

## **A Systematic Literatur Review: Factors Affecting of Expat Employee Performance**

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### **ABSTRACT**

This literature research effectively found 10 pertinent studies that were taken from papers that were indexed in Scopus (Q1-Q4) using the PRISMA guidelines. Using the Wase Uake program, this analysis classified the themes and demonstrated how the emergent themes were related to one another. The results of this systematic literature review show that several factors affect their performance, including: learning orientation, positive affectivity, boundaryless mindset, trust and organizational support, personality and emotional intelligence and cross-cultural competence which includes cultural intelligence and cultural empathy. In addition to these various factors, it also requires cultural adjustment or expatriates adjustment which can be interpreted as an effort from both parties, namely expatriates and the company concerned in reducing cultural and environmental barriers with pro-active efforts from both. Good adjustment skills are required by an expatriate

### **Keywords:**

International Human Resources, performance, expatriates

## **INTRODUCTION**

Human resources are one of the most important priorities that globalization should enable companies to operate across countries. Companies in channeling their ideas and ideas sometimes need expatriates assigned to companies in the host country. In carrying out his duties an expat needs adaptation or adjustment in order to be able to carry out his duty properly (Noman et al., 2023). Adapting an expatriate requires not only physical support from a colleague but also mental and spiritual impetus, and social media is one of the tools that can help reduce the impact of the culture shock experienced by the expat (Mohd Yusuf et al., 2021). In addition to external support, an expatriate needs a strong desire or motivation to learn and adapt to the new work environment in order to maintain good performance (Chan et al., 2018).

Before sending an expatriate to a company in the host country, preparation is required so that the expat can work well in accordance with the duties and responsibilities it carries. Choosing candidates with good adaptability, and having high emotional abilities is highly recommended (Beutell et al., 2017). A candidate with good personality qualities will also be able to adapt well to the new culture that exists in the host country (Liu & Huang, 2015). In addition to being well prepared for expatriates to be assigned abroad, the company also needs to ensure that the family of these expats benefits from this expansion activity, by guaranteeing their protection and needs while the expats perform their duties abroad (Sterle et al., 2018).

Through the use of clearly defined goals and targets, performance management is a technique that enables multinational enterprises (MNEs) to assess and constantly improve the performance of individuals, subsidiary units, and the entire organization. The skills of its employees, their level of commitment and their understanding of the goals of the organization are assets for organizations operating at the international

level. Efficient use of resources across international facilities is not possible without highly competent international human resources. Human resources management aims to acquire and maintain the best workforce throughout its international facility. International human resources management activities revolve around two elements in managing employees in the country of origin or host country and third country.

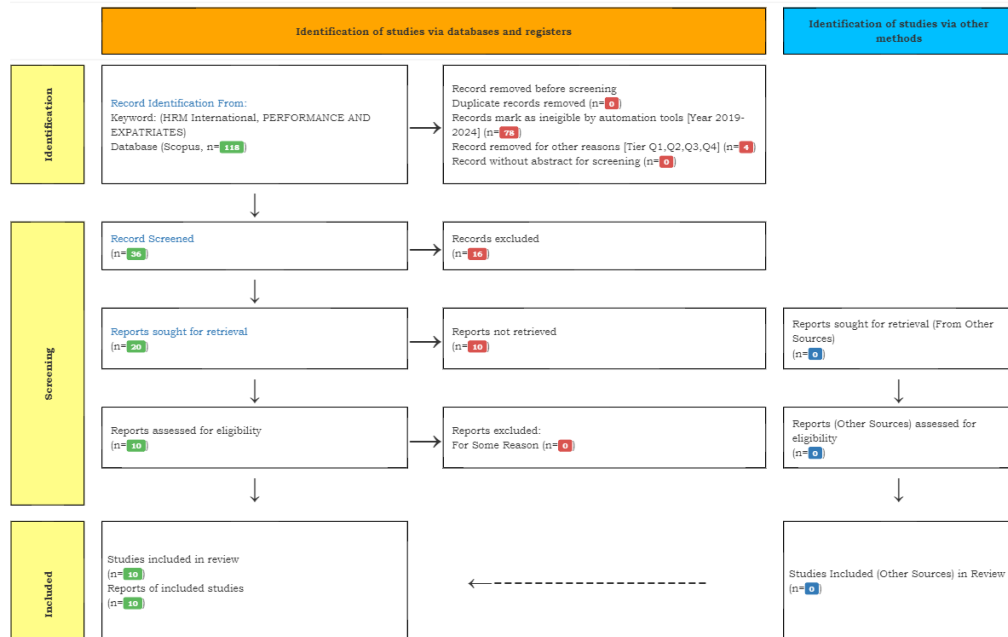
There are various factors involved in an expatriate's efforts to perform his duties. Of course these factors can affect the performance of expatriates as they are assigned to host country companies. Therefore, this study aims to dig deeper into the expatriation's performance, relating to these factors that can affect their performance.

### **METHOD**

This article is compiled using the method of Systematic Literature Review (SLR). According to Ahn and Kang (2018), SLR is a systematic review and meta-analysis approach that synthesizes and evaluates information from multiple studies on related subjects that have been published in scientific journals and are stored in an academic database. Utilizing the Watase Uake software and the Scopus database (Q1-Q4), the subject grouping and linkages between emerging themes are visualized. Keywords included, among others, "Human Resource Management International, performance, expatriates", with those keywords found 115 articles. Subsequently, the analysis is carried out using the standard of inclusion and exclusion that has been established. This literature review found 10 articles relevant to the application of PRISMA principles. The year of publication of the article, which falls between 2019 and 2024, is the first condition. This criterion aims to maintain the relevance of the topics discussed with the latest developments of research topics related to research issues. The second criterion, the document must be in the form of an article and a complete document, documents published in procedural form and books are excluded. After doing the screening, the researchers read one article at a time that had a complete document. It aims to ensure that all the articles collected are relevant to the research topic.

The Prisma flow diagram in Figure 1 is used to explain the specifics of the article selection. Following the screening process, the researchers examined each article containing the entire document one at a time. Making sure every article is pertinent to the research topic is the goal. Conversely, items that don't fit the requirements aren't taken into account for analysis.

HUMAN RESOURCES MANAGEMENT INTERNATIONAL



Generate From: Watase Uake Tools, based on Prisma 2020 Reporting

**Figure 1.** Diagram PRISMA (Preferred Reporting Items for Systematic Review and Meta-Analysis)

## RESULT AND DISCUSSION

The outcomes of his PRISMA approach, which stands for Preferred Reporting Items for Systematic Review and Meta-Analysis, are as follows:

**Table 1. Log Results of PRISMA Method**

No	Authors	Year	Title	Journal	Citation	Journal Rank
1	Haldorai et al.	2021	Learning orientation and self-initiated expatriates work performance: a moderated-mediation model	International Journal of Hospitality Management	12	Q1
2	Stoermer et al.	2020	The effects of positive affectivity on expatriate creativity and perceived performance What is the role of perceived cultural novelty	International Journal of Intercultural Relations	15	Q1
3	Ren et al.	2020	Influence of Informal	Management and	13	Q1

No	Authors	Year	Title	Journal	Citation	Journal Rank
			Relationships on Expatriate Career Performance in China the Moderating Role of Cultural Intelligence	Organization Review		
4	Guang and Charoensukmongkol	2020	The effects of cultural intelligence on leadership performance among Chinese expatriates working in Thailand	Asian Business & Management	32	Q1
5	Zhao et al.	2016	How does a boundaryless mindset enhance expatriate job performance The mediating role of proactive resource acquisition tactics and the moderating role of behavioral cultural intelligence	The International Journal of Human Resource Management	32	Q1
6	Fee and Gray	2020	Perceived organizational support and performance the case of expatriate development volunteers in complex multi-stakeholder employment relationships	The International Journal of Human Resource Management	13	Q1
7	Fehér et al.	2022	The Relationship between the	Journal of East-West Business	1	Q3

No	Authors	Year	Title	Journal	Citation	Journal Rank
			Employment of Expatriates and the Subsidiary Performance of Multinational Companies in Five CEE Countries			
8	Tsegaye et al.	2019	Cognitive adjustment and psychological capital influences on expatriate workers job performance An Ethiopian study	Journal of Psychology in Africa	4	Q3
9	Wu et al.	2019	Examining the influence of expatriates social capital and knowledge-sharing behavior on financial performance	International Journal of Organizational Analysis	5	Q2
10	Qomariyah et al.	2022	The Effects of Expatriates Personality and Cross-cultural Competence on Social Capital, Cross-cultural Adjustment, and Performance The Context of Foreign-Owned Multinational Firms	SAGE Open	0	Q2

The first sequence with quotation 12 is a journal written by (Haldorai et al., 2021) this study tested the cross-cultural adjustment-mediated, moderated mediation effect of prior overseas experience on performance. Data was collected by the authors from 311 expatriates working in the Malaysian hospitality sector. Research findings

support the notion that, when mediated by cross-cultural adjustment, learning orientation is favorably correlated with occupational performance. The cultural gap paradox is supported by the fact that cross-cultural adaptability increases with the size of the cultural divide between the host nation and the culture of origin.

The second order is a journal written by (Stoermer et al., 2020) With quotation 15, The purpose of the study is to look into how the host country's positive affective climate affects the creativity and performance of foreign workers there. Above all, this study examines the indirect association between perceived performance and PA, which is mediated by creativity, and the moderate impact that perceived cultural novelty has in the relationship between PA and creativity. Regression-based analysis was used to investigate the hypothesis using data from 297 expatriates living in Denmark. The results demonstrate a favorable correlation between PA and creativity, which is in line with expectations. Additionally, perceived performance and PA have a positive relationship. The mediation analysis's findings indicate that creativity acts as a mediating factor between perceived performance and PA. The prediction that the positive association between PA and creativity is significantly decreased at a high degree of perception is contradicted by the found moderating influence of the perception of cultural novelty in the relationship between PA and creativity.

Third order written by (Ren et al., 2020) With a total of 13 cases, This study looks into the impact that cultural intelligence plays as a contingency and how local expat-expat managers affect the career performance of foreign managers. Our findings, which were based on multi-source data from a sample of 154 foreign managers in China, demonstrated that local foreign managers positively impact the career performance of foreigners, and that this link is positively mediated by the foreigner's cultural intelligence.

Order to four journals written by (Guang & Charoensukmongkol, 2022) With quotation 32, This study looks into how supervisor support, perceptions of leadership effectiveness, and lower commitment to supervisors are affected by Chinese expatriate cultural intelligence (CQ). Survey information from 169 couples of Chinese expatriates and Thai employees of Chinese companies with headquarters in Thailand was used in the study. The results of the data analysis utilizing Partial Least Squares structural equation modeling indicated that Thai subordinates gave Chinese expatriates high CQs and thought highly of them in terms of superior assistance. Furthermore, the beneficial impact of Chinese expatriate CQ on leadership efficacy and subordinate loyalty to their supervisor is mediated by supervisor support.

The fifth order with the quotation 32 is a journal written by (Zhao et al., 2020), This study explores how boundless thinking affects the work performance of expatriates, while fusing the moderate role of cultural intelligence behavior with the mediating role of proactive resource acquisition strategies. Boundless thinking has a favorable impact on the tasks and contextual performance of expatriate-supervisor couples, as demonstrated by the analysis of three waves of data collected from ten major Chinese multinational corporations. This effect is attributed to the proactive acquisition of resources through tactical mediation. Furthermore, the tactical impact of proactive resource acquisition on task performance and contextual performance is strengthened by behavioral culture intelligence.

The sixth order is a journal written by (Fee & Gray, 2022) With a total of 13, The journal discovered that two types of support—direct support from the employer of the



host country to volunteers and support from a host country to the employer of the voluntary organization, which subsequently became an intermediary of the organization—were favorably correlated with the volunteers' performance. There's no link between the volunteer performance and the support of the voluntary organization. Emotional and informational support for volunteers is thought to be very encouraging of performance in terms of contextual and situational aspects, whereas understood instrumental support is a significant barrier. The results showed that discretionary, relational, and proximal support are critical for the success of expatriate voluntary placement and highlighted the significance of hitherto unseen 'third hand' support in triangular work relationships in the form of volunteer agency support for host organizations.

The author of the seventh order was (Fehér et al., 2022) In a scenario where the research expands on knowledge about the management of subsidiaries by foreign nationals by examining problems specifically in the CEE region. Although there is only a slight positive correlation between the performance of the daughter company and the use of expatriates during specific observation periods and on specific performance indicators, the study highlights the multifaceted contribution of foreign nationals to the management and day-to-day operations of the subsidiary. The results are in line with earlier studies conducted in other areas that found inconsistent patterns on how hiring foreign workers affected the performance of subsidiaries.

The eighth order is a journal written by (Tsegaye et al., 2019) With 4 situations, The study examined the little influence that psychological capital played in the link between cognitive adjustment and expatriate performance in the host nation. The international workers (N = 1,229; 32% female; average foreign working hours = 2,99, SD = 4,44) answered questions about organizational culture, psychological capital, work performance, and cognitive adjustment (pertaining to employment and non-employment). The product less square approach was used to analyze the data, and the results demonstrated that the cognitive and psychological capital adjustments made by expatriates, both connected to and unrelated to employment, could be used to individually predict work performance. The association between cognitive (work-related) adjustment and expatriate performance is partially mediated by psychological capital.

The ninth order is a journal written by (Wu et al., 2020) In five situations, The results of the study demonstrate that social capital and knowledge sharing are significantly predicted by organizational support and trust, which further enhances the impact of social capital on learning and development, customer happiness, internal process improvement, and the financial performance of multinational corporations. Additionally, client pleasure functions as a stimulant for the impact of learning, growth, and internal processes on corporate financial success, and social capital accelerates the influence of trust on knowledge sharing.

The last order is a journal written by (Qomariyah et al., 2022) With 0 citations, This study combines three viewpoints to explain why expatriates succeed or fail. The first viewpoint focuses on expat-related elements, such as personality traits and emotional intelligence (EQ), sometimes referred to as emotional intelligence. Cross-cultural competency, which encompasses cultural intelligence, cultural adaptation, and cultural empathy, is the second viewpoint. The third viewpoint takes into account the social capital of foreign nationals, which consists of perceived organizational

support and the exchange of membership leaders. Additionally, the study highlights the individual and cumulative effects on the adaptation and cross-cultural performance of expatriates, incorporating these viewpoints into the preamble.

### **Discussion**

The systematic review and meta-analysis conducted using the PRISMA approach highlight the critical role of cultural intelligence (CQ) in expatriate performance. Studies by Haldorai et al. (2021) and Ren et al. (2020) demonstrate that CQ significantly enhances expatriate performance through cross-cultural adjustment and the influence of local managers. This aligns with the theory of cultural intelligence by Earley and Ang (2003), which posits that individuals with high CQ can better navigate and perform in diverse cultural environments. Similarly, Guang and Charoensukmongkol (2020) found that CQ positively impacts leadership performance and subordinate loyalty among Chinese expatriates in Thailand, reinforcing the importance of CQ in expatriate success.

Organizational support is another crucial factor identified in the studies. Fee and Gray (2020) highlighted that both direct support from host country employers and intermediary support from voluntary organizations significantly enhance expatriate performance. This finding is supported by the social exchange theory (Blau, 1964), which suggests that perceived organizational support fosters reciprocal positive behavior, leading to improved performance outcomes. The emphasis on discretionary, relational, and proximal support underscores the need for organizations to provide comprehensive support systems for their expatriates.

Psychological capital, encompassing self-efficacy, optimism, hope, and resilience, also plays a significant role in expatriate performance. Tsegaye et al. (2019) found that psychological capital mediates the relationship between cognitive adjustment and job performance, consistent with Luthans et al.'s (2004) concept of psychological capital. This suggests that positive psychological resources can enhance work performance, especially in challenging environments such as expatriate assignments, by fostering better cognitive adjustment and resilience.

Finally, social capital, as explored by Wu et al. (2019), significantly impacts expatriate performance through enhanced knowledge-sharing behavior and financial performance in multinational corporations. This finding aligns with social capital theory (Bourdieu, 1986; Coleman, 1988), which posits that social networks and the resources embedded within them facilitate beneficial actions and outcomes. Qomariyah et al. (2022) further integrate these perspectives, combining individual factors, cross-cultural competence, and social capital to provide a holistic view of expatriate success. This comprehensive approach underscores the importance of addressing multiple dimensions to enhance expatriate performance effectively.

### **CONCLUSION**

The systematic research and meta-analysis conducted through the PRISMA approach indicate that expatriate performance is influenced by various key factors such as cultural intelligence (CQ), organizational support, psychological capital, and social capital. Cultural intelligence has been shown to significantly enhance performance through cross-cultural adjustment and the influence of local managers, as found in studies by Haldorai et al. (2021) and Ren et al. (2020). Comprehensive organizational support, as identified by Fee and Gray (2020), also plays a crucial role



in enhancing expatriate performance, supporting the theory of social exchange that emphasizes the importance of reciprocal support.

Psychological and social capital also have a significant impact on expatriate performance. Research by Tsegaye et al. (2019) indicates that psychological capital, including self-efficacy, optimism, hope, and resilience, can enhance cognitive adjustment and job performance. Additionally, Wu et al. (2019) highlight that social capital, through knowledge-sharing behavior, can enhance financial performance in multinational corporations. The integration of these perspectives, as proposed by Qomariyah et al. (2022), provides a holistic view of expatriate success, emphasizing the importance of multidimensional approaches in expatriate management to achieve higher performance.

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