

# Expatriate Performance in International Assignments: The Role of Cultural Intelligence as Dynamic Intercultural Competency

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## Abstract

This paper investigates the affects of dynamic intercultural competency of cultural intelligence and its dimensions on expatriate job performance. Based on sample of 332 expatriates working in Malaysia, cultural intelligence found to be a vital intercultural competency that facilitates expatriates job performance in international assignments. Specifically, the results of this study reveal that expatriates in Malaysia with greater meta-cognitive and behavioral cultural intelligence fared better in their contextual performance. Greater assignment specific performance related to greater behavioral cultural intelligence. The findings of this study contributes to the body of knowledge in the cross-cultural management field as well as practical implication to expatriating firms especially in the area of selection and hiring of international candidates.

**Keywords:** Dynamic competency, Cultural intelligence, Job performance, Expatriate

## 1. Introduction

Globalization and liberalization of trade and services in many part of the world has created an opportunity for MNCs to operate in diverse geographical environments. In this regard, effectiveness of international assignment is becoming an important source of competitive advantage for many organizations (Zhang & Dodgson, 2007). Some of the advantages that companies can gain from sending their employees abroad are establishing new international markets, spreading and sustaining corporate culture, facilitating organizational coordination and control, and transferring of technology, knowledge and skills (Huang, Chi & Lawler, 2005; Shay & Tracey, 2009).

Past research has indicated three different criterions to measure expatriate effectiveness in international assignments: cross-cultural adjustment (Hechanova, Beehr, & Christiansen, 2003; Huang et al., 2005), premature return intention (Caligiuri, 2000a; Shaffer, Harrison, Gregersten, Black & Ferzandi, 2006) and job performance

(Shay & Baack, 2006; Kim & Slocum, 2008). While criterion related to cross-cultural adjustment (CCA) and premature return intention studied extensively in the past, studies on job performance have been limited. This delinquency is mainly due to difficulty to define and eventually measure the expatriate job performance concept (Mol, Born, Willemsen & Van Der Molen, 2005; Shaffer et al., 2006). Yet, knowledge about the ability of expatriates to meet the expectations of their position, job performance has become crucial. This is because both the CCA and premature return intention does not reflect the actual role prescribed behavior that expatriates perform in their job, hence achieving organizational goal. According to Caligiuri (1997), approximately half of the maladjusted expatriates who remain abroad are ineffective (or performing poorly) in their foreign assignment. Additionally, not all maladjusted expatriates leave their assignments and most likely choose to complete their stay neglecting the expectations to perform in the job. In that regard, examination of expatriate job performance is valuable.

In the past, studies on affect of individual differences on expatriate effectiveness attracted considerable attention. Research on individual differences has distinguished between trait-like constructs (e.g., Chen, Gully, Whiteman & Kilcullen, 2000) and state-like constructs (e.g., Bandura, 1977). Trait-like individual differences refer to unspecified task or situations that are stable over time such as personality traits. State-like individual differences, on the other hand, represent specific situations or tasks and tend to be malleable over time such knowledge and skill. In the international context, Leiba-O'Sullivan (1999) and Shaffer et al. (2006) have distinguished individual differences into stable and dynamic intercultural competencies. Studies using stable intercultural competencies of personality in relation to expatriate job performance has been conducted by many researchers in the past (e.g., Dalton & Wilson, 2000; Mol et al., 2005). These results generally found that high performing international assignees tend to share certain personality traits (e.g., Caligiuri, 2000a; Dalton & Wilson, 2000; Mol et al., 2005; Shaffer et al., 2006). Unfortunately, research on dynamic competencies and expatriate job performance has been limited due to poor conceptualization and operational difficulties of these concepts. Research indicated that dynamic competencies due to lack of sound theoretical foundation are difficult to measure and in the available study salient factors tend to vary from study to study (Yamazaki & Kayes, 2004), hence a gap to be filled.

Recently, cultural intelligence (CQ) introduced as a vital dynamic intercultural competency that is crucial for expatriates working on international assignments within contemporary organizations (Ang et al., 2007). Grounded solidly in the theory of multiple intelligences (Gardner, 1983), the concept of CQ captures an individual's capacity for successful adaptation to new and unfamiliar cultural settings and ability to function easily and effectively in cultural environments worldwide including situations characterized by cultural diversity (Earley & Ang, 2003; Earley & Mosakowski, 2004). Given this, the awareness of the concept's significance for expatriate performance in diverse cultural environment remains at an early stage mainly due to newness of the concept in the literature.

This paper is concerned with how CQ affects the job performance of expatriates assigned to Malaysia. As of to date, only two studies have been conducted on the relationship between CQ and job performance (e.g., Ang, Van Dyne, Koh & Ng, 2004; Ang et al., 2007). However, in view of the inconclusive evidence based on these two studies, it is still uncertain whether CQ is the determinant of job performance. Moreover, in exception to Tahir and Ismail (2007), no study conducted in Malaysia. We believe that expatriate population in Malaysia is worth investigating, particularly because the country has become one of the preferred FDI destinations in the South East Asia region. Malaysia has to date attracted more than 5,000 foreign companies from more than 40 countries to establish their operations in the country (Malaysian Industrial Development Authority, 2009). This indicates that the country will have to face a continuous increase in numbers of expatriates admitted in various sectors of employment. There were 35,583 approved expatriate postings in Malaysia in year 2007 alone (Immigration Department of Malaysia, 2008). The growing trend in the number of expatriates and international assignments in Malaysia has heightened the need for research to understand how expatriates perform during their assignments in Malaysia. The purpose of this study therefore is to investigate how CQ related to the job performance of expatriates assigned to Malaysia.

## 2. Literature Review

### 2.1 Cultural Intelligence

Cultural intelligence refers to an individual's capability to deal effectively with people from a different cultural background and understanding (Earley & Ang, 2003). Cultural intelligence is multidimensional construct consist of meta-cognitive, cognitive, motivational, and behavioral dimension (Earley & Ang, 2003). First of these, cognitive CQ reflects knowledge of the norms, practices and conventions in different cultures gained from both

the experience and formal education, those universal as well as culture-specific (Ang et al., 2004; Ang et al., 2007). This includes knowledge of the economic, legal, and social systems of different cultures and subcultures and knowledge of basic frameworks of cultural values. Those with high cognitive CQ understand similarities and differences across cultures (Brislin, Worthley, & MacNab, 2006).

The second dimension, the meta-cognitive CQ defined as one's knowledge or control over cognitions that leads to deep information processing relating to culture (Ang et al., 2004). It consists of the cognitive strategies that used to acquire and generate coping strategies (Ng & Earley, 2006). Ang et al. (2004) further state that meta-cognitive CQ is the individuals' cultural conscious and awareness, and is thus manifest in the ability to question cultural assumptions. Relevant capabilities include planning, monitoring, and revising mental models of cultural norms for countries or groups of people (Ang et al., 2007).

The third dimension, the motivational CQ goes beyond recognizing cultural differences, and deals with the motivation behind cognitive processes and cognitive knowledge; it reflects the interest in engaging others and the desire to adapt to the other culture (Ang et al., 2007). This facet of CQ includes three primary motivators: enhancement (wanting to feel good about oneself), growth (wanting to challenge and improve oneself), and continuity (the desire for continuity and predictability in ones' life) (Earley, Ang, & Tan, 2006). According to Earley and Ang (2003) and Ng and Earley (2006), this component directs and motivates one's adaptation to a new cultural settings. Kanfer and Heggestad (1997, p. 30 cited in Ang et al., 2007, p. 338) argued that such motivational capacities 'provide agentic control of affect, cognition, and behavior that facilitate goal accomplishment'.

Lastly, the behavioral dimension involves the capability to engage in adaptive behaviors in accordance with cognition and motivation based on cultural values of specific settings. This includes having a wide and flexible repertoire of behaviors. According to Earley and Ang (2003), those with high behavioral CQ capable at exhibit situational appropriate behaviors based on their broad range of verbal and nonverbal capabilities, such as displaying culturally appropriate words, tone, gestures, and facial expressions.

Cultural intelligence has been associated with expatriate outcomes such as cultural judgment and decision-making (e.g., Ang et al., 2007; Ang et al., 2004), cultural adaptation (e.g., Ward, Fischer, Lam, & Hall, 2008; Ang et al., 2007; Ang et al., 2004), CCA (e.g., Lee & Sukoco, 2007; Templer, Tay, & Chandrasekar, 2006) and task performance (e.g., Ang et al., 2004; Ang et al., 2007).

## *2.2 Job Performance*

Theoretically, individual job performance is a function of knowledge, skills, abilities, and motivation directed at role prescribed behavior, such as formal job responsibilities (Campbell, 1999). However, only the behavior or actions that are relevant to an organization's goals considered as individual job performance (Campbell, McCloy, Oppler, & Sager, 1993). Theory of job performance has indicated that job performance is a multidimensional construct consist of task dimension (often production or deadline driven and sometimes referred to as "in-role") and contextual dimension (sometimes considered discretionary and often termed "extra-role") (Borman & Motowidlo, 1993). This theory applies equally well in international setting (Caligiuri, 1997). In the expatriate management, international assignees not only expected to perform in their task and contextual performance dimensions but also to accomplish certain assignment specific tasks (e.g., transferring knowledge and technology). This third dimension labeled as assignment specific performance (Caligiuri, 1997; Caligiuri & Day, 2000).

Albeit limited, the available literature suggested that various individual factors associated with expatriate job performance. A review of literature indicated individual differences such as gender (Caligiuri & Tung, 1999; Sinangil & Ones, 2003), Big Five Personality (e.g., Dalton & Wilson, 2000; Caligiuri, 2000a; Mol et al., 2005; Shaffer et al., 2006), self-monitoring personality (Caligiuri & Day, 2000), goal orientation (Wang & Takeuchi, 2007), task and people orientation (Shaffer et al., 2006), cultural flexibility (Shaffer et al., 2006), non-ethnocentrism (Hechanova et al., 2003; Shaffer et al., 2006), communicational ability, relational ability, stress tolerance (Holopainen & Björkman, 2005), and previous international experience (Holopainen & Björkman, 2005; Varma, Toh & Budhwar, 2006) related to expatriate job performance.

## *2.3 Hypotheses Development*

Two major studies that have dealt with the relationship between CQ and job performance is those of Ang et al. (2004) and Ang et al. (2007). In both studies it was found that there is a significant positive relationship between CQ and job performance, implying that greater the level of CQ, greater the level of job performance. Meeting the role expectations is an important element in the assessment of individual job performance (Katz & Kahn, 1978).

In the international assignments, individuals often receive poor job performance evaluation from their superiors when they have a different cultural background, do not understand cultural differences in role expectations, and do not conform to role expectations (Stone-Romero, Stone & Salas, 2003). This phenomenon is more obvious among individuals who came from cultures vastly different from the host country. Since expectations for performing role prescribed behaviors often differ across cultures, CQ will facilitate individuals to perform in their job because of its more context- or situation-specific nature characterized by cultural diversity. Our contention is in line with Barrick and Mount's (1991) finding in domestic research that extraversion personality is more reliable in predicting performance specifically in sales contexts that require interaction with others. Individuals high on CQ have the specific capabilities to gather and manipulate information, draw inferences and enact on cognitive, emotive, and behavioral actions in response to cultural cues of the host country (Earley & Ang, 2003), hence minimize the gap between expectation-perception of role to perform in new cultural environment. Furthermore, all the four dimensions of CQ address the cognitive (meta-cognitive and cognitive CQ), affective (motivational CQ), and behavioral (behavioral CQ) outcome (Thomas et al., 2008) in the enactment of task although their degree of influence on expatriate job performance may varies. We expect all the four dimensions of CQ will help individuals to reduce the misunderstandings in role expectations and eventually enhance their job performance.

Individuals high on cognitive CQ have the specific capability to elaborate cultural schemes, they, therefore should have accurate understanding of role expectations in new job. According to Ang et al. (2007), those with rich mental representations of culturally based social interactions are more aware of potential differences in role expectations and more likely to demonstrate appropriate role prescribed behaviors. Those with high cognitive CQ understand similarities and differences across cultures (Brislin et al., 2006) hence enables individuals to align their role perceptions with the role expectations in their job and focus their energy towards achieving a good fit between them.

Individuals high on meta-cognitive CQ can make sense when and how to apply their cultural knowledge (Earley & Ang, 2003; Earley et al., 2006). They do not solely rely on habitual knowledge structures, but select from multiple knowledge structures to accommodate the expectations of the context (Ang et al., 2007). They also know when to suspend judgment based on stereotypes and when to look for additional cues to reconfirm their initial assumptions (Triandis, 2006). In addition, the ability to question cultural assumptions enables individuals high on meta-cognitive CQ to have accurate understanding of expected role behaviors in situations characterized by cultural diversity.

Motivational CQ should influence expatriate job performance because the motivational states of CQ (namely, specific self-efficacy and intrinsic motivation in cross-cultural settings) can enhance the strength of an individual's persistent effort toward their task in different cultural contexts (Ang et al., 2007). This is consistent with contention of theories of motivation (Kanfer & Heggestad, 1997) that those with energy and persistence tend to practice new behaviors and through practice, improve their job performance. The self-efficacy of motivational CQ influences how well individuals motivate themselves and perseveres in the face of difficulties (Bandura, 2002). Individuals with high self-efficacy for a task will focus their attention on the challenges of a situation and then use greater effort in overcoming them, thus increasing the likelihood of successfully achieving the task (Connerley & Pedersen, 2005).

Finally, the ability to display a flexible range of behaviors (behavioral CQ) becomes crucial to meet the role expectations in the job (Ang et al., 2007). The ability to demonstrate culturally appropriate behavior when interacting with people from different cultural backgrounds may influence expatriates' performance by increasing their knowledge about culturally acceptable norms and behaviors. When self-presentation parallels role expectations, misunderstandings should be lower and eventually job performance should be higher. Shaffer et al. (2006) for instance demonstrated positive effects of behavioral flexibility on job performance in international assignment. Combining the above arguments, we therefore propose the below hypotheses:

H1: There is a positive relationship between cultural intelligence and job performance.

Specifically, (H1a) cognitive CQ, (H1b) meta-cognitive CQ, (H1c) motivational CQ, and (H1d) behavioral CQ will relate positively to (i) task performance, (ii) contextual performance and (iii) assignment-specific performance.

### 3. Methodology

#### 3.1 Sample

The participants in the study were expatriates currently working and residing in Malaysia. Various Directories of International Business Chamber of Commerce/Business Councils in Malaysia (e.g., Directory of The American Malaysian Chamber of Commerce) and Directory of Foreign Companies in Malaysia used as a sampling frame of this study. Using the probability sampling technique of systematic sampling, a total of 500 mail and 500 online questionnaires distributed to intended respondents. Of these, 339 questionnaires replied. The initial response rate was 34%, which is consistent with other typical response rates (20-30%) in most expatriate studies (e.g., Harrison & Shaffer, 2005). Out of 339, 7 were unusable responses, resulting in final sample of 332, representing a 33% return rate. The sample included 252 (75.9%) men and 80 (24.1%) women. Participants age included 122 (36.7%) between 42-52 and 103 (31.0%) between 31-41 years old. Participants marital status included 251 (75.6%) married and 54 (16.3%) unmarried. There is a small difference in the number of men and women unmarried. Men represents 10.5% while women 5.7% from the total sample. For the family support, 208 (62.7%) are accompanied by their spouse and 124 (37.3%) are not. In terms of prior overseas experience, 251 (75.6) has previous international experience and 81 (24.4%) has no experience. Participants job status included 169 (50.9%) in managerial position and 163 (49.1%) in non-managerial position. Participants education status included 119 (35.8%) with degree and 85 (25.6%) with masters degree. Distribution of sample by industry sector included 112 (33.7%) working in service sector, 109 (32.8%) in other sector and 84 (25.3%) in manufacturing. Participants length of stay in Malaysia ranged from 2 to 24 years ( $M=4.80$ ,  $SD=3.40$ ). Tenure with present organization ranged from 2 to 25 years ( $M=7.25$ ,  $SD=4.45$ ). The participants came from various countries with majority 51 (15.4%) are from India, 39 (11.7%) from UK, 32 (9.6%) from Australia, and 200 (63.3%) from some other 42 countries.

#### 3.2 Instrumentation

Four background variables (gender, prior overseas experience, length of stay in Malaysia and language proficiency) identified as correlates of expatriate attitudes and behaviors controlled for in this study (Hechanova et al., 2003; Shaffer & Harrison, 1998). This is to avoid our findings from be spuriously attributed to various background characteristics.

The predictor variable, CQ measured with the 20-item, self-reported Four Factor Model of Cultural Intelligence Scale developed and validated by Ang et al. (2007). The scale includes four items for meta-cognitive CQ, six for cognitive CQ, five for motivational CQ, and five for behavioral CQ. Sample items include "I am conscious of the cultural knowledge I apply to cross cultural interaction" for meta-cognitive CQ; "I know the legal and economic systems of other cultures" for cognitive CQ; "I enjoy interacting with people from different cultures" for motivational CQ; and "I change my verbal behavior when a cross-cultural interactions requires it" for behavioral CQ. Respondents were asked to use a seven-point Likert-type scale range from strongly disagree (1) to strongly agree (7) to indicate the extent to which each item describes their capabilities. Cronbach's alphas for meta-cognitive, cognitive, motivational, and behavioral CQ were 0.76, 0.76, 0.79, and 0.77 respectively (Ward et al., 2008).

Seventeen items measured the criterion variable, job performance. Of these, five items were adapted from work of Black and Porter (1991) and twelve items from work of Caligiuri (1997). The scale includes five items for task performance, five for contextual performance, and seven for assignment-specific performance. Sample item include "your effectiveness at completing tasks on time" for task performance; "your effectiveness at foster organizational commitment among host country nationals" for contextual performance; and "your effectiveness at transferring information across strategic units" for assignment-specific performance. Respondents were asked to rate their perceived ability in each of the job performance items in comparison to their peers in similar positions on seven-point Likert-type scale ranging from 1 (much worse than most) to 7 (much better than most) for each items. Cronbach's alpha for task, contextual and assignment-specific performance was 0.86, 0.63, and 0.67 respectively (Caligiuri, 1997; Shay & Baack, 2006).

### 4. Results

Table 1 presents the means, standard deviations, reliability coefficient, and bivariate correlations among the study variables. Cultural intelligence was positively related to job performance ( $r = 0.27$ ,  $p < 0.05$ ). Meta-cognitive CQ was correlated positively with contextual ( $r = 0.29$ ,  $p < 0.05$ ) and assignment specific performance ( $r = 0.15$ ,  $p < 0.05$ ). Cognitive CQ was correlated positively only with contextual performance ( $r = 0.20$ ,  $p < 0.05$ ). Motivational CQ correlated positively with contextual ( $r = 0.26$ ,  $p < 0.05$ ) and assignment specific performance ( $r = 0.16$ ,  $p < 0.05$ ). Behavioral CQ correlated positively with contextual ( $r = 0.28$ ,  $p < 0.05$ )

and assignment specific performance ( $r = 0.17$ ,  $p < 0.05$ ). None of the CQ dimension related to task performance dimension.

H1 predicted that there is a positive relationship between CQ and job performance. A hierarchical regression conducted to test the hypothesis. The results of the first step of the regression analysis for this hypothesis are in Table 2. When the control variables were entered in the first step, the regression model was statistically significant,  $R^2 = .055$ , Adjusted  $R^2 = .043$ ,  $F(4, 327) = 4.724$ ,  $p < .05$ . Gender was positively related to job performance ( $\beta = .194$ ,  $p < .05$ ). Length of stay in Malaysia ( $\beta = .123$ ,  $p < .05$ ) was statistically significant, indicating that those who had been in Malaysia for a longer time tended to perform better in their job.

When CQ was added to the model in Step 2, the full model was statistically significant,  $R^2 = .129$ , Adjusted  $R^2 = .115$ ,  $F(5, 326) = 9.615$ ,  $p < .05$ . Again gender ( $\beta = .211$ ,  $p < .05$ ) was positively associated with job performance. However, the length of stay in Malaysia was not statistically significant in this model. CQ was statistically significant ( $\beta = .289$ ,  $p < .05$ ). This indicates that individuals with higher levels of CQ tended to have better job performance. This finding supports hypothesis H1. The change in  $R^2$  between Step 1 and Step 2 was significant ( $\Delta R^2 = .074$ ,  $p < .05$ ) indicates that CQ explain an additional 7.4 per cent of the variance in job performance, even when the effects of the control variables are statistically controlled for.

The sub-hypotheses 1 predicted that (H1a) cognitive CQ, (H1b) meta-cognitive CQ, (H1c) motivational CQ, and (H1d) behavioral CQ relate positively to (i) task, (ii) contextual, and (iii) assignment-specific performance. To test these hypotheses, it requires an examination on the relationship between dimensions of CQ and dimensions of job performance. Again, a hierarchical regression analysis conducted.

The full model (see Table 3) after controlling for the effects of control variables in Step 2 was statistically significant for all three dimensions of job performance, task ( $R^2 = .054$ , Adjusted  $R^2 = .031$ ,  $F(8, 323) = 2.303$ ,  $p < 0.05$ ), contextual ( $R^2 = .158$ , Adjusted  $R^2 = .137$ ,  $F(8, 323) = 7.588$ ,  $p < .05$ ), and assignment-specific performance ( $R^2 = .102$ , Adjusted  $R^2 = .080$ ,  $F(8, 323) = 4.597$ ,  $p < .05$ ).

Meta-cognitive CQ was positively related to contextual performance ( $\beta = .153$ ,  $p < .05$ ) indicating that those higher in meta-cognitive CQ tended to have higher level of contextual performance. Behavioral CQ was positively associated with contextual ( $\beta = .154$ ,  $p < .05$ ) and assignment specific performance ( $\beta = .157$ ,  $p < .05$ ). This indicates that individuals with higher levels of behavioral CQ tended to have better contextual and assignment specific performance. Surprisingly, none of the CQ dimensions significantly associated with task performance, indicating that CQ is a not good predictor for task performance dimension. The above findings supports the hypothesis H1b (ii), H1d (ii), and H1d (iii).

The change in  $R^2$  between Step 1 and Step 2 was significant for contextual ( $\Delta R^2 = .106$ ,  $p < .05$ ) and assignment specific performance ( $\Delta R^2 = .054$ ,  $p < .05$ ). This indicates that meta-cognitive, cognitive, motivational, and behavioral CQ together explains an additional 10.6 and 5.4 per cent of the variance in contextual and assignment specific performance, respectively, even when the effects of the control variables statistically controlled.

## 5. Discussion and Conclusion

The purpose of this paper is to enhance our knowledge of the individual determinant of job performance for expatriates assigned to Malaysia. Specifically, this study explored the affects of dynamic intercultural competency of CQ on job performance. The results indicated that after accounting for control variables, gender, prior overseas experience, length of stay in host country and language fluency, CQ significantly related to job performance. Specifically, greater contextual performance in expatriates related to being greater meta-cognitive and behavioral CQ, while greater assignment specific performance related to greater behavioral CQ. However, there was no support for the relationship between CQ and task performance. In general, the findings of the present study consistent with results of prior study of those Ang et al. (2004) and Ang et al. (2007).

The significant positive relationship found between meta-cognitive CQ and job performance is as expected. The significant relationship between meta-cognitive CQ and contextual performance in this study is consistent with existing conceptual and empirical research on organizational diversity. Caldwell and O'Reilly (1982) for instance demonstrated that those who monitored the situation (i.e., meta-cognition) were more effective in boundary spanning jobs that required interactions across groups with different norms. Our study conducted in culturally diverse settings in Malaysia extends these findings to show that meta-cognitive capabilities are important for effective job performance.

As expected, behavioral dimension of CQ positively related to job performance. Specifically, the result of this study found that behavioral dimension of CQ related positively to contextual and assignment-specific performance. This implies that the greater the behavioral CQ, greater the contextual and assignment-specific

performance will be. One possible explanation for the significant relationship found between behavioral CQ and job performance dimensions is that those with high level of behavioral CQ tend to be flexible in their verbal and nonverbal behaviors to meet expectations of others. When self-presentation (Goffman, 1959) parallels role expectations, misunderstandings should be lower and job performance should be higher. In addition, the significant relationship between behavioral CQ and both contextual and assignment specific performance dimensions is perhaps the adaptive behaviors nature in behavioral CQ dimension are more relevant to extra-role requirements in the contextual and assignment specific performance dimensions than task performance dimension.

Given these results, there are few implications for organizations and individuals considering international assignments. The significant positive relationship between CQ and job performance suggest that CQ is important dynamic intercultural competency in enhancing expatriate job performance. Expatriating firms can consider the use of selection methods that include testing for CQ especially the meta-cognitive and behavioral aspects of CQ. Additionally, since gender found significantly related to expatriate job performance, male expatriates should be considered for assignment to Malaysia as the host country. Organizations may also benefit in providing adequate training to enhance CQ in the preparation of potential candidates for international assignments.

### *5.1 Limitations and Future Research Directions*

This study has certain limitations that provide venues for future research. First, job performance is not the only criterion for expatriate effectiveness. Other criterion such as cross-cultural adjustment, job satisfaction, organizational commitment, and turnover intention should be included in the future study. Second, we acknowledge that some concerns might exist in that self-reported measures have social desirability and common method bias problem. Therefore, future research should include assessment from multiple sources including peers, subordinates, and superiors. Third, a cross-sectional study design restricts the ability to prove a cause-effect relationship. Future research should consider longitudinal study since CQ is a dynamic competency that is malleable capability and therefore their affects on job performance may vary over time. A longitudinal study would provide better knowledge on these changes that took place over the time. Third, this study did not consider the possible moderating effects of the contextual factors on the predictor-outcome relationships. Potential moderators such as cultural distance (i.e. home vs. host country), assignment type (e.g., managerial vs. non-managerial), assignment tenure and prior overseas experience may help to further enhance our understanding on the phenomenon under investigation. Additionally, inclusion of personal characteristics such as gender, spouse support, and marital status as the other determinant factors of expatriate job performance would provide better understanding about the effects of individual differences on expatriate performance.

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Table 1. Descriptive statistics, reliability coefficients and correlations (N=332)

Variable	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13
1. Gender	0.76	0.43	-												
2. Prior experience	0.76	0.43	0.12*	-											
3. Length of stay	4.80	3.40	0.03	-0.03	-										
4. Language	3.57	0.70	-0.16**	0.21**	0.16**	-									
5. Cultural Intelligence	5.54	0.51	-0.10	0.08	0.16**	0.32**	(0.89)								
6. Performance	5.58	0.56	0.19**	0.01	0.14*	0.04	0.27**	(0.911)							
7. Meta Cognitive	5.79	0.69	-0.05	-0.13	0.12*	0.18**	0.72**	0.22**	(0.84)						
8. Cognitive	5.16	0.56	-0.08	0.08	0.12*	0.18**	0.70**	0.16**	0.33**	(0.78)					
9. Motivational	5.90	0.71	-0.03	0.09	0.08	0.30**	0.77**	0.22**	0.53**	0.35**	(0.85)				
10. Behavioral	5.42	0.81	-0.13*	0.07	0.14**	0.28**	0.79**	0.22**	0.42**	0.42**	0.44**	(0.86)			
11. TP	5.80	0.72	0.16**	0.03	0.12*	-0.02	0.11*	0.77**	0.07	0.09	0.10	0.07	(0.87)		
12. CP	5.50	0.62	0.12*	0.03	0.17**	0.11*	0.34**	0.89**	0.29**	0.20**	0.26**	0.28**	0.49**	(0.81)	
13. SP	5.44	0.67	0.21**	-0.04	0.03	-0.03	0.19**	0.83**	0.15**	0.08	0.16**	0.17**	0.47**	0.65**	(0.85)

Notes: \* $p < .05$ .      \*\* $p < .01$

TP=task performance; CP=contextual performance; SP=specific performance

Coefficient alphas are presented along the diagonal

Table 2. Results of the Hierarchical Regression Analysis with CQ as a Predictor of Job Performance (N = 332)

Variable	Step 1			Step 2		
	$\beta$	t	p	$\beta$	t	p
Gender	.194	3.502	.001			
Prior overseas experience	-.020	-.350	.727			
Length in Malaysia	.123	2.251	.025			
Language proficiency	.054	.954	.341			
CQ	-	-	-			
				.211	3.959	.000
				-.030	-.550	.582
				.090	1.695	.091
				-.027	-.481	.631
				.289	5.258	.000

Note: Gender and prior experience are dummy-coded categorical variables. CQ=cultural intelligence

Step 1 R<sup>2</sup> = .055, Adjusted R<sup>2</sup> = .043, F (4, 327) = 4.724, p< .05; Step 2 R<sup>2</sup> = .129, Adjusted R<sup>2</sup> = .115, F (5, 326) = 9.615, p< .05,  $\Delta R^2$ = .074, p< .05.

Table 3. Results of the Hierarchical Regression Analysis between Dimensions of CQ and Dimensions of Job Performance (N = 332)

Variable	Task		Contextual		Specific	
	Step 1 $\beta$ (t)	Step 2 $\beta$ (t)	Step 1 $\beta$ (t)	Step 2 $\beta$ (t)	Step 1 $\beta$ (t)	Step 2 $\beta$ (t)
Gender	.150(2.693)**	.156(2.790)**	.132(2.375)*	.151(2.860)**	.216(3.898)***	.231(4.230)***
Prior experience	.018(.313)	.010(.174)	-.004(-.074)	-.009(-.173)	-.070(-1.258)	-.077(-1.392)
Length of stay	.118(2.133)*	.105(1.891)	.146(2.677)**	.107(2.036)*	.025(.451)	-.001(-.016)
Language fluency	-.015(-.260)	-.053(-.879)	.113(1.976)*	.017(.299)	.017(.290)	-.057(-.967)
Meta-cognitive		-.005(-.078)		.153(2.432)*		.058(.893)
Cognitive		.060(.979)		.049(.847)		-.004(-.065)
Motivation		.078(1.141)		.091(1.404)		.092(1.383)
Behavior		.035(.526)		.154(2.489)*		.157(2.457)*
R <sup>2</sup>	.038	.054	.052	.158	.048	.102
Adj R <sup>2</sup>	.027	.031	.041	.137	.036	.080
$\Delta R^2$		.016(ns)		.106***		.054**
F	(4,327)	(8,323)	(4,327)	(8,323)	(4,327)	(8,323)
	3.268*	2.303*	4.528**	7.588***	4.104**	4.597***

Note: \* $p < .05$ .      \*\* $p < .01$       \*\*\* $p < .001$

Note: Gender and prior experience are dummy-coded categorical variable