

A Preliminary Study Outlining the Factors Influencing the Effectiveness of Expatriates in Their International Assignments: Case of UK Expatriates in China's Fashion Sector

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Abstract: This research proposal tries to conduct a preliminary study about investigating the factors influencing the effectiveness of UK expatriates in China's fashion sector focusing on individual, social, and organisational factors. This research proposal aims to build up a research project for a PhD level work, and it will act as a research guide and outline. By using this preliminary study, it will provide the later project some academic foundations and evaluates its research potential. It is through this preliminary study that some academic value of the project is presented, which are as follows. To be specific, the later project will address a significant gap in the literature by examining the impact of individual factors, such as self-efficacy, prior international experience, and spousal adaptation, on expatriate performance. The later project also explores social-cultural factors, including social networking and cultural differences, as well as organisational factors such as support and training. Key trends in expatriation to China's luxury fashion sector are analyzed, highlighting the growing presence of Western expatriates in key cities like Beijing and Shanghai. The project will employ an interpretivism philosophy and an inductive research approach, utilizing a case study strategy based on UK expatriates working in Burberry's Beijing offices. Data will be collected through online interviews with sample of five expatriates, and thematic analysis is applied to identify key themes and insights. The findings of this project contribute to a deeper understanding of the dynamics affecting expatriate performance and offer valuable insights for both managers and policymakers. The project suggests that enhancing self-efficacy, providing effective training and support, addressing spousal adaptation issues, and fostering social networking are critical for improving the effectiveness of expatriates in China's luxury fashion sector.

Keywords: expatriates, international assignments, expatriate performance, fashion sector, case study

1. Introduction

As globalisation grows, businesses are encouraged to set up their subsidiaries in foreign countries. Foreign assignments are usually challenging since several factors need effective planning and approach. Employees from the parent country (Parent Country Nationals) are often required to work

in foreign subsidiaries for some fixed duration. According to Zhou and Qin, these assignments are demanding for expatriates and unfortunately, some of them may fail and are repatriated. Regardless of the problems associated with expatriation, multinational corporations (MNCs) are still committed to sending expatriates to handle assignments in their subsidiaries. They believe that Parent-Country Nationals (PCN) not only fulfil the strategic needs of the firm but also maintain consistency of organisational culture between the parent firm and the subsidiary. PCNs also address the skills gap in subsidiaries, particularly when Host Country Nationals (HCNs) do not have relevant expertise in specialised roles [1].

Effective performance of expatriates is a key factor influencing the performance of a subsidiary [2]. Studies have illuminated various factors that influence the effectiveness of expatriates, such as organisational factors, social factors and individual factors. Notably, some researchers have tried to examine the role of individual factors in the effectiveness of expatriates [3], but there are limited studies that have assessed the impact of individual factors on expatriate adjustment and role performance. On average, 40% of expatriates fail their assignments due to individual factors such as inability to adjust, spousal issues, and work efficacy [2]. Therefore, organisations must be aware of individual factors, as well as social and organisational factors that affect the success of expatriates in their international assignments.

The project will use the case of UK expatriates in China's fashion sector. According to Holden, there have been a growing trend of UK expatriates working in China, particularly in the fashion sector. As of 2022, there were 20,000 British PCNs living and working in mainland China. Many of them are domiciled in major cities such as Beijing, Shanghai and Guangzhou [4]. Many British MNCs send expatriates to China to handle specialised assignments and address existential skill gaps. In the fashion sector, these expatriates work for global fashion houses as consultants, designers, and managers.

Extant literature is replete with studies on the factors that influence expatriate performance. However, many of these uses the case of Western nations [5]. In addition, few studies have address the effects of individual factors on expatriate effectiveness. Simonelli and Felix contended that studies should address this theoretical gap by investigating whether individual, organisational or social factors predict success of expatriates. Thus, the role of this research is to examine those individual, social, and organisational factors and their influence on expatriate performance. This will help address the theoretical gap.

The results of the project will be beneficial in terms of decision-making and policy formulation. Managers will use the outcome of the project to develop effective strategies to enhance performance of expatriates. In addition, policymakers will find this project invaluable in informing their formulation of best practices that guide expatriation process.

The aim of the project is to investigate factors influencing the effectiveness of expatriates in their international assignments. To achieve this aim, the following objectives will be addressed:

To examine the trends of expatriates in China's luxury fashion sector

To examine the factors that influence expatriate performance in China's luxury fashion sector (organisational support, cultural sensitivity, social network, prior international experience, self-efficacy)

To recommend ways to improve the effectiveness of expatriates in China's luxury fashion sector.

This preliminary study will contribute to the project by reviewing some literature and providing the methodology basis.

2. Literature review

2.1. Trends of expatriation in China

According to Holden, China has witnessed increase in the number of foreign direct investment over the recent past. Particularly, the high number of MNCs setting operations in the country has led to increase in the presence of expatriates in the country. Foreign enterprises are setting operations in the country to tap into opportunities such as rising incomes, excellent infrastructure, as well as incentives for FDIs, availability of skilled labour, and effective infrastructure. According to Qian and Elsinga, Western expatriates in China prefer to live in big cities such as Beijing, Shanghai, Guangzhou and Hong Kong. These expatriates normally handle knowledge intensive assignments particularly in the supervisor and managerial levels.

According to the country's national census, there were at least 20,000 expatriates from the UK, representing about 3.3% of total expatriates in the country. A large proportion of expatriates are from South Korea (21%), the US (11), Mynammar (7%) and Vietnam (6%) [6]. The expatriates are mostly drawn to work in specialised roles in sectors such as manufacturing and retail. However, there is a rising number of expatriates in other sectors as well, such as fashion, logistics and pharmaceuticals, among others.

2.2. Factors influencing expatriate performance

2.2.1. Individual factors

Bhatti et al. noted that self-efficacy of expatriates affect the extent to which they accomplish their assignments. Expatriates with high level of self-efficacy have been found to perform better in their roles than those with low levels of self-efficacy. In particular, expatriates with high self-efficacy are innovative and capable of adjusting to host country's situations. This helps them to enhance their performance. Bhatti et al. maintain that self-efficacy strengthens performance through social networking.

Prior international experience enables expatriates handle international assignments efficiently and effectively. According to Tsegay et al. assignees that have been exposed to international roles do not experience cultural shock as they have the skill and expertise to adapt accordingly. More specifically, Tsegay et al. asserted that prior experience enhances traits knowledge that is crucial for job performance. Past studies posit that previous international assignments boost expatriates' confidence and capabilities [7-8]. However, some studies, such as Mol et al. found that previous international experience have no link with expatriate performance. The justification for this contradictory result could be due to intermediating impacts of expatriate adjustment as asserted by Guo et al.. An assignee may not have worked in foreign country before, but their trait knowledge enables them to adjust swiftly. Therefore, the conflicting findings in previous research motivates this research to conduct further investigations into the effect of prior international experience on the effectiveness of expatriate performance.

Expatriate performance is also influenced by spousal adaptation. Various studies contend that the adjustment of spouses has significant effects on effectiveness of expatriates in handling their international assignments [9]. Research by Taormina and Gao shows that the length of stay of an expatriate was determined by spousal adaptability. Expatriates whose spouses adapt easily to the host country environment stayed longer in their assignments than those expatriates whose spouses failed to adapt. Similarly, Van erp et al. maintained that expatriates facing family issues returned prematurely from their international assignments. Further, Van Erp et al. showed that accompanying spouses encounter difficulties adjusting, considering that they are supposed to leave their job or realign their careers to support the expatriate and their accompanying children. Family systems theory

shows that flexibility, family cohesion and communication perform a crucial role in enhancing effectiveness of expatriates [10]. On the contrary, Trompetter et al. found no significant link between adjustment of spouse and performance of expatriates. Therefore, the inconsistency in results demand further investigation.

2.2.2. Social-cultural factors

According to Li and Rothstein, social networking enables expatriates to get a circle of colleagues and other individuals who can influence the trajectory of their careers. Expatriates' success is based on their ability to form relationships with Host Country Nationals (HCNs), fellow PCNs and Third Country Nationals (TCNs). In the process of adjustment, collegial support is necessary for expatriates to expedite their adaptation to the host country. Bhatti et al. asserted that expatriates with strong social networks can get relevant support and resources to deliver their assignments effectively. In a similar vein, Ramalu et al. observed that social networking improves expatriates' career success by getting guidance from experienced individuals. On the other hand, social networking enhances expatriates' intercultural adjustment and job performance. A study by Sven and Hinju further shows that the size and closeness of social networks are related positively to the degree of social support and cultural information an expatriate receives.

Cultural difference between the parent country and the host country has been found to have significant impact on effectiveness of expatriates [11]. According to Ramalu et al., cultural novelty makes it difficult for expatriates to adjust, hence reducing their job performance. Countries with similar cultures make expatriate adjustment easy, whereas those with high cultural distance make adjustment difficult. Accordingly, greater transition is needed between countries with big cultural distances, which may cause culture shock among expatriates. A study by Fangling and Ali shows that adjustment of business expatriates in China was inversely related with cultural distance. Similarly, Cooke et al. stated that expatriates experienced problems in their performance due to high cultural differences between their home country and host country. Differences in cultural values, language, religion, and institutions also made it difficult for expatriates to adjust successfully and handle their assignments. Zhu et al. stated that premature return was common when expatriates failed to understand the host country's values, language and/or religion.

2.2.3. Organisational factors

Lee and Kartika defined organisational support as the degree to which the parent company helps expatriates in discharging their duties. Such assistance include financial assistance, general assistance, and family support. Bhatti et al. posit that career support enables expatriates to gain knowledge and skills so that they can handle their assignments effectively. Expatriates that receive career support often excel in meeting their targets, encouraging them to stay for the full time of their assignment. Claus et al. explained that psychosocial support, such as guidance and counselling, ensures that expatriates get the right mental attitude and psychological health to handle their assignments well. They further affirm that expatriates are vulnerable to cultural shocks, which disturbs them mentally and physically. Therefore, psychosocial support is needed to alleviate their concerns and promote their ability to handle assigned tasks.

Wurtz stated that expatriates that get necessary training could adapt easily to the host country's environment. Pre-departure training has been found to alleviate anxieties related to adapting to the foreign country [12]. Post-departure training, on the other hand, gives expatriates relevant competence to work in a foreign subsidiary. Venkataiah suggested that language training enables expatriates to build rapport with HCNs, seal business deals with local partners, and enhance confidence of stakeholders in the subsidiary. Furthermore, cross-cultural training have been linked to

increased emotional and psychological comfort of expatriates, consequently enabling them to stay focused on their assignments [13].

3. Methodology

3.1. Research Philosophy

This project will adopt an interpretivism philosophy. According to Saunders, Lewis and Thornhill, interpretivism philosophy is concerned with the empathic understanding of human action instead of the forces that act on it. Therefore, an interpretive researcher is interested in getting a subjective understanding of the views, attitudes, and opinions of the participants towards the research topic. The researcher will examine the views and opinions of interviewees regarding the factors influencing the effectiveness of expatriates. An interpretivist epistemological position will also enable the researcher to understand the multi-faceted aspects that influence expatriate performance.

3.2. Research approach

Two popular research approaches include deductive and inductive approaches [14]. The deductive approach is associated with positivist philosophy, as it focuses on using existing knowledge to formulate hypotheses. The hypotheses are then tested to confirm or reject the previous literature. On the other hand, an inductive researcher works backwards by collecting and analysing data. After data analysis, the researcher feeds the findings into the existing literature to either improve the theory or develop a new one [15]. The inductive approach is often associated with an interpretivist epistemological position.

Consistent with the chosen philosophy, this project will adopt an inductive approach. The researcher will conduct interviews to understand interviewees' views on factors that influence expatriate performance. Following data analysis, the researcher will compare the findings with the previous literature. Then, the researcher will make specific conclusions about the topic.

3.3. Research strategy

This research will employ a case study strategy. A case study involves the UK expatriates working in Burberry offices in China. The case study strategy will be chosen because it offers an in-depth examination of factors that influence expatriate performance in the Chinese fashion sector. In this regard, the case study strategy will allow the researcher to obtain a rigorous and contextual comprehension of the research topic. Importantly, the chosen case study aligns with the qualitative nature of this research, as well as the choice of interpretivism philosophy. Therefore, it will enable the researcher to explore the complex relationship among individual factors, social factors and organisational factors, as well as how they affect their performance.

3.4. Sampling

The project will be carried out in Beijing. Accordingly, the sample will comprise Burberry's expatriates working in the firm's subsidiary in the city. The researcher will be taking a sample of five expatriates. This sample allows the researcher to get an in-depth view of the expatriate's effectiveness in China. It is also small enough to enable the researcher to collect data within a short time. The sample will be drawn from both genders to ensure it is inclusive and representative of the population of Burberry's expatriates.

In order to choose the above interviewees, the researcher will employ convenience sampling. This method is chosen because it is easy and cost-convenient [14]. It will be impossible for the researcher

to conduct probability sampling since there is no point in time during which all expatriates from across Burberry's offices in China can be available due to their work programs.

3.5. Instrument selection

The researcher will use online interviews to collect data. Interviews will be used because they are flexible, quick and generate comprehensive results. In addition, interviews enable the researcher to get clarification of unclear responses by asking follow-up questions. With the interview method, the researcher will get a comprehensive understanding of the views, opinions, and standpoints of the interviewees regarding the factors that affect their effectiveness.

The researcher will use an interview guide to ensure that each interviewee is asked similar questions. Accordingly, using the interview guide will promote consistency and comparability of responses across the interviewees. Such a high level of consistency and comparability will facilitate an easy data analysis process.

3.6. Data collection

Foremost, the researcher will call the HR of Burberry's office in Beijing to ask for permission to conduct the project. This will be followed by sending preliminary e-mails to the expatriates who have availed themselves for an interview, asking them to sign informed consent, and updating them about the scheduling of the interview. The interview will be conducted using Wechat as it will be difficult to travel to the location. Each interview session will last 35 minutes. During the interview, the researcher will record the session for further analysis and transcription. The researcher will also keep notes for further reference.

3.7. Data analysis

Data will be analysed using thematic analysis using Braun and Clarke's framework. Foremost, the researcher will familiarise with the data by reading and re-reading the interview notes and listening to the recorded interviews. Then, the researcher will generate initial codes by examining the patterns that arise from data. Coding will then be done by classifying similar themes together. This will be followed by review and refining of themes. The researcher will then define and name the themes. Lastly, the researcher will generate a report that includes quotes from the data to support each theme.

3.8. Ethical considerations

The researcher will seek for informed consent of participants to ensure that their participation is out of free will as opposed to being coerced. Secondly, the researcher will avoid asking questions that cause emotional distress to participants. Interviewees will be anonymised to preserve their identity and promote their confidence in answering interview questions. The researcher will uphold confidentiality by not divulging data to unauthorised third parties. Lastly, privacy and security of data will be maintained by storing recorded interviews in password-protected folders. Interview diary will be stored in secured locker in the researcher's desk.

4. Conclusion

To sum up the preliminary study, it has delved into the factors influencing the effectiveness of UK expatriates in China's fashion sector. It help the project address the dearth of studies focusing on individual factors and contributes to a comprehensive understanding of the complex interplay among individual, social, and organisational factors affecting expatriate performance.

The trends in expatriation to China's luxury fashion sector underscore the importance of this study, given the significant presence of Western expatriates in key Chinese cities. Through an interpretivism philosophy and an inductive approach, the project will eventually examine the experiences and perspectives of expatriates working in Burberry's Beijing offices.

The findings will emphasize the critical role of self-efficacy, prior international experience, spousal adaptation, social networking, cultural differences, organisational support, and training in shaping the effectiveness of expatriates. Managers can leverage these insights to develop strategies that enhance the performance of their expatriate workforce, and policymakers can use the research to inform best practices in the field of expatriation.

While the project will provide valuable insights, it is important to acknowledge potential limitations, such as the small sample size and the focus on a single case study. Future research could expand the scope to include a larger and more diverse sample of expatriates and examine other industries or countries. Nonetheless, this project will contribute to a deeper understanding of the factors influencing expatriate effectiveness and offers a foundation for further exploration in this field.

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