

## International assignments in Asia – individual learning in context

Behov for ny ledelse?

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### Resume

Japans vækst har ligget stabilt siden årtusindeskiftet, men en forståelse af at Japanere er unikke, præger deres forretnings- og ledelsesmetoder. Kina har haft en gennemsnitlig vækst på 10 procent og har flere udenlandske udstationerede medarbejdere end noget andet land i verden. Indien er et land i fremdrift med et stadigt stigende antal internationale forretningsfolk. Problematikken omkring udenlandsk-lokalt samarbejde er til stadighed et vigtigt emne for både vestlige multinationale virksomheder, og for de tre landes fremtidige vækst.

Vores mål er at vise at tværkulturelle ledelsesstudier via situationsfølsomme analyser kan bringe ny indsigt i 'lokal' virksomhedspraksis. (Whetten, 2008). Vi undersøger hvorledes individuelle medarbejdere omsætter deres erfaring og viden til læring og kompetence.

Vi sætter fokus på begrebet kontekst, som vi definerer ud fra kognitiv psykologi som et 'bundt af stimuli' i en given situation. Kontekstens betydning har hidtil ikke været tilstrækkeligt diskuteret i tværkulturel ledelse. Flere studier peger på individets dispositioner, og ikke situationen som årsag til samarbejdets udfald. Men effektivt samarbejde er ikke altid et spørgsmål om kompetence. Simple stimuli kan til tider have fatale konsekvenser mens fatale stimuli kan have mindre betydning for udfaldet. Vores studie giver værktøjer til læring og udvikling i interpersonlig interaktion.

### Nøgleord

Interkulturelt samarbejde, kontekst, Kina, Japan, Indien, HR, performance.

## Introduction

Asia (Japan, China, India and South East Asia) has a population of more than 2.5 billion people (a little less than half the world's population). Asia is diverse and complex but it is first of all an exciting place and accounts for a significant and increasingly large share of the global economy, boasting three of the ten biggest economies – China, Japan and India. It is the growth center of the current world economy, with two of the fastest emerging economies, China and India. The rapid development is partly because the countries have received huge amounts of foreign direct investments (FDI). In 2009 China alone received US \$ 92 billion in FDI and China has more expatriates than any other country in the world (Welch, Welch & Worm, 2007). Many expatriates are also based in Japan, India and South East Asian countries such as Singapore, Malaysia and Indonesia as well.

Globalization combined with domestic restructuring has dramatically changed the workforce of many companies in recent years (Zakaria, 2000) Emerging technologies have enabled employees to become more mobile. At the same time there is a counterforce of dual career couples, which make long term-assignments to distant destinations such as Asia seen from Europe less attractive after employees have established families (ref).

The academic literature still tends to look at expatriation in narrow way. It is important to look at expatriation as a process, but the process is longer than described in the literature (Dowling et al, 2008). Actually, several respondents in our study look at the process as being their whole life. Some of the expatriates mentioned that their parents or grandparents had been expatriated.

Western multinational companies (WMNC) use long term international assignments to Asian destinations to a high extent. Most of the long-term international assignments go to emerging economies and regional headquarters typically in London and New York. As mentioned China has most expatriates, it is a country that has never been colonized and therefore has a rather distinct culture that has evolved on its own premises during 5000 years (Li and Worm, forthcoming). Japan is now the third world economic power following China and the United States but while its golden age for expatriates was the late 1980 and 90s until the burst of the bubble economy, the turn of the millennium has meant a stagnation of the influx of expatriates. The 'uniqueness' of Japanese business practices due to culture and language (whether mythical or real) continues to be a challenge to international employees (Peltokorpi and Clausen, 2011). And last but not least India is an upcoming destination for expatriates.

The HR departments in our five partner companies and in WMNCs in general have many considerations about how to deal with these traditional expatriates. On the one hand they need these long-term international assignments for various company purposes, on the other hand the WMNCs want to make sure that the expatriates are trained so that they can fulfill their role and feel comfortable before, during and after the expatriation. These considerations are well-documented elsewhere (e.g. Dowling et al, 2008).

The focus of this article is international assignments in Asia. Not much has been written about the importance of area specific topics in connection with international assignments despite the fact that this topic has been emphasized in the literature ever since Tung's ground breaking study in 1981 (Tung, 1981). A recent study from the Asia Pacific Rim explores how cultural sensitivity develops in US and Asian business relations (Shapiro, Ozanne and Saatcioglu, 2008). The authors develop a four-stage model of cross-cultural sensitivity that describes states in learning and competence of the romantic sojourner, the foreign worker, the skilled worker, and the partner with the later stage being the most sophisticated in creating relationship and trust through reflection. In their study reflection and the alignment of emotional, cognitive and behavioral abilities is found to enable competent behavior. In contradiction to most studies they find motivation to be less prevalent. In

our study we seek to unfold the three components in relation to context. The questions that we will try to answer are:

- What are the main characteristics of being context-sensitive in international assignments in Asia? How do expatriates deal with cultural encounters during their assignments in Asia? How do they reflect upon personal learning processes?
- And how do outside factors (local context) influence these processes?

We look at competences that may be particular in order to function in an Asian context but also desirable both from a company and individual perspective? The WMNCs in our project are seeking more knowledge about micro processes in Asia and it is an opportunity for the assignee to enrich his or her life by learning from Asia.

In order to answer the above questions we will use context theory in all its infancy. A precondition for answering our questions is that both the WMNC and the expatriate is context-sensitive and open minded. Open mindedness is defined as an ability to handle cognitive dissonance or psychological uncertainty. (Festinger, 1957, Thomas and Inkson, 2004, Thomas, 2007).

One can easily live for several years in Asia without learning anything in particular and maintaining beliefs that Asian cultures may have a different ways of communicating (see e.g. Gao, 1998 & Nishida, 1998). Despite similarities in the cultures and dynamics of Japan, China and India, differences particularly in the ways the companies operate in these countries are considerable. Not only national culture but also the role of corporate culture influences the performance of individuals and groups in important ways. The notion of cultural intelligence is studied at the level of individuals while the notion of context includes situational, organizational and national factors.

## Data collection

The data collection is based on in depth interviews in five multinationals in the government funded project cultural intelligence as a strategic resource<sup>1</sup>. Out of 50 expatriate interviews<sup>2</sup> in Asia, we have chosen examples with people whose accounts display that they are challenged and out of their cultural comfort zone but have maintained the ability to remain open minded to situations. They have different years of experience as expatriates from newly dispatched to having lived for decades in Asia moving from one destination to the next. They may thus be characterized as transpatriates (Koehn and Rosenau, 2002). A number of interviews show that overseas employees develop ways particularly suited to living within expatriate communities. The respondent in our examples have made a special effort to integrate with the locals.

The theoretical framework builds on elements from theories of context and cultural intelligence. The contextual influences are described as internal as well as external stimuli. The case examples below show a synthesis of elements from cultural intelligence including 1) knowledge, 2) emotions and 3) action of the individual and their reflections on learning as a process (Thomas 2006). Reflections and contextual stimuli are connected to task related incidences. (Brannen and Salk, 2001). In the following we specify the notions of context and cultural intelligence.

## What is context?

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<sup>1</sup> [www.cbs.dk/culturalintelligence/](http://www.cbs.dk/culturalintelligence/).

<sup>2</sup> The interviews are conducted by the following researchers: Japan, Lisbeth Clausen and Verner Worm ; China, Lisbeth Clausen, Anne-Marie S oderberg and Verner Worm; India Martine Cardel Gertsen, Mette Z lner, and Liv Eghom Feldt and Anne-Marie S oderberg.

The impact of context on organizational behavior is not sufficiently recognized and appreciated by scholars in cross cultural management. Much management research is susceptible to an attribution error – the tendency to overemphasize dispositional causes of behavior at the expenses of situational causes. More fundamentally there is an absence of what a good taxonomy of situation is since we lack a refined language for expressing context (Ross, 1977). It has been suggested that explanatory reductionism plays a role, i.e. researchers seek causal explanations at a lower level rather than higher level of analysis (Hackman, 2003).

The importance of context sensitivity is being more and more acknowledged in business studies. If we do not understand the context both internally and externally, it is not possible in any depth to comprehend why people react as they do. (Whetten, 2008). By external context we mean issues that influence the actors and their relations. By internal context we refer to people's mindsets that differ from person to person, but also may have some propensities across ethnic and professional groups depending on what is triggered in the encounter.

Inspired by Johns (2006) we define context as situational opportunities and constraints that affect the occurrence and meaning of intercultural interactions. Context can impact cross-cultural interactions in various ways that affects the outcome of such an interaction. According to Ross and Nisbett (1991) salient contextual stimuli sometimes have trivial effects, and trivial contextual stimuli sometimes have marked effects. Despite the usefulness of considering different dimensions of context we see context as a bundle of stimuli. Our definition comes close to what Johns (2006) calls 'discrete context' "which refers to particular contextual variables that shape behavior" (p.391). We agree with Ross (1977) that there is a tendency to overemphasize dispositional causes of behavior at the expense of situational causes. In addition, we also suggest that the concept of context is seen in a more specific way. Context can be changed. As exemplified in the analytical section below, when an expatriate takes a number of his key employees in Japan to the regional headquarter in Hong Kong, he changes their context (lifts them out of their usual setting or comfort zone). Based on this and other empirical evidences we introduce the concept of "multiple contexts" of influence on interpersonal encounters including the global, national, organization and professional factors (Clausen and Worm, 2010).

The 'bundle of stimuli', often has influenced meaning creation in cross cultural business organizations and intercultural interaction and thereby its outcome, i.e. if we do not understand the contextual influences in depth we will not understand these phenomena.

Our goal is to demonstrate that cross-cultural interaction can be conducted in a context sensitive manner and that this practice can both stimulate novel insights into 'local' (e.g., Japanese, Chinese and Indian) organizational practices and foster higher levels of learning and potential improvements in the outcome of the interpersonal interaction (Whetten, 2008). While we believe that external stimuli alone do not suffice to explain the outcomes of interpersonal interaction in intercultural encounters we introduce the notion of cultural intelligence.

### **What is cultural intelligence?**

People at 'higher levels' of cultural intelligence have a cognitively complex perception of their environment (Thomas & Inkson, 2004: 68). They describe people and events in terms of many different characteristics and are able to see the many links between these characteristics. They can see a coherent pattern in a cultural situation without knowing what the final picture might look like. This means that they are able to handle the high levels of stress encountered in a different culture throughout the various stages of expatriation. Culturally intelligent individuals are able to see past stereotypes and a superficial understanding of culture based on predefined dimensions (Osland and Bird, 2000; Clausen, 2009). A global mind-set, personal awareness and professional confidence are also important cornerstones for learning in cross-cultural interaction (Ferraro, 1990: 182). A 'global mindset' enables the acceptance of diversity across cultures and the ability to

synthesize or integrate ideas from a multiplicity of people, processes and products. (Gupta & Govindaradjan, 2000). While an acceptance alone of diversity without the ability to integrate learning into personal and organisational features causes a 'diffused mindset' and the propensity not to accept other ways of doing things and an inability to integrate ideas of other national origin is referred to as 'ethnocentrism'. Gupta & Govindaradjan, 2000).

Cultural competence has been defined as "the ability to act effectively in intercultural encounters" (Gertsen, 1990). Cultural intelligence is an ability to interact in multicultural settings involving numerous challenges without retreating to an automatic mode of reaction. (Plum, 2007). The notion of cultural intelligence moves beyond cultural competence as it includes modes of reflection or meta-cognitive skills as well as the ability to act mindfully (Thomas, 2006). Cultural intelligence understood as 'mindfulness' in actions rests on cognitive, affective and behavioural skills advanced through experience in more than one usual cultural setting. (Thomas, 2006).

Cultural intelligence includes multiple intelligences, social and emotional intelligence and importantly it enables appropriate action beyond one specific cultural setting (Thomas, 2006). In other words cultural intelligence involves the development of a general capability from specific knowledge (a meta-cognitive strategy). This results in "a repertoire of behavior that can be called on depending on the characteristics of the situation". (Thomas, 2006: 80). As mentioned above, the notion of mindfulness captures this ability. It is inspired by Buddhism which makes it all the more interesting as a concept studied in intercultural encounters in an Asian context. Mindfulness is an aspect of situational awareness and is the "continuous monitoring of one's internal state and the external state". (Thomas, 2006: 84). Thus the individual can be mindful of thoughts, motives, and emotion as well as of external stimuli.

### **What is cultural intelligence in context?**

Cultural intelligence in context in our definition combines the ability to be mindfully aware of or sensitive to internal and external influences in a certain situation with a task related problem. Ultimately we aim to show that it is the ability to take learning processes from one contextual space of experience to a new context that is valuable in cross cultural collaboration. In summary, the notion of CI and the learning cycle thus has three components and important assets including:

- Cultural intelligence is a synthesis of knowledge, action and values enabling the creation of trustful communication with members from different personal, professional and ethnic backgrounds?
- The team members' personal experiences and actions influence their cognitive and affective skills and thus compose in unison the 'cultural intelligence' of teams.
- Six levels of developmental learning (Thomas, 2006: 85) are considered and discussed in the conclusion.

In the following we will present three cases stories that represent examples of expatriate perception, attitude and development of cultural intelligence through reflection in various ways in our three main countries Japan, China and India.

### **Japan**

The first example is an English expatriate in Japan, who enjoys the cultural differences that he experiences. He is seemingly open-minded in his encounters in Japan. In most incidences he is able to deal with discomfort and awkward situations and thus his story becomes a best practice model for expatriation in Asia.

*"I think certainly some culture is specific to Japan. I had done a couple of jobs in Japan previously. I had worked in Asia extensively, so I was familiar with working in high context cultures and*

*certainly had an understanding of the way that they do business in Asia, generally. But I think Japan is beyond the rest of the region in terms of the way that they handle business. So I think that country specific culture training would have been a benefit."*

The expatriate touches upon a theme that emerged on several occasions in our interviews namely cultural training. Before the expatriates left for Asia they were not keen to attend cross-cultural courses in general and country specific courses in particular, but this attitude changed after being expatriated. The reason might be because the contextual influences differ more than expected in the beginning of the assignment term. A number of expatriates expressed interest in Asia specific courses. Interestingly, this expatriate refers to Asian cultures as being 'high context': This witnesses a practitioner use of 'cultural stereotyping' often used and reinforced in the cross cultural training and expatriate literature (Osland and Bird, 2000). The high context and low context terms for communication were introduced by the American social psychologist Edward Hall in 1959, when he lived in Japan. He emphasized that much Japanese (and Asian) communication was highly contextual. Hall (1959) found that the meaning of the message was implicit in the situation and had to be understood by contextual cues. Meanwhile he characterised Western cultures as being low context with explicit communication. These concepts prevail and continue to circulate to describe encounters among newcomers in Asia. Deeper acquaintance with the local Asian cultures enables expatriates to rely less on stereotypes and employ more elaborate explanations of the local culture (Clausen, 2009).

The expatriate continues:

*"I think it is highly bureaucratic [in Asia], but there are always ways of negotiating out or around the bureaucracy in most Asian countries but I think that is less possible in Japan. They [the Japanese] are very procedure driven, very bureaucracy driven. Almost beyond business sense from a European perspective. For most of our customers production is 'king' but here [in Japan] many of our customers will take procedure over production. And from a business perspective, that is difficult for Europeans to come to terms with. We had an example with a customer recently who had a failed gearbox. We negotiated about price and replacing the gearbox for about eight months. Any customer that I have dealt with in the world would have said: "get that gearbox in as quickly as possible!", because the seven months of lost production that would have paid for probably two thirds of the cost of the gearbox. So that is an example of how difficult they can be to manage in terms of business. We had endless meetings that went on for hours. Another part of Japanese culture is that often you need to try and pay attention towards what is not said, rather than what is said. If you know what I mean, namely they are not direct in what they want. You have to try and interpret these meetings, what it is that they really are looking for? As I do not speak Japanese, which can be an advantage and a disadvantage I am relying on the managers who are coming with me to debrief after the meetings and say what was said in Japanese and ask what their interpretation is. Generally there will be ten of them and two of us at these meetings, so some people will be asleep some people will be having side conversations over here and one person will be the main contact in the meeting, so it is interesting."*

Much cultural information is revealed in this statement. This will be discussed below, but before starting on the Asia specific parts, it is important to emphasize the last sentence. The expatriate found the differences, even those he did not understand, interesting. The expatriate is observing the differences between Europe and Japan, but he does not make any evaluations. (Or he does evaluate but the dissonance neither becomes an internal obstacle or external confrontation) This is an expression of open-mindedness, being mindful and open to discrepancies, which is a precondition for developing cultural intelligence and at the same time part of the cultural intelligence concept; the two sides cannot be separated. If the expatriate, and people in general, associate what they do not understand with negative attributes, they may be reluctant to include new experiences in their repertoire wherefore the opportunity to develop is less likely.

Related to Asian culture the expatriate mentions several issues. Firstly the large number of negotiations. This can at least partly be explained by the traditional decision-making processes in Japanese business where much negotiation and agreement takes place before meetings (ref). The example demonstrates a very conservative industry. It deserves mention that new performance measures in Japan concentrating on individual competence and allowance is introduced in a number of industries. Also a new management style leaving the traditional consensus system is emerging due to the new Japanese generation of 'egotistical individuals'. (Ono, 2010) The fact that many people attend the meeting shows the importance attributed to the case and also that many people have been involved in the meeting so that one cannot be held responsible if the outcome is not as agreed to before the meeting (Worm, 1997).

Another issue mentioned is indirect communication. Many of our expatriate interviewees find this to be a challenging issue to deal with as they are used to a direct approach. You have to pay attention to what is said as the answer is not clearly stated. Many expatriates in Japan as in this case will depend on subordinates to interpret the outcome of meetings. This process is time consuming and ineffective for Western managers (Peltokorpi and Clausen, 2011). As it is described in the literature (Hall, 1976, Gudykunst et al. 1996) indirect communication is the norm depending of course on the international experience of the Asians. The more experience they have with Western business the more they are able to adapt to Western practices. In other words we claim that there may be a tendency that some Westerners because of hegemony over a long period of time are not a well prepared or willing to change their practices whereas Asians and particularly Chinese for instance are more motivated to accommodate their counterparts. (Søderberg & Worm, 2011). Willingness to assimilate is connected to values and emotional flexibility as an important driver in cultural intelligence. This expatriate had this drive and willingness.

A third issue mentioned by the English expatriate when doing business in Japan is the perception of time. He experiences that the Japanese customers and employees organize their time differently than he is used to. The Japanese counterparts spend more time on various business issues and even sleep during meetings. They tend to details and work for long hours<sup>3</sup>. This is ineffective in business terms and frustrating to the expatriate.

Additional issues that add to our understanding of the contexts are revealed below:

*"This particular customer is an ex government run utility, so a lot of the management staff are from highly bureaucratic backgrounds. They are a private entity now, but the entity is run in the same way that it was run fifteen years ago or twenty years ago. So they have not made that kind of change to a realistic business model."*

The organizational culture of the customer is that of a state-owned enterprise, that tend to be similar to other state-owned entities, such as ministries. In such a context the main raison d'être is not to optimize profit because of soft budget constraints, but to keep the bureaucracy in place. This kind of non-profit oriented business even frustrates Japanese business men, despite the fact that they may understand the context better. In this sense the organizational culture overrules the importance of national culture.

In another company, expatriates were struggling to install a standard global brand strategy which in Japan is moving from a compromise between Danish and Japanese ways of doing business towards a streamlined global brand in the future based on headquarter values. As part of this process, the Danish manager that we talked to had solved an "occasional miscommunication" of

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<sup>3</sup> The average overworks in 2009 are 35.7 hours a week. While overwork time in busy periods amounts to 66.6 hours (approximately 3 hours a day). [http://www.dream.jp/action\\_press](http://www.dream.jp/action_press)

retail and brand displays by actually flying people from Tokyo to Hong Kong so they could experience a brand store for themselves. What he could not express in words was instantly comprehended by his Japanese colleagues this way.

His method exemplifies high levels of reflection about how to communicate more effectively while taking advantage of previous frustrations and working out means to a successful solution to collegial compromise. He simply moved his team from their usual context and work environment to a new context to make his points clear.

## China

The interviewee is an Indian expatriate in China, who is outstanding because he has many success stories in Asia. He has been assigned to China by the Danish headquarters.

*"I have been living outside India for many years. First I was living with my wife in Denmark and after that I moved to Prague. As a technical person I tend to be where there is production. When I was told to go to China I was hesitant. Historically the relationship between India and China has not been good and we have heard a lot about cheap goods and low standards in China. I went to China to see the facilities and took pictures that my wife could see. China had changed. And everything was there including shopping facilities, dining and international schools. Based on this we moved to China and I began working. The company is everything for me and my wife knows this. I have now been in China four years and when I ask my whether we should move back to Denmark, she says "you go Denmark and I move back to India with the kids." To close my personal story I plan to move back to India when I am 55, but there are still 20 years to go and at that time my company will be in India"*

The main points we can derive from this example is that China has become more attractive to this Indian expatriate who was not at the onset tempted to move to China. China was in war with India in the 1960s. The basic needs are taken care of and the Chinese do not discriminate him because he is Indian. What might also point in a positive direction is that the two cultures have some similarities. There is a reminiscence of collective memory in both.

*"My experience is that if you help the Chinese, the Chinese help you because the Chinese want help. After we moved here four years ago we have even gotten family friends meaning that we visit each other's home. I like the Chinese and I think they like me, but they tend to be shy. Once I discovered that a batch had been send to a customer before it was up to the quality that we had promised the customer. I knew the Chinese supervisor who was in charge of approving the quality before they were sent off, and he also knew that I knew who he was, but still did not come to me to admit that he had made a mistake, wherefore I took the responsibility. I told everyone that it was my mistake and that I would be more careful in the future. The same evening my Chinese colleague called me at home and ask why I did this for him, while he was crying. I said that it was no problem for me to take the responsibility, because it would not have any impact on my career"*

First the story shows that the interviewee has developed an understanding without any training or reading but simple by combining an open mind while being stationed in different foreign countries such as Denmark, Slovakia and China. He has generated a culturally intelligent hunch about the socio-cultural and emotional rules through experience, reflection and action. Relationship and face are important in all societies but the connection between the two is particular to Asia. Some unique features have been aptly summarized by Pye (1982) saying the personal relationships in Asia are "friendships with exchange of favours" (p. 89). The integration of affective and utilitarian aspects of personal relations is different from western propensities to tend to separate friendship and utilitarian relationships such as "old boys' networks. Another difference is that relationships are closely connected to face in Asia. Face is used in Asia as a positive word (giving face) as much as

a negative work (saving face), what is somewhat different from the Western way. It might often be difficult for westerners to get accustomed to give face.

This Indian expatriate's knowledge of face work and his ability to attain an emotional vacuum and employ previous knowledge in his actions enables display of mindfulness (Thomas, 2006). He is context-sensitive in its most positive terms. In particular this expatriate is using his understanding of his own culture to be more empathetic of his Chinese colleagues. By taking the responsibility for a Chinese employee's error, he certainly did what the Chinese employees will never forget. The Chinese being afraid of losing his job and maybe more importantly being afraid of losing face was rescued by the expatriate. This is something that may seldom happen with expatriates of Western origin who would be concerned with getting the facts of the mistake right. It is not due to bad will but to lack of interpretation of cultural clues implicit to Indians and Chinese.

In a spiral of positive outcomes, the expatriate supports the local Chinese staff and feels at the same time that he is developing himself which is probably the case. Here we have an example of how the three components of knowledge of behavior, values and mindfulness are aligned and displayed in cross cultural interaction.

## India

This is a case of an expatriate family who is staying in Asia for the first time. The family has just been relocated to India, and is not prepared to stay in a local environment. The interviewee in this case is a Danish expatriate in India.

*"When we were visiting here before we came we were only shown one house that we could choose to live in. But through talking with others we choose a house that was not part of expatriate housing, that typically had four houses together and no garden. As the house was not entirely finished when we came, we had craftsmen coming who should finish our house. They came in daily in huge numbers running around, but only one out of ten worked while the other nine were standing around him and looking at what he was doing. Many things work very differently in India. Some time ago when the craftsmen should finish something in our house they just knocked on the door in the morning and before we had time to open the door they opened it themselves and walked up to the first floor without talking to us. It became even worse because once my wife had forgotten her diamond ring on the table, after a short while it was stolen in our own house. My wife wanted to go back, but we decided to stay. India is overwhelming. There are so many people everywhere. We like to be here, but sometimes it is just too much. Of course these things can happen everywhere, and what I try to do in our company is to strengthen our corporate culture. We are supposed to be cultural ambassadors for the company."*

The interviewee describes a lot of issues that in the beginning surprised and stressed him and his wife, but as he realizes this is what may happen in a developing country with many people compared to the one they came from (Denmark). The biggest surprise is probably moving from a country with a small population to a country with 1.2 billion people, which the interviewee realized, but was not really prepared for. In addition the whole relocation process has not been optimal. The way he overcame the surprises was at least partly to enhance the corporate culture of his company inside the company, and avoid making attributions about what happened outside the company. The interviewee does not conceal that it has been difficult. However, during the interview he becomes more non-judgmental and he realizes that the difficulties during the relocation are partly because he chooses to stay outside the expatriate compounds, and partly because the company has not prepared it well.

He talks about cultural specific issues to India as follows:

*“The system with caste is very difficult to understand, and nobody talk about it but obviously there are some were big differences [among the Indians]. Some people [the Brahmin] are not supposed to do physical work. They were originally priests. An example is that normally, if my driver comes too early to pick me up in the morning, he used to wash the car in the meantime, but suddenly one day I saw that our gardener was washing the car. Then he had out sourced it to the gardener for a little money so that he could feel a little better standing and watching him cleaning it. Although the caste system is officially abandoned it still plays an important role, because everybody in India seems to accept that people are born differently belonging to different castes. Everything in India is very hierarchical, and one has to accept that at least to some extent, but we try to change it with some success in the company. It has been a huge job, because when I came, we had just merged two companies and the employees from the newly acquired company talked very negative about my company, but this is changing now. A final obstacle to integrate the Indians more is that they are not very curious, when I try to tell them about Denmark, they do not seem very interested. Typically they ask about the weather and so on. But they seem not to be interested in other issues in Denmark.”*

The challenges in this case are obviously huge. The Danish and Indian company has recently been merged. When the expatriate arrives in India the two corporate cultures have not yet been aligned. Further, there are many cultures within India. The culturally intelligent way of dealing with this complexity is to focus on the corporate culture. The corporate culture may unite the employees from various backgrounds and bridge difference both across and within country including difference in caste origin.

The reason why the Indians do not appear interested in Denmark in cognitive terms is because they have no knowledge (mental schemes or scripts) or life experience (mental models) that relate to Danish contexts. They have not had a chance to go to Denmark or previous encounters with Danes. The expatriate’s limited knowledge of Indian ways, in this instance makes life and work challenging. The bundle of stimuli is overwhelming.

### **Conclusion and discussion:**

The expatriates in Asia that we describe are all in a process of learning. As mentioned we have deliberately chosen expatriates that have shown elements of context sensitivity and therefore are progressing on the learning curve. As can be seen from the three cases (and from our population of interviews) the expatriate in India exemplifies ‘stage 1’ in the stages of development in cross cultural encounters in which the learner is “reactive to external stimuli”. This stage is typical of individuals with little exposure to other cultures (Thomas, 2006: 91). The expatriates in Japan exemplifies ‘stage 3’ in which “Reliance on absolutes disappear. A deeper understanding of cultural variation begins to develop. The cultural norms and rules of various societies begin to seem comprehensible and even reasonable in their context”. (Thomas, 2006: 91). The Indian in China exemplifies ‘stage 5’ on the learning curve: “Proactivity in cultural behavior based on recognition of changing cues that others do not perceive. People who are highly culturally intelligent have the ability, through continuous sampling of internal states and external cues, to sense changes in cultural contexts, sometimes even before members of the other culture”. (Thomas, 2006: 91). As noted by Thomas (2006), it is a level of cultural intelligence to which we all might aspire but few are able to reach.

After some surprise for first-timers, the expatriates all mentioned the importance of relationships as an inroad to creating “contextual relations”, something that is most clearly emphasized by the Indian expatriate in China. High levels of long-term relationships play an important role in facilitating these contextual relationships. This notion of “contextual relationship” is a virtue in Japanese management. It implies an ability to intuitively guess what other people are thinking and to act in order to avoid cultural clashes (Ono, 2010). It is a social technology that enables cooperation and the inclusion of other people as well as a generalist interest and knowledge of

practices, processes and taking common responsibilities. The ability to avoid conflict is highly important. “Contextual communication” skills as well as reading other peoples’ minds and interpreting other people’s opinion at a deep level are important skills to own. “Good work” environments not only in Japan but in Asia are formed by strong and intimate interpersonal relationships (Ono, 2010). In Asia as in any place individuals are evaluated through these skills, which are called communication skills in the West and people skills in the Asia. For all three Asian societies expatriates will be apt to develop people skills to some extent to accommodate to the intimate network structures. Personalized networks traditionally have had the same function in Asia that organizations has in the West [Western Europe and the United States] (From the Soil, 1992). In Japan and China the importance of these skills can be deduced from Confucianism and from Hinduism in India.

In conclusion, we argue that there is a duality of both integration and separation, contrary yet complementary between the three components of cultural intelligence (Li and Worm, 2011). These dualities comprise both emotions, knowledge of local context and action. The cases show that context is important and that the more context sensitive the expatriates are in relation to a specific contextual issues in Asia the better they are able to survive in the new environment and even able to use the foreign context as an area of learning. People skills, if acquired well through open mindedness, can be used also when the expatriates return to their respective home countries. In that sense the more competent expatriates are able to cross the inside outside or in cultural terms “etic/emic” duality because they can freely move between the two approaches because of the area expertise they have developed. They will ultimately be able to see the local environment as ‘emic’ that is something they feel they are part of but at the same time as ‘etic’, that is something they ‘look at’ from the outside. An example is the Indian expatriate who mention that he has family friends. Employees in these Asian societies will have difficulties trusting people whose home they have not visited, because this is where you disclose the most inner circle of your life. At the same time the expatriate can ‘jump’ out of the society and ‘watch’ it from a distance so to speak meaning that they can explain the specific characteristic of the local context to others. The capability to have an etic/emic approach at the same time is what Thomas (2006) and others call meta-cognition in the cultural intelligence literature. In the organization literature a similar concept is ‘recontextualization’ (Fairhurst, 2009, Brannen, 2010). In the international business literature the dichotomy between context specific and context generic knowledge is overcome by integrating ‘context specific’ knowledge with ‘context generic’ knowledge (Hocking, Brown & Harzing, 2007).

To sum up we found that interest, motivation and context sensitivity enables valuable learning during expatriate assignments in Asia. The context-sensitive expatriates move up on the cultural intelligence learning curve and acquire competences that can be helpful in making their global corporate headquarters more “context-sensitive”.

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