-cultural environment in Finland, I feel that they are more people-oriented, and colleagues care more about whether you are tired, whether you are overloaded, how your health is, and the second is work projects.” Such experiences can help the expatriate to adapt more easily to the new working environment.

It is also notable that people who come from different cultures tend to demonstrate different skills, experiences, as well as perspectives. Therefore, such an environment may challenge the team members to be more open-minded about the problems and challenges that they face. Researchers have therefore, suggested that such an environment tends to promote a higher level of creativity and innovation which helps the company to succeed (Riusala & Suutari, 2000). In addition, the employees are more likely to enjoy the new environment, therefore, showing higher chances of succeeding. The findings show that some of the expatriates liked some aspects of social wellbeing that was demonstrated by the Finnish people. One of the respondents stated that, “In a Chinese team, colleagues just focus on the progress of the work, and everyone works harder than anyone else. But in a cross-cultural team in Finland, in addition to work progress, colleagues pay more attention to physical and mental health, work and family balance.” In China, it was noted that Chinese people tend to seek long-term relationships and create relations as opposed to negotiating contracts. The negligence to establish a personal business in a business relationship could create a business failure. However, these people have a higher level of distrust and suspicious when they are interacting to strangers. However, Finnish people are more private but care of other people more often. One of the respondents stated that, “In the Chinese team, everyone tries to be the same, and there are few people who are different from others, because in the Chinese environment, special behavior and thinking are not a compliment. In Finland's multicultural environment, colleagues respect each other and find common ground while reserving differences.” This is an indication that people in Finland tend to care for each other more compared to Chinese.

The social lives and family engagements are an important aspect of socialization that can be translated to the success in the workplace. For employees who tend

to save more time for the families, then the experiences in Finland were positive. For example, one participant suggested that “Finnish colleagues and I work in completely different ways. As Chinese employees sent to work in Finland, we need to cooperate more with the work intensity requirements of the headquarters, need to work overtime, and need to work late. But Finnish colleagues work hard when they go to work, and they don't think about work in the private time. They pay more attention to spending time with their families and children.” It is important to note that such experiences can be imperative to the success of the expatriate in adjusting to the new environment.

The role of intercultural training has been discussed in literature regarding its implications on the employees and the organization at large. Notably, this form of training is beneficial to the employees as it helps the development of the interpersonal skills that are imperative in working in a new environment. It should be noted that working with people from different cultures tend to develop empathy, tolerance, and acceptance (Tahir et al., 2007). Such people are more empowered to be more open-minded and are also equipped with proper working skills. Therefore, these differences in culture have massive implications in the workplace if the employees are not properly trained. This was noted among the Chinese expatriates in Finland who did not undergo training. The cultural differences were a big challenge for such individuals who were not trained. From the findings, it can be illustrated that some of the respondents complained about the processes since they were not prepared for them. One of the participants argued that, “It seems that everything is moving very slowly. Not one person or one manager can make the most decisions. It takes the whole team to meet and discuss many times before making the final decision.” If these employees had been trained on what to expect in the new environment, they would be more open minded and flexible. Flexibility is an important aspect when one is embracing change. Such individuals demonstrate more openness to improvement and new opportunities. Such moves are important for the success of the individual and hence the entity.

#### **4.4 Expatriate adjustment challenges**

An individual who goes to work in a foreign country for a long-term assignment will, in most cases, just need time to adjust to the new circumstances. Theory and

evidence have demonstrated that a move to a new country for work requires massive adjustment that takes place in different phases. An adjustment process succeeds depending on the major impact on the person's overall mental and the psychological wellbeing (Tahir et al., 2007). This has a major implication on the expatriate and the success of completing this assignment. This means that such individuals face massive challenges in the foreign country that must be adopted in order to finally succeed. The adjustment process has been described using the U-curve. This curve is divided into four main phases of adjustment into a new country that expatriates experience. The curve was first described by Oberg (1960) and has later been modified and used to illustrate the challenges that people go through when they go to work in a new country.

The first stage is the fascination stage. At this stage, there is little contact between the expatriate and the locals. When the contact takes place, it is supposed to be in a polite and a gracious way. It should be noted that when one goes to a new country and meets new people for the first time, they are likely to treat him very well as they welcome him to the new environment. At this stage, they do not even know about his personality (Noman et al., 2020). In addition, they might be interested in exploring the exciting things that they have always heard about the culture of the persons. This was experienced by the Chinese expatriates in Finland as they enjoyed their reception and the new environment after first relocating to the new country. When asked about his experiences, one of the respondents argued that, "In any situation, you should put yourself first, you should not lose yourself for work, and you should not sacrifice time with your family and children for work. Life should be a combination of work and rest. And I also learned from them how to respect colleagues and subordinates." This is a demonstration of an individual who is in the first stage. It should be noted that the experiences may change as he adapts to the new environment. Another participant stated that, "Chinese managers and employees can learn from their Finnish colleagues how to listen to other colleagues' ideas and opinions, and how to respect each other more." From this indication, it is notable that the expatriate was positively received and learned positive things about the Finnish culture. However, this duration is short lived and only lasts until the individual starts the serious daily engagements in the foreign country.



The second stage, which is the most important in respect to this study while exploring the issues that affect the adaptation of the expatriates is the culture shock. Notably, the fascinating stage lasts only a short while and the individuals start experiencing a new environment where cultural differences become prevalent. There are many reasons why people face a culture shock. However, in most cases, many people experience this due to the stress that comes from the feeling obliged to make some adjustments, the feeling of loss of friends, possession, the experiences of rejection in the host country, and the confusion on how to carry out roles with the anxiety that comes with the cultural differences (Oberg, 1960). While culture shock has been noted to be a normal phase that arguably all expatriates tend to go through, it has a massive implication on how the expatriate will succeed. For example, it was noted that many expatriates experienced a huge challenge when adapting to the Finnish culture.

When asked about the challenges they experienced in Finland, one of the respondents stated that, "The work culture in Finland is diametrically opposed to that in China. In China, everyone works late, and it is common to get off work at 9:00, 10:00, or even 11:00 every night. But in Finland, people only work seven and a half hours a day, and the commute time is not very fixed. So, to complete a project, it may take more than double the time in Finland than in China." It is evident that China and Finland have a difference in culture that is reflected even in the workplaces. Notably, Chinese are very particular about time. It has been noted that they are very committal to working extra hard even if it means working extra hours to meet the individual or organizational goals. However, people in Finland tend to face a very fixed schedule. This means that the expatriates who were used to working longer hours faced a challenge to adapt to the new culture. The respondents indicated that handling a project was challenging as it could last quite a long time. One of the respondents stated that, "In Finland, the project can take longer than the headquarters' deadline. The pace of work here will be a little slower." According to this respondent, adjusting to the working hours was a major hindrance to adapting to the new culture. Another respondent agreed with this proposition stating that, "In China, the working hours are long, the tasks can be arranged more, and the colleagues can work overtime when there are urgent tasks. Finland cannot do this. Another challenge is that the decision-making power is in the company headquarters, which requires frequent communication

and coordination, so that the two sides can understand and support each other.” In addition to the new experiences, the expatriates’ notes that the new culture was completely different from what they had been used to, which affected their productivity.

Another cultural difference that the Chinese expatriates in Finland faced is the work process in organizations. The business culture in China is unique as it tends to be largely influenced by the ideologies, philosophies, and ethics of Confucius. While the hierarchy in the Chinese businesses, just like in the families is quite vertical, the business managers tend to be more oriented in the results rather than the process (Zhong et al., 2015). This can be loosely stated that according to them, “the end justifies the means.” This is quite different in Finland, as illustrated by the experiences of the expatriates. Indeed, the expatriates complained of how the decisions were being made in Finland and how it affected their productivity based on what they were used to in their country of origin. When asked about the cultural challenges he faced, one of the respondents stated that, “Many Chinese companies emphasize results over process, and sacrifice spare time and family to achieve good results. The Finns, on the other hand, have a steadier rhythm and rarely work overtime, if not on time.” This has brought a lot of differences between the expatriates and the local workforce regarding how they relate to make the crucial organizational decisions. This was supported by another respondent who argued that “In a Finnish work environment, they tend to focus more on the work process, so sometimes results and outputs may be overlooked. I am a person who is more concerned about the timeliness, so I am not very used to this.”

The results aspect can be first traced with the level of development in China. This can be illustrated by the first approach where companies that have started from an earlier stage of development tend to focus on the rapid growth and development. Such an approach is quite relevant in China as it was the first country to implement the Open Door Policy during the 70s. According to the maxim of Deng Xiaoping, “It doesn’t matter whether the cat is white or black, as long as it catches mice.” According to this analogy, the results are most important compared to the process of achieving them. This philosophy has been guiding not only the government but also the corporate leaders in organizations who seek to get the desired results regardless of process followed. As illustrated from the findings, one

of the respondents stated that, "I think the former is because China is developing, and people don't have a strong sense of security. They always want to make more money and gain a higher status to lay a better foundation for their future life. In Finland, social welfare is sound, and the income level is not much different. People put life and family in a more important position. And Chinese companies tend to trust less management, which inevitably increases the cost of a lot of communication." The nature of Chinese ethics and values has created a certain culture and mindset among people that has allowed those in the leadership position to take decisions that they can justify with the achievements made. When such individuals go to countries like Finland that have more emphasis on the process, the experiences can be challenging. One of the expatriates found a challenge in adapting to this new environment. He stated that, "In a Finnish work environment, they tend to focus more on the work process, so sometimes results and outputs may be overlooked. I am a person who is more concerned about the timeliness, so I am not very used to this." It is notable that the pragmatic approach that focuses only on the results could be quite challenging and can lead to undesirable consequences, which has made the western cultures like Finland to adapt a different approach. In some cases, this method is associated with high levels of corruption and income inequality. However, regardless of the implications, changing location has detrimental consequences to accept the foreign culture.

#### **4.5 Job involvement and work stress in Finland**

Job involvement describes the identification of the individual psychologically at work. This also describes the working attitude of the person. While job is the focus of the individual, job involvement entails the attitudes at work, the job satisfaction with the current nature of work, and the degree in which the person is involved in the workplace. The level of job involvement has been noted to be a major contributor to the success at workplaces. However, it is also a source of workplace stress. Work stress is described as a unique reaction of an individual to the interactions between the attitudes of the employee toward the supervisors and the various conflicts that are common in the workplaces (Riusala & Suutari, 2000). Different societies demonstrate different unique perceptions and interactions that affect the degree of interactions, involvement, and hence stress. Stress often comes when an individual cannot live up on their expectations. In the present

scenario, the expatriates faced a significant challenge when dealing with the colleagues and managers in the new environment. It was noted that the expatriates felt less engaged in Finland compared to how they were engaged in China. One of the respondents stated that, "The working environment in China is very fast paced. Everyone wants to complete more projects, get higher positions, and get more wages, so they will work harder and longer. Moreover, China has a large population, and there are many people who can replace you at any time. Everyone generally lacks a sense of security, so they work hard. Finland's social security is very comprehensive, and an employee will not lose their job for no reason, so Finnish colleagues feel very secure, and they don't need to use higher wages and higher positions to reflect their self-worth."

This is an indication that the employee wanted to be involved more to achieve the goals that had brought them to the company. However, this is mostly directed towards the expectations that these people had in the new workplace. Chinese expatriates want to feel more meaningful (Kour & Jyoti, 2021). This can be explained as the rewards one gets based on the role that they play at the workplace. Being meaningful has been considered to be one of the most fundamental sources for deriving the meaning from the work. While one of the participants felt that they needed to be involved more, another one felt that the collaboration was positive. He stated that, "In China's work environment, one leader or several leaders make decisions together, and they rarely listen to the opinions of subordinate employees. However, in Finland, whether it is managers or ordinary employees, everyone is equal, everyone can express their opinions, and leaders will listen to everyone's opinions very seriously, and make the final decision only when most people agree." Such an expatriate can be considered to be satisfied with the new environment and considers the processes to be advantageous to the workplace. This is an indication that people will not always face challenging environments when their expectations at the workplace are met. However, the expectations are not met in most of the times, which explains the challenges the Chinese expatriates had to undergo in Finland. For example, the same respondent stated that, "Colleagues in Finland have shorter working hours and more holidays, so work progress is slower. I'm not used to the speed of work in Finland, so it's a bit difficult to get used to." This is an indication that some aspects of cultural adjustment are

a bit difficult to deal with for such employees. Such an environment tends to predispose the employees to workplace related stress and other negative factors that can affect the individual productivity. As such, companies must undertake measures to counter such challenges.

#### **4.6 Training Consideration by Chinese MNC X**

Notably, the Chinese MNC X did not carry out any forms of cultural training on its subjects before they were sent abroad. Training is done on expatriates in order to minimize the challenges of adjustment that is created between the home and the host nation's culture. Many companies have been investing in these types of training to help their expatriates and minimize their chances of failing. However, company X did not invest in this important form of training, which can be considered to be one of the major factors that the expatriates faced a lot of challenges in the foreign country. When asked about the pre-departure training, one of the respondents stated that, "There were video trainings on matters that need attention in overseas, but there wasn't trainings for specific countries. It can play a role in understanding life abroad, but it is limited." This is an indication that although the respondent appreciates the importance of training, the company did not carry out this exercise which the respondent argues that it would have been helpful in adapting to the life abroad. Another respondent complained that "I have not received any formal training before coming, and the company has not arranged it. The main information channels come from Chinese colleagues who have been dispatched to Finland before, search for relevant knowledge online, and join the Finnish Chinese WeChat chatting group in advance. The sharing from colleagues was very helpful and solved a lot of practical problems after coming to Finland. The Internet and WeChat groups also provided a lot of useful information." According to this respondent, it is evident that cross-cultural training is an important aspect that should not be ignored. Although there was no training organized by the company, the employees struggled to find information from other sources like online and from other colleagues. Such information was important in helping them to adapt. The challenges that these expatriates faced can be partly associated with the lack of proper preparation.

In the last couple of years, there has been a wide discussion regarding the impact of cross-cultural training on the expatriates. This has necessitated massive research on this area compared to all other areas that relate to expatriation. Some researchers like Deshpande and Viswesvaran (1992) argued that cross cultural training has a significant impact on the success of expatriates. According to the researchers, such a training has an impact in enabling easier adaptation and adjustment to the new environment. Although the researchers established that the empirical evidence is limited, the findings suggested that a company that carries out expatriation training before sending the employees to the foreign land is more likely to succeed. This was a challenge for company X as it did not carry out proper training that would have prepared the employees on their new environment. However, the company organized some cultural training when the employees were already at the new location.

While expatriate training is more effective when carried out before the expatriates relocate to carry out their mission in the new country, any form of training even if they have already moved is imperative to the employees' success. One of the participants stated that, "After coming to Finland, the company organized cross-cultural training, which helped me understand the thinking mode and working style of my Finnish colleagues. Finns are generally more relaxed, work hard during working hours, and ignore work when they are off work. Understanding these can prompt us to better arrange the work schedule and complete the work as efficiently as possible within the working hours." From the response, this is an indication that there are different aspects of the new culture that an individual should learn to succeed in the new environment. However, it should be noted that the specific type of training and how it is carried out is imperative to the adjustment process. For example, literature has suggested that cross cultural training demonstrates a weak link towards the adjustment process of the individual. However, when more specific types of training are carried out, which focus on the pre-determined scenarios and task, then there is a positive link. These specific types of training tend to target specific aspects that a foreigner needs to learn to equip with skills and develop the right mindset to succeed.

Training should also focus on the psychological detriments to the success of an expatriate. There are psychological barriers that have been noted to affect the intercultural adjustment, which are related to the negative reactions. Some of the

barriers noted are the perceived inability and also the unwillingness to adjust to the new environment (Forster, 2000). Notably, these barriers tend to come from the intercultural limitations of the expatriate and also their inability to cope and understand the novel culture. This means that the cultural norms at the country of origin have a significant impact on the success of cultural adjustment in the new country. However, expatriates who have the right mindset tend to go an extra mile to learn the various aspects of foreign behaviour and expected cultural adjustment issues. Such expatriates tend to be more success on their international assignment. For example, one of the respondents argued that “After I knew that I had this job opportunity to come to Finland, I took my family to travel to Finland in advance to learn about the Finnish environment and culture in advance, but because I was traveling and time was limited, I didn’t have a deep understanding of Finland. But I have contacted some Chinese colleagues who are already working in Finland and learned some information about Finland from them.” Although this participant had not participated in any form of expatriate training on cultural adjustment before departure, he was committed to learn the new environment. Such moves are vital for the success of the expatriate in adjusting quickly and effectively to the new environment. Another respondent stated that, “I found some information about Finland online by myself, but not much information about how to live and work in Finland.” This is an indication that company X failed to recognize the importance of expatriate training to help them in their new environment.

Cross cultural training plays a very important role on the entire adjustment process of an expatriate. Numerous research has proven the existence of a positive correlation between expatriate adjustment and CCT. It is evident that CCT can effectively shorten expatriate adjustment process and make the process better as well as smoother (Polón, 2017). Moreover, with CCT, it’s easier for an expatriate reduce the severity of cultural stress and stress experienced while in stage two of adjustment process. CCT in regard to the first two stages of adjustment process help expatriate to have realistic expectation from their host culture and acquire skills required to deal with anxiety and stress from cultural shock. CCT impact on expatriate can be discussed under three categories based on expatriate interaction, work, and general adjustment.

#### **4.7 Chapter Summary**

The analysis demonstrates the implications of globalization and technology in business. Many businesses have moved abroad in search for more development and expansion. However, such businesses tend to face a lot of problems in the new environment. Some of the key challenges is to get the requisite skills from the workforce that understand the company background and goals. Therefore, this has brought about the issue expatriation of employees. The employees who move to a new environment are faced with massive challenges, which has necessitated researchers to evaluate the various ways of improving the work environment. This chapter demonstrated that training of expatriates before they leave for their international assignment is an imperative consideration for the success of the employees. However, company X failed to recognize this and did not organize for any form of training before the expatriates left. It is evident that the expatriates faced a lot of challenges when adapting to the new culture. Cultural differences are always a big challenge when one is moving into a foreign country for an international assignment. As illustrated in the discussion, the challenge is even bigger for business assignments.



## 5 FINDINGS

### 5.1 Expatriation process and implications

The goal of this research was to study the situation of international expatriation of Chinese nationals in the foreign countries and determine the challenges they face and how the situation can be improved. The study focused on Finland, as there has been an influx of Chinese nationals in the country with many Chinese multinationals sending their workers in the international market. This study adopted a qualitative approach and a subjective method to examine the Chinese expatriates in China and the challenges they face in their adjustment in Finland. It was based on a case study of Company X, which sent employees to Finland to offer their experiences. Through the use of the semi structured interviews, it was possible to determine the experiences and understand the feelings of these individuals in the new environment. In addition, the research aspired to bring a fresh qualitative input towards the Chinese expatriates and their subjective interpretations and meanings within the intercultural adjustments debates and findings that have been suggested by the quantitative approaches and the positivist methods and assumptions of the objective backgrounds. The main conclusions based on the research objectives are discussed below.

Concerning the cultural identities of the Chinese expatriates, the study found that China has a unique culture compared to Finland which is demonstrated by the expatriates. Generally, it was established that the Chinese culture was mainly influenced by Confucianism philosophies and ethics. This is a concept that describes the human relations and the expectations of the interpersonal relations. These values have been transferred in the business environment as illustrated in the study. Some of the key characteristics included individualism and punctuality. It should be noted that Chinese people value punctuality. Sticking to deadlines is a major characteristic of the individuals. The expatriates also demonstrated a high level of distrust and suspicion. In fact, it was noted that some were very suspicious of the togetherness demonstrated by the Finnish nationals.

The researcher evaluated the cultural barriers and challenges that the expatriates faced in the new country. From the study findings, it was established that the key

issues that the expatriates faced could be categorized into issues related to work, organization, individual, and non-general work. For example, creating workplace connections is different in Finland. While Chinese tend to value personal connections, people in Finland are more concerned with meeting their goals and jobs as assigned at the workplace. However, these people are ready to help their colleagues regarding the personal support networks. Communication problems is also a major cultural issue faced by the expatriates. In addition to the communication problems are the Chinese business and the management culture, where decisions are made more collaboratively unlike in China where decisions are top-down.

## **5.2 Training and Expatriates success**

Considering the challenges that expatriates and their families face when adjusting to the new environment, it has become a norm to develop a form of preparation strategies that involves training. It should be noted that there is a huge level of expatriates' failure that many companies face (Caligiuri et al., 2001). Additionally, literature has demonstrated that many expatriates tend to return home prematurely before they can complete their assignments. Notably, the study established that the differences between the new environment and the home country is a major cause of expatriates' failure. If an expatriate doesn't understand the new culture properly, then they are likely to face more difficulties. This has necessitated various types of training like cultural awareness training before the expatriates move to the foreign country. Therefore, the researcher intended to evaluate whether the management of company X carried out training and how these trainings may have affected the success of the expatriates in Finland. There are different types of intercultural training which have been discussed in literature and should be major considerations as described below.

### **5.2.1 Cognitive training of expatriates**

Cognitive training which is also known as information training is a form of acquiring skills or information from form of lecture like orientation. Mostly informal briefings are used to provide the training. Informational booklets are also used in the

training through presentation of facts about the target culture or country. Cognitive training consists of minimal or no structured methods like casual conversation. Studies have proven that knowledge have the ability to increase empathy, and empathy consequently modify behaviour (Kour & Jyoti, 2021). Thus, improving the overall intercultural relationships. Cognitive training still remains to be the most popular form of cross-cultural training, however, not the most effective form of training. This form of training mainly offers information facts regarding cultural aspects, as well as living and working conditions of the target community or host country. Often cognitive training content comprises facts related to job requirements, travel arrangement as well as policies (Wang & Tran, 2012). Moreover, the provided facts contain important aspects that help the expatriates on not only understanding the new culture but to also adapt easily to the culture after their arrival in the host country. Thus, this training approach play a significant role on understanding of new culture by the expatriates.

### **5.2.2 Experiential training of expatriates**

Experiential training of expatriates developed from a reaction to cognitive form training. This was after cognitive training was criticized as an ineffective form of cross-cultural training of expatriates. Experiential is therefore defined as a training approach that provide trainees with realistic scenarios or simulations. This approach is conveyed through different methods including simulations, workshops, practical exercises, and look-see trips to the host country. The aim of this approach is to directly prepare expatriate while building them beyond intellectual experience (Wang & Tran, 2012). One of the major advantages of experiential training is that it allows the expatriates gain skills required for positive interaction within the host country, cognitive skills as well as effective performance. Experiential training mainly is based on the concept of 'learn by doing' and delivered through practical exercise. Experiential training can be classified into two categories: field experience and interaction learning. Interaction learning give expatriate an opportunity to learn more about life and feel comfortable in a host country. While field experience is where a trainee is sent to a micro-culture or the assigned country so that they can have an opportunity to experience the real emotional stress of working or living within an environment with different cultures.

### **5.2.3 Language training of expatriates**

Language training require the expatriate to be taught the foreign or business language of the host country. Knowledge about the native language is very essential to a successful as well as satisfactory working and living in that country or culture. Furthermore, language forms one of the most important and unique part of a culture since language will clearly reflect cultural beliefs and values. Thus, language training of expatriates plays a very significant role on their adjustment process in foreign countries (Riusala & Suutari, 2000). For instance, studies show that, Chinese expatriate proficiency in English language allow them to moderately adjust in western countries. Other than impact on adjustment of the expatriate, it enhances better relationship with the locals, ability to cope to different types of stress, as well as improved interaction with the headquarters. Hence, lack of knowledge about a native language can slow down the process of adjustment for the expatriate (Polón, 2017). Although, it may take years for a trainee to attain fluency, and this training is still considered to be an important process. This is because the attained knowledge allow expatriate to easily join informal discussions, express cultural empathy, as well as make us of common courtesies. Moreover, knowledge of a native language allows an expatriate to have a better understanding of host's culture and also allow them to convey clear signals of politeness.

### **5.2.4 Attribution training of expatriates**

Attribution training is an approach that tries to offer skills in acting and thinking just like a host individual to an expatriate. Its aim is to give an expatriate a clear insight based on cultural point of view of the given foreign nation. This not only allow the expatriate to be in a position to clearly understand but also explain national behaviour of the host. Teaching such skills enable expatriate to develop attributes that closely correspond to the new culture (Polón, 2017). Attribution training has closely been linked, though not limited to a cultural assimilation teaching method. In cultural assimilation training, members of one culture are expected to adjust and interact effectively with members of another culture. Basically, cultural assimilation comprises of short episodes series of intercultural, which have been judged to be very vital in interaction of two individuals of two

different cultures (Ko & Yang, 2011). These episodes, consists of encounters between the two members of different cultures which assist o interaction with the new culture. There are critical incidents contained in cultural assimilation, which help in identification of a problem that may arise from adaptation or cultural differences. The incidents come with alternative feedback and explanation, where the trainee is always expected to select the best response in regard to the context.

### **5.2.5 Cultural awareness training**

The aim of cultural awareness training to provide expatriate with a deep understanding of the cultural differences as well as the culture itself. This is done through creating awareness to the trainee about the home culture. Some of the training activities used include use of value ranking chart and building of self-awareness. However, other general cultural approaches such as perceptual exercise and simulation games can be used to achieve the goals of the training (Polón, 2017). Cultural awareness as well enable trainee to have a better understanding of cultural differences. One of the main advantages of cultural awareness training is that it enables the trainee to not only understand but also appreciate cultural differences. Also, it allows them to apply the knowledge acquired through training to promote sustainable cross-cultural interactions. However, studies have shown that training on cultural awareness doesn't help them learn any specific thing or fact about the target host culture (Chen, 2019). Therefore, in areas where expatriate may be required to have a more extensive contact with the locals, use of sensitivity would be the most appropriate. Since sensitivity training help to have a clear understanding of cultural difference and understand their own beliefs and values through demonstration of behaviour that doesn't correspond to that of their own culture. Moreover, is assists in reduction of ethnic prejudice.

### **5.2.6 Interaction training**

Interaction training refers to the interactions between expatriates who have more experience with the host culture and the new expatriates. This training can either

at the arrival in the foreign country, or before departure with former expatriate. However, it's done on post arrival, because expatriate require authentic cultural facts. Interaction training is allowed expatriate to adjust faster in a new culture, understand and appreciate the cultural difference as well as enhance their comfort while living and working in a foreign country (Polón, 2017). Sometimes overlap is used as training method during expatriate placement. Overlap plays a very significant role on enhancing better expatriate adjustment process. Also, it offers additional benefits such as introduction of contacts, opportunity to task explanation, as well as coaching in workplace operations and management. Families also enjoy benefits from interaction with the leaving family. Although, the benefits of overlap are clearly outlines it's not widely used due to its unclear doubts on its value as well as cost issues. Also, it's difficult to difficult to organize as most of expatriate placement are not predictable since, they mostly occur on a short notice.

### **5.3 Chapter summary**

In order to overcome the barriers, it has been suggested that training is paramount. The findings demonstrated that proper training facilitates proper preparation of the employees on the obstacles to meet and how to overcome them. Some of the forms of training that have been suggested including language training. This is an important part to the induction program especially when the two countries speak different languages. Fact-orientation is also imperative for the employees. This may include the briefing about the environment and the cultural orientation. These may cover areas of religion, geography, the people, and the economy. However, Chinese MNC X did not carry out training in these areas or other cultural adjustment areas. The findings show that the lack of training is a major hindrance to successful adaptation to the new environment. The lack of trainings negatively affects the productivity of the employees. The cross-cultural interaction is also poor for the employees who are not properly trained.

## 6 RECOMMENDATIONS

The findings of this study demonstrate the importance of proper preparation of expatriates before they resume their international assignments. Most importantly, organizations should organize forms of training to equip them with the requisite knowledge about the new environment. It was argued that when an expatriate does not understand the local culture, he or she is likely to fail or at least face some form of acculturation difficulties. This has made cultural training to be one of the major considerations. Therefore, study recommends that company X, and other companies that are sending expatriates to the international assignments should establish cross-cultural training. This training is imperative as it will foster a proper development of the cross-cultural skills and leads to the high performance of the employees who work on the overseas assignments.

A model that was developed by Tang (1981) can be implemented in the training process. This model consists of two key determining factors: the level of the interaction that is needed in the host country and the similarity between the host and the home culture. The aim of this model is to illustrate that the interaction between the expatriates and the host country members is low. In case the culture is the same, then the training should mainly focus on the job-related issues

In addition, this training is expected to improve the individual relationships with the host nationals which is imperative for the expatriates to adjust more rapidly to the new environment. Some of the key areas that such a training should cover include the local business etiquette, communication skills and strategies, role play, behaviour adaptation, and the host country's historical and political spheres.

The study affirmed the findings from the literature that the other factors that influence intercultural adjustment are the non-work factors. These include the cultural novelty, and the family adjustment. When there is a large cultural difference between the home and the host country, the adaptation is more challenging. When the family members face difficulties in adjusting to the new environment, the expatriate faces more challenges that affect the ease of adapting and hence the success in his job. In this regard, cultural differences should be an important part of training for the expatriates. This type of training is important as it will facilitate a better understanding of the individual culture and the areas that one ought to

adjust into the new environment. The study findings emphasize on understanding the differences in culture, which can be achieved through training.

Considering the findings, there are various areas that should be explored in future. For example, an empirical study can be established to establish the magnitude of the proper training on the impact of expatriate's adjustment. One of the challenges noted in the study is that most companies, just like Chinese MNC X do not offer expatriates with an extensive and useful training before they resume their international assignments. Therefore, future studies should explore this area to establish why many companies do not offer expatriates with training before sending them abroad. Also, future studies should investigate how companies can use expatriates' training as a way of establishing the candidates who are best suited for the job. Finally, the findings from this qualitative study could form the basis for investigation and development of appropriate quantitative instruments for further investigation.



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## APPENDICES

### Appendix 1. Interview questionnaire

1. What is your primary motivation as a Chinese national to work in Finland?
2. Did you get any pre-departure cultural training before you went to Finland? What are the sources of the knowledge about Finland? Are they useful?
3. How did the cross-cultural training improve your ability to achieve your organizational goals?
4. What challenges are you encountering as a Chinese expatriate working in Finland?
5. What do you think are the reasons for these problems?
6. What are the cultural challenges that holds your smoothing working in Finland?
7. Can you compare the difference between working in a cross-cultural team and a purely Chinese team?
8. What knowledge and skills would you say the Chinese expatriate should learn or improve to better cope with working in the west?
9. What have you learned from your Finnish colleagues?