Aalto University
School of Business

# Committed Expatriates: Psychological Contracts of Expatriate Candidates as Cornerstones of Idiosyncratic Deals

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AALTO UNIVERSITY SCHOOL OF ECONOMICS ABSTRACT

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### Objectives of the study

Expatriation is widely used as a global management development tool, despite the challenges in its various stages. Of those expatriates who manage to complete their assignments, many decide to leave their company shortly after return. Previous literature has identified reasons such as deficiencies in expatriate training and support, emergence of boundaryless careers and a poor understanding of the unwritten psychological contracts as the main obstacles to successful developmental expatriation. To answer the drop in commitment the use of idiosyncratic contract arrangements has been proposed and the objective of this study was to determine the key elements of such contracts in the developmental expatriation context.

### Methodology

Four Finnish expatriate candidates were interviewed. Interviews were qualitative and semi-structured. In addition a small survey was conducted measuring the boundaryless career attitude of the interviewees. The interview data was analyzed and contrasted with previous literature.

### Findings and Conclusions

The key phases of expatriation to be included in the negotiations are preparation, work challenge abroad, cultural adjustment, family issues and repatriation. The main goals of the idiosyncratic contract are to build a long-term relationship, foster intrinsic motivation, encourage managerial aspirations and guide post-assignment career advancement.


**Keywords** Expatriation, psychological contract, idiosyncratic deal, organizational commitment, boundaryless career

AALTO YLIOPISTON KAUPPAKORKEAKOULU TIIVISTELMÄ

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Tommi Kuukkanen

## Sitoutuneet Ekspatriaatit: Ekspatriaatti-ehdokkaiden Psykologiset Sopimukset Idiosynkraattisten Sopimusten Kulmakivinä


### Tutkimuksen tavoitteet

Ulkomaankomennuksia käytetään laajalti kansainvälisten johtamistaitojen kehittämistyökaluna, huolimatta niiden lukuisista haasteista. Komennuksensa läpi saattavista ekspatriaateista moni päättää vaihtaa työpaikkaa pian paluun jälkeen. Aiempi tutkimus on löytänyt syitä huonolle onnistumisprosentille mm. puutteista ekspatriaattien koulutuksessa ja tuessa, työurien pirstaloitumisesta ja kirjoittamattomien psykologisten sopimusten vähäisestä ymmärryksestä. Vastauksena täten madaltuneelle sitoutumiselle on esitetty ns. idiosynkraattisia sopimuksia ja tämän tutkimuksen tavoite oli selvittää kyseisten sopimusten tärkeimmät painopistealueet ja tavoitteet.

### Tutkimusmenetelmä

Neljää suomalaista ekspatriaatti-ehdokasta haastateltiin kvalitatiivisen ja puoli-strukturoidun haastattelun keinoin. Lisäksi suoritettiin pienimuotoinen haastateltavien työuramieltymyksiä mittaava kysely. Haastattelumateriaali analysoitiin ja peilattiin aiempaan tutkimustietoon.

### Tulokset ja johtopäätökset

Tärkeimmät sopimusneuvotteluihin sisällytettävät ulkomaankomennuksen vaiheet ovat valmistautuminen, työhaaste kohdemaassa, kulttuuriin sopeutuminen, perhe-asiat ja paluu. Idiosynkraattisen sopimuksen päätavoitteet ovat rakentaa pitkäkestoinen suhde työntekijään, tukea sisäistä motivaatiota, rohkaista johtajuuspyrkimyksiä ja ohjata paluun jälkeistä urakehitystä.



**Avainsanat** Ulkomaankomennus, psykologinen sopimus, idiosynkraattinen sopimus, sitoutuminen, urasuunnittelu

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# 1 INTRODUCTION

## 1.1 Background

International competition has forced companies to pay attention to the global mindset of their workforce and leaders. The pressure to integrate activities globally to benefit from economies of scale while ensuring the ability to meet local demands across the world has given rise to the need for people who are familiar with such a challenge and know how to navigate in foreign waters. (Stahl et al., 2009) In response to this need multinational companies (MNCs) have found an effective leadership development tool in expatriate assignments. (Lazarova & Caligiuri, 2001)

Expatriate assignments offer a valuable chance for managers to gain experience on the international business environment and develop general managerial skills in a context where cultures collide. These global leadership skills are indispensable for managing business operations abroad and companies have adopted expatriate assignments as one of the most important and efficient ways to develop them. (Stahl et al., 2009)

However, there are several challenges associated with expatriation. First of all, moving into a new unfamiliar culture without the safety net of friends and colleagues and possibly without one's family may prove out to be difficult to adjust to. In addition to the stressful new challenges of increased responsibility adjustment problems have the potential to wreck the entire assignment and cause the expatriate to return home prematurely (Aycan, 1997). Furthermore, during the long assignment the expatriate's commitment to the organization is at risk to crumble as a result of psychological contract violations (Tekleab et al., 2005).

There are also potential difficulties after the assignment. Keeping all the expatriates in-house is considered as impossible as it is with any other talented employees. In other words, certain "natural attrition" is considered inevitable (Stahl et al., 2009) Even if the assignment is a flourishing success, the expatriate may see an unfavorable difference between what is being offered within the home organization and at the job market. In this case the repatriate is naturally tempted to pursue a better job opportunity somewhere else. (Lazarova & Cerdin, 2007)

In the past this may have not been much of a concern, since most of the employees stayed within single organizational contexts throughout much if not all of their careers and such job hopping was marginal. In modern times, however, as a result of increased layoffs and reduced overall job security the responsibility of career development has shifted from organizations to the individual employees. (Cappellen & Janssens, 2005, Stahl et al., 2009) Instead of relying on hierarchical advancement within the organizational boundaries individuals have begun to take a more active role in steering their careers. The progression of the modern boundaryless career involves a chain of independent work experiences across the boundaries of organizations. Lifetime employment in one organization is no longer pursued to the extent of the past. (Cappellen & Janssens, 2005)

The contradiction is evident. Expatriation is a top-class management development tool for organizations due to the upgrading power assignments have on the expatriates' global business competencies. However at the same time as the employee is becoming closer to meeting the requirements of top-management positions in the home office, he/she is also experiencing a significant increase in personal career marketability. (Stahl et al., 2009) The most frustrating outcome from the organization's point of view is to witness the well-groomed employee escape to a more lucrative position elsewhere. In the age before boundaryless careers the risk of losing such high-potential high-investment employees was lower but in the future such opportunism may become routinely for expatriates. (Stahl et al., 2009)

## 1.2 Research Problem and Gap

From the organizational point of view, with the ordered benefits of a developmental expatriate assignment comes an unwanted side-dish: an increase in both personal marketability and the likelihood of turnover. (Benson et al., 2004) Therefore companies that wish to utilize expatriation as a tool for developing global business leaders need a better understanding of how the commitment of high-potential employees can be improved and maintained.

The decrease in organizational commitment has fueled a change in the psychological contracts of employees from relational to transactional (Yan et al., 2002). In other words the setup for many developmental expatriate assignments is misaligned to begin with, as companies simultaneously look forward to a long-lasting relationship (ibid). To improve organizational commitment the negotiation of idiosyncratic contracts has been proposed (Rousseau et al., 2006). However the research on the field is fairly new and does not reach the specific conditions and peculiarities of expatriation.

## 1.3 Research Question and Objectives

What are the key elements of an idiosyncratic contract aiming to facilitate developmental expatriate retention?

1) Identify key challenges in expatriation management regarding long-term leadership development.
2) Determine the most significant objectives of idiosyncratic contracts and develop guidelines that reinforce the commitment of both boundaryless and traditional careerist types.

# 2 LITERATURE REVIEW

## 2.1 Expatriation

2.1.1 The Demand for Developmental Expatriation

The rapid pace of globalization has devastated many organizations by requiring managers to quickly adapt to the growth and diversification of their business environment, while formal managerial training has lagged behind and maintained its focus on traditional technological aspects thus leaving a gap between the supply and demand of global leadership talent (Prewitt et al, 2011). Companies are however increasingly waking up to the reality. The Lloyd's 2011 risk index shows that the risk of talent and skill shortages as perceived by companies is on a steep climb, as it was ranked the 2$^{nd}$ priority compared to the 22$^{nd}$ in the 2009 index (Lloyd's Risk Index 2011). The percentage of respondents ranking it as a high or very high priority was similar in the US (45%) and Europe (42%), whereas in the Asia-Pacific region the concern was even higher (70%) (ibid). Furthermore, Manpower's first employment outlook survey of 2012 highlights the talent shortage in Germany, most severely affecting the finance and business services sector (Manpower Employment Outlook Survey, 2012). To sum up the current change Richard Ward, the chief executive at Lloyd's said "We have gone from a credit crunch to a talent crunch, despite the unemployment picture … CEOs feel they are lacking people with specific skills, but they are also concerned about having leaders and managers who can help them navigate the difficult global business environment. Extraordinary conditions require exceptional leaders." (Lloyd's Press Release, 2011)

What are these exceptional leaders, and how can they be identified amongst the not-so-exceptional ones are two questions that follow the recognition of the aforementioned talent-shortage. The answer however is not far-fetched. It has been empirically proven that international experience makes a direct positive impact on the top-level of organizations, especially firms operating in multiple different countries and cultures. In a 2001 study Carpenter et al. investigated the link between international assignment experience of CEOs and company performance, and the results were clearly and consistently in favor of the argument. The same logic applies to the increase in the willingness of companies to hire CEOs with international experience from outside their organization, even when suitable candidates albeit without international experience exist within the company itself (Daily et al., 2000). Such bias seems to imply that in the age of globalization firms do acknowledge the importance of international experience and favor it even in the absence of specific knowledge of the business. Arguably the latter is considerably easier to acquire during the inaugural months of appointment and constantly develops over time.

If the CEO-selection is looked from a simplified human resource-planning perspective, the company is essentially faced with a sort of a make-or-buy decision. An in-house talent can be made CEO or an outsider can be bought in to fill the position. Then assuming that the "buying" option translates to hiring an outsider with international experience, and that being what the company requires its executive director to possess, means that the "making" option includes forging a top-talent by sending him/her on an international assignment at some point. At this stage it must be stated that CEO being the ultimate managerial position it serves the purpose of this culminated argumentation well. However as they don't run the businesses they lead barring assistance, it is clear that there is a need for managers with an eye for the global business environment in the ranks below the top-tier as well. This study does not focus on CEOs, but managerial talent in a broader sense and the make-or-buy dichotomy naturally also exists in the lower levels of the organization.

There are several reasons why a company would choose to fill its higher managerial positions by grooming the existing talent in the organization to meet the demand. First of all, it has a better chance of knowing exactly what kind of a leader and personality the candidate is due to the existing relationship and can evaluate his/her performance on actual tasks or create hypothetical scenarios for these purposes as is the case with executive assessment centers (Byham, 2000). Developing managerial talent internally also facilitates a better fit between the candidate and the position, because the person is already well acquainted with the subordinate tasks upon promotion (Dempsey &

Epstein, 2001). Furthermore, it gives a strong positive signal to existing employees and investors conveying that there is a talent pipeline in existence, which ensures internal advancement opportunities and that the firm is not too dependent on its current leaders (Ulrich & Smallwood, 2007).

### 2.1.2 Expatriation as a Management Development Tool

In this chapter the literature that discusses the role of expatriation as a developmental process of high-potential employees is examined. Then the mélange of aspects and common pitfalls of expatriate management will be reviewed.

The first paragraphs are anyhow dedicated to a brief deliberation of the perspective from which expatriation is viewed throughout this thesis.

"The primary role of an expatriate manager can be conceived as that of a catalyst who secures the continuity of the MNCs organizational structure and philosophy in the local unit while ensuring the fit between MNC practices and local demands."(Aycan, 1997)

Expatriate assignments are an important part of international business, since almost 80% of midsize and large firms send their personnel abroad (Black & Gregersen, 1999). As Aycan (1997) pointed out above, firms which engage in business activity across natural and cultural borders need a strong link between headquarters and host country, especially if they have established a wholly-owned subsidiary there. Transfer of knowledge and coordination from home office are improved when an expatriate is acting as a liaison on location. Furthermore, as the expatriate returns from the assignment, headquarters can benefit from the expert knowledge he/she has gained on local business conditions, cultural nuances and the valuable networks that have been developed. For the above reasons expatriates are often viewed as a good investment in human capital (Lazarova & Caligiuri, 2001) To go one step further, due to the difficulty of imitating the benefits of expatriation, it may be a valuable source of competitive advantage for the firm (Stahl et al., 2009).

The reasons for sending expatriates vary according to the functional and developmental needs the company is attempting to respond to. A functional need is a task in the host location that is seen to require manpower from the headquarters. A developmental need is originated in the home office and in practice means that the company wishes to develop the skills of its employee(s) to make him/her fit the requirements of more important positions in the future. Another pair of terms used to describe the nature of expatriation is demand-driven versus learning-driven assignments. (Stahl et al., 2009) Harzing (2001) classifies the expatriation motives in three categories: position filling, management development and coordination and control (Harzing, 2001). Two of them, position filling and coordination and control are by definition functional purposes, whereas management development is naturally developmental.

It is noteworthy that also shorter duration international assignments and international job rotations may be considered as learning-driven assignments and an assignment may have both developmental and functional purposes. However, usually one or the other is identifiable as the main reason for expatriation. (Stahl et al., 2009) Aycan (1997) states that the strategic goal of the assignment is directly affected by the firm's international structure, strategy and phase of its organizational life-cycle.

The fast growth of emerging markets, led by China and India, as well as the mushrooming of international joint ventures and cross-border alliances has given rise to a strong demand for globally capable talent among MNCs (Collings et al., 2009). To keep up with the pace of increasingly relentless competition it seems unavoidably necessary that the key positions in the organization are manned by individuals who understand the ins and outs of the global business environment. Studies have shown, that companies are lacking in leadership talent that matches these modern requirements (Suutari, 2002). The demand for global talent is in a strong incline, while the supply is constantly descending (Stahl et al., 2007).

"Job rotations and challenging assignments", such as international assignments have been rated as the best way to develop managerial talent by human resource executives of leading MNCs. The power of international assignments is in the all-round challenge regarding general management, network-building and cultural adaptation. (Stahl et al., 2009)

To emphasize the gravity of the issue further, in a qualitative study of the 60 largest multinationals in the United States, Stroh and Caligiuri (1998) found that one of the three most important drivers behind their global success was the development of global leaders. The results showed that these companies systematically sent expatriates overseas not because their assignments couldn't be fulfilled by host country nationals, but to let them grow to meet future challenges. Actually it was found common that international experience was a requirement to higher positions in these enterprises.

This line of thought is also common among expatriates themselves, as Tung's research (1998) shows. They understand that "global perception" plays a critical part in surviving in the business world of today and that international assignments are a logical way to obtain this expertise.

On the other hand, such development does not come cheap. The annual costs of one expatriate can rise up to a million USD (Black & Gregersen, 1999). Considering the size of the investment it is somewhat illogical that many firms don't put more emphasis on the integration of expatriation with long-term career planning. The possibilities to plan and manage the careers of expatriates include managing their expectations, distributing information on career opportunities and helping the assignees maintain their connections to the home office. (Stahl et al., 2009) The expatriation period may last 5 years, which is plenty of time for reorganization to take place and without proactive measures the assignee may find that the people who send him/her abroad or the job he/she was planned to fill may no longer be there. (Black & Gregersen, 1999) In such a case the employee is likely to fall into a less exciting temporary job and be driven in frustration towards more challenging employment possibilities outside the firm.

In fact, repatriate retention literature suggests, that linking expatriation with long-term career planning may be the most critical element of successful repatriation (Stahl et al., 2009). More precisely, it appears to be crucial that the expatriate is able to see this connection. As is the case with the effect of organizational support on repatriation concerns and turnover intentions during the assignment, it is the perception of the availability of support and career development linkages that has the influence on the employee's willingness to stay in the organization. (Lazarova & Caligiuri, 2001)

### 2.1.3 Managing the Expatriation Process: Challenges and Theoretical Guidelines

Long-term international assignments may last several years, are complex in nature and offer plenty of opportunities for matters to go awry. On the other hand companies are forced to keep costs down, due to which expatriate support has vastly remained "a patchwork quilt of partial, ad hoc solutions" (Jack & Stage, 2005). In this section the concept of expatriation is taken down to different phases that are discussed in a chronological order. The examination pays special attention to researched pitfalls where companies commonly stumble.

#### 2.1.3.1 Expatriate Selection

Traditionally the most important criterion to evaluate an expatriate candidate has been technical competence (Mendenhall et al., 1987). Psychological testing is uncommon and partners and families are not given much attention. In an ideal company, it is not taken for granted that a person who performs well at home can produce the same results in another country. Quite the contrary, cultural adaptability is given as much attention as technical abilities. (Black & Gregersen, 1999)

There has been a distinct gap between what the literature on expatriate selection suggests and what is actually being done in firms, which implies that many organizations base the selection success on luck (Anderson, 2005). In a representative study of multinationals in South Asia, Stone (1991) addressed the factors used in expatriate selection and which factors contribute to expatriate failure. The conclusion was that by utilizing domestic staffing procedures in expatriate selection companies consistently increase the risk of expatriate failure. Selmer (2001) on the other hand argued a decade later that the increasing unattractiveness of international assignments to potential candidates is forcing firms to give up on finding the ideal person for the post and fall back to considering basic personal characteristics such as age, gender and marital status as the main selection criteria. He did too, however, support the argument of emphasising the likelihood of adjustment instead of sheer technical ability.

#### 2.1.3.2 Training and Support

In addition to improving the chances of surviving culture shock and adapting to the new culture, setting expectations to a realistic level, increasing job satisfaction and reducing the likelihood of a premature return (Katz & Seifer, 1996), cross-cultural training has been stated to serve an important socialization purpose for expatriates (Mendenhall et al., 1987).

To facilitate the adjustment of the expatriate to the foreign conditions, Baliga and Baker (1985) suggest a period of minimally 30 days to intensively train the expatriate's language skills and increase knowledge on cultural differences. The ideal length is proposed to be 90 days to ensure the assignee is able to effectively communicate with both staff and line level employees and has a better chance to adapt to the culture. Mendenhall et al., (1987) suggest the training program should be tailored in terms of methods, thoroughness and duration according to the degree of interaction and unfamiliarity of the culture. Katz and Seifer (1996, p41) list some justifications that HR managers typically disclose regarding the omission of proper training. These reasons include

> 1) General ineffectiveness of training programs
> 2) Past dissatisfaction with the training program on the part of the trainees; and
> 3) Too short a time between selection and departure to expose the expatriate manager to in-depth acculturation training.

Selection of the competent and culturally sensitive candidate and 3 months of intensive training prior to the assignment may be enough to make sure the expatriate doesn't fail to perform abroad. In a case where the company's motives to send the employee overseas are purely functional there may not be a need to consider any further action of assistance. However if the firm plans to use the assignment for developmental purposes and therefore wishes to hold on to the employee also after the assignment it is wise to consider providing support also during the expatriation period. Lack of support has been reported to lead to low satisfaction, repatriation concerns and eventually intentions of turnover. (Stahl et al., 2009)

Adjustment to the host environment is vital to the success of the foreign assignment, as scantly adjusting expatriates tend to perform below par and are more prone to returning prematurely (Farh et al., 2010). Haslberger and Brewster (2009) argue that instead of looking at expatriate adjustment as a one-time event, it should be seen as a process that is an integral part of career development. The basis for this proposition lies in the notion that the level of adjustment to foreign surroundings and working environment influences the individual's career competencies by affecting what and who the person knows. More discussion on the related career theories will be presented in section 2.4.

In addition to the pre-departure training discussed earlier, the company has an important role to play also after the expatriate has arrived in the host location (Aycan, 1997). It is suggested in the expatriation literature, that rewards tied to performance, continuous communication and assistance from the parent company, and an effective socialization process in the local unit facilitate the adjustment of the expatriate (ibid). Farh et al. (2010) emphasize the importance of the expatriate's network ties in the host country and present a model that describes the complex interactions of different variables associated in the process of developing these supporting social connections. Interestingly, it has also been remarked that the development of strong networks and increased commitment in the host country may result in erosion of networks and loyalty in the home office (Haslberger & Brewster, 2009). Therefore a company that sends an expatriate on developmental grounds has to be careful not to let the individual "go native" (Gregersen & Black, 1992), since the main interest is obviously to groom a global manager, not to provide the subsidiary a long-lasting leader who does not wish to return.

If an expatriate has trailed a spouse, it is common that while the assignee might manage to adjust to the new environment, the spouse does not (Avril & Magnini, 2007). This is a significant problem for the completion of the assignment, as spouse's maladjustment is likely to lead to expatriate failure (Black & Gregersen, 1991). Especially the relocation of a dual-career couple has been reported to be a notable source of stress and conflict (Harvey, 1997). Therefore it is no surprise that the career of a spouse as a reason to turn down an expatriate assignment is in the incline (Punnet, 1997).

An answer to the adjustment problems of expatriates are host office mentors (Jassawalla et al., 2006). Their function is primarily to promote the settling of the assignee and help in various ways to alleviate stress caused by uncertainty and cultural differences which are characteristic to international assignments (ibid). Recent literature also discusses the use of multiple mentors in all stages of expatriation and also mentors located in the home office (Mezias & Scandura, 2005). While the host location mentor's importance is in aiding with practicalities and act as a sort of a mother figure during the assignment, the home mentor is intended to help the expatriate prepare for the journey and act as a liaison between the assignee and the home office all the way until the person has returned (Carraher et al., 2008). Similarly to the selection and training of expatriates with spouses or families, mentoring is also suggested to cover them as well (Harvey et al., 2010).

#### 2.1.3.3 Repatriation

Despite the challenges there has been considerable development in expatriation management over the years (Wittig-Berman & Beutell, 2009). However, many companies which successfully manage the international assignment have problems with the repatriation process, as studies have consistently shown alarmingly high repatriate turnover percentages (Stroh, 1995). If an expatriate does not leave the firm immediately upon return, it is quite likely that one will do so during the first few years after repatriation (ibid). Lazarova and Caligiuri (2001) list nonchallenging jobs, lack of promotion opportunities, loss of status and autonomy, lack of career planning and counseling, lack of support on behalf of managers and colleagues, and sluggish career advancement as reasons for repatriates to seek challenges outside their current employer.

A longitudinal study of Finnish expatriates by Suutari and Brewster (2003) reveals that even though the turnover rates are high, expatriates are in general satisfied with the career impact of the international assignment. It seems that the individuals who leave enjoy the career benefits of their international experience, but the firm that gave them this opportunity is gaining nothing in terms of its global leadership needs. These companies are receiving a poor return for their investment, and in general terms the reason for this could be in either end of the employment relationship. Lazarova and Cerdin (2007) classify these two scenarios as the case of the frustrated expatriate, which refers to the deficiencies in the repatriate support program and the case of the proactive expatriate which implies that it is now the individual and not the organization that is in charge of one's own career development.

High expatriate failure rates have been a common topic in expatriate management literature for decades (Harzing, 1995). One of the most important studies on the subject was written by Tung (1982) already 30 years ago and is still referenced in modern argumentation (Lee, 2007). The general consensus within researchers has been that expatriation has failed if the person returns home prematurely, resigns or the assignment is terminated (Yeaton & Hall, 2008). However, Lee (2007) has pointed out that this classification may be too simplistic, and does not take into consideration situations where an expatriate completes the assignment, but performs way below expectations and fails to meet set goals or runs into repatriation difficulties. Estimates of expatriate failure rates have been as high as 70% and costing up to $1,000,000 (Crocitto et al., 2005), thus it can be stated that there is a considerable risk included in international assignments.

Reports on expatriates have accounted rumbles of discontent about training, support (Li & Tse, 1998, Cigna Global Expatriate Study, 2001, Britt, 2002, Stahl et al., 2009) and repatriation processes (Riusala & Suutari, 2000, Bossard & Peterson, 2005, Bolino, 2007). This dissatisfaction may lead to lower commitment to the organization and intentions of turnover, as Tung (1998) points out. Before analyzing the effects of poor expatriation management on organizational commitment any further, the theoretical discussion of commitment is presented next.

## 2.2 Organizational Commitment

Organizational commitment is widely regarded to increase the likelihood of an employee to stay with his/her employer (Meyer et al., 1991). It has also been well established in academic discussion that weakly committed employees perform worse than their highly committed peers (Harrison et al., 2004). Expatriation has not been a common setting for commitment studies, but has been increasingly covered during the past two decades. Naumann (1993) found that improving expatriate's job design thus reducing role ambiguity and role conflict, and clearly linking the assignment to career development would have a positive effect on the satisfaction and commitment of the expatriate. Yavas and Bodur (1999) studied expatriates in Turkey and found evidence to the correlation between satisfaction with the expatriation experience and commitment to the organization and the assignment. Their examination also revealed that organizational support played a significant role to satisfaction, thus emphasizing the link between support and commitment. Banai and Reisel (1993) studied the anticipated differences in commitment between expatriates and host country nationals, but did not find any proof to support the claim that expatriates would be more committed to the organization than the HCNs. Gregersen and Black (1992) attempted to respond to the problem of committing an expatriate to the host organization while maintaining commitment to the parent organization. The results suggest that the perception of support from the parent organization correlated with commitment to that part of the company, whereas adjustment to the local environment was a prerequisite for commitment to the host organization. Thus proper support would arguably accomplish commitment to both sides, should the expatriate adjust successfully and think that the parent organization fulfilled their supporting role in the process.

The most problematic aspect of this field of study according to  Meyer and Herscovitch (2001) is that organizational commitment is such a complex multidimensional construct, which offers plenty of room for disagreement. However, as they suggest, there seems to be a central core that connects the vast array of definitions, according to which commitment "(a) is a stabilizing or obliging force, that (b) gives direction to behavior (e.g., restricts freedom, binds the person to a course of action)." (p. 301). From this point on they built a theoretical framework that is intended to serve the purpose of a general commitment model. The model can be seen in figure 1 below and it will be used as the main point of reference regarding organizational commitment in this study. Its three core components (affective, continuance, normative) will be examined one by one in the following paragraphs.

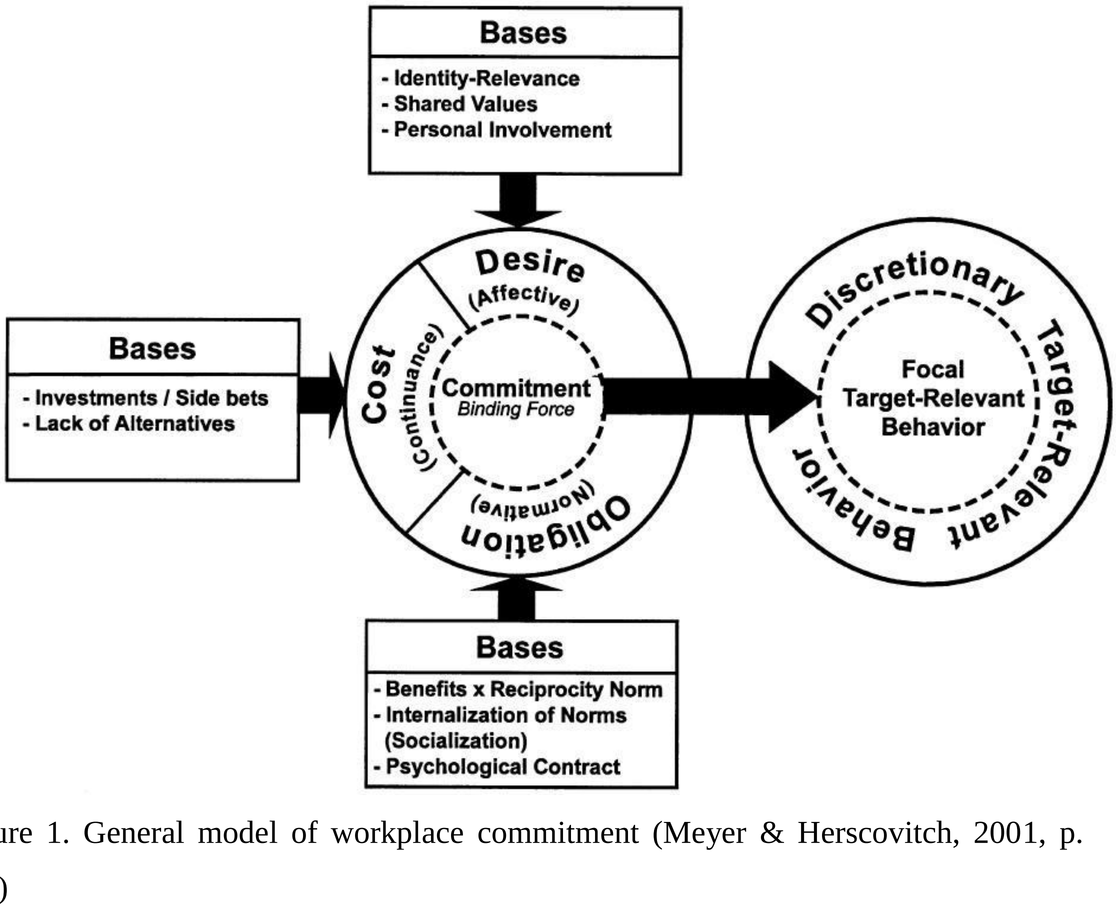



Figure 1. General model of workplace commitment (Meyer & Herscovitch, 2001, p. 317)

The model is built around the three distinct forms of organizational commitment which have been identified in literature: affective, continuance and normative commitment. These components of commitment are not mutually exclusive, as the person may experience to a certain extent more than one of them at the same time. (Meyer & Allen, 1991)

Affective commitment is arguably the most desirable form from the perspective of the organization, as it indicates an individual is committed to stay because one specifically wants to (Yavas & Bodur, 1999). This is arguably the reason it is the most researched type of commitment (Harrison et al., 2004). It is formed through psychological processes such as identification with the organization and internalization of its values (Jun et al., 1997). In addition, rewards and punishments have been argued to have a strong influence in the formation of affective commitment, by employees committing themselves for received rewards and avoided punishments (Ko et al., 1997).

Positive experiences and an expectation of their reoccurrence in the future have been proposed to lead to and strengthen affective commitment, as is the case with confirmation of pre-entry expectations, personal comfort, perceived competence (Meyer & Allen, 1991), work involvement, positive affectivity and social support from spouse, parents and friends outside work (Ko et al., 1997). However, if similar experiences are perceivably available in other organizations as well, their impact on affective commitment is suggested to be lower, whereas role ambiguity, role conflict and resource inadequacy are anticipated to directly reduce affective commitment (Ko et al., 1997). Individual differences in the propensity to affective commitment may also exist (Meyer & Allen, 1991).

Continuance commitment refers to the need of the individual to stay, often due to the lack of a better or equal alternative. It is based on Becker's (1960) side bet theory which proposes a person becomes committed as a result of not wanting to lose the side bets that are associated with continuance. Examples of such side bets are investments made in non-transferable skills, attractive benefits, personal relationships and anything perceivably valuable that would be lost upon exit. It is suggested that anything which increases the cost of leaving may be a source of continuance commitment. In addition, costs of leaving may develop with or without the employee's recognition. However, a cost of leaving has to be perceived by the individual for it to accumulate continuance commitment. (Meyer & Allen, 1991)

Normative commitment implies a person feels one ought to stay within the organization for one reason or another. Jaros et al. (1993, p. 955) define it as "the degree to which an individual is psychologically attached to an employing organization through internalization of its goals, values, and missions." However, they make a clear distinction between affective commitment and normative commitment in that the normative component "reflects a sense of duty, an obligation, or calling…but not necessarily emotional attachment." (p. 955). It is in fact a rational rather than an emotional bond (Gonzalez & Guillen, 2008)

Sources of normative commitment may be one's family, culture or the organization (Ko et al., 1997). By stressing the importance of the collective instead of the individual both the family and the culture have the potential to plant the seed of normative commitment in a person. The organization may be the source by an effective communication of the value of loyalty (Meyer & Allen, 1991), but more interestingly for the purposes of this study, normative commitment may arise through the norm of reciprocity (Scholl, 1981). According to the norm, people should help, not harm, those who have helped them. The norm would be likely to apply to an expatriate who views that the company has helped him/her by offering a developmental assignment opportunity. However, for the normative commitment component to develop through reciprocity, the employee must think he/she is indebted to the company (Scholl, 1981). Therefore if the employee holds a sense of entitlement regarding developmental expatriation, the normative component will not develop in this fashion. For an extreme example, it would debatably be highly unlikely for a person suffering from a narcissistic personality disorder to feel indebted to an organization.

Quite logically, intrinsic factors dominating in job choice have been reported to lead to affective commitment, whereas continuance commitment is the likely outcome of a job choice dominated by extrinsic factors (Meyer & Allen, 1991). In addition, absence of alternative job opportunities was proven to be a very strong predictor of continuance commitment (Allen & Meyer, 1990). Furthermore, affective and normative commitments seem to have a positive correlation with sacrifice orientation, while affective commitment also facilitates concern for quality and willingness to share knowledge (Randall, et al., 1990). It has as well been reported that affective commitment is positively and continuance commitment negatively related to job performance (Meyer et al., 1989).

Poor expatriate management is likely to result in lower organizational commitment, as the expatriate struggles to adjust, thus becomes dissatisfied with the assignment and support received (Naumann, 1993, Breiden et al., 2004). Shaffer and Harrison (1998) surveyed 452 expatriates in 45 countries and found strong support to the preconceptions that the psychological or physical withdrawal of expatriates from their assignments is preceded by inadequacies in job satisfaction, organizational commitment, non-work satisfaction and family adjustment. As expatriates are vastly dissatisfied with the support they've been offered (Li & Tse, 1998, Cigna Global Expatriate Study, 2001, Britt, 2002, Stahl et al., 2009), the link between poor expatriate management and expatriate failure is clear. Lack of support, both pre-departure training and on-location adjustment, is an indirect but cogent reason for assignment failure (Bhaskar-Shrinivas, 2005, Black, Mendenhall & Oddou, 1991). However, as Hemmasi et al (2010) discuss, expatriate failure is not a straightforward concept, as successful accomplishment of the assignment is often only a part of the story. What happens to those expatriates who manage to complete their assignment up to par, despite of being supported poorly? The positive link between perceived organizational support and affective commitment has been established in domestic literature (Rhoades et al., 2001, Rhoades & Eisenberger, 2002, He et al., 2011). In expatriation context the setting is slightly more complicated, as there are two organizations to consider, the local subsidiary and the parent organization, but results have nonetheless been similar (Liu & Ipe, 2010, Lazarova & Caligiuri, 2001). Accordingly it is reasonable to assume that also lower perceived organizational support would result in lower commitment (Karatepe & Kilic, 2009, Nasr, 2012). Lazarova and Cerdin (2007, p 405) discuss the case of the "frustrated repatriate", which refers to repatriates who leave the organization upon return from expatriation due to lack of proper organizational support. Even though their research focuses on repatriation and career concerns, the results indicate a more general relationship between low perceived support and drop in commitment. In such a case the success of the assignment is actually dependent on whether it includes a developmental goal or not. By definition, in a purely functional (demand-driven) assignment all that matters is how well the assignment is executed and retention of the employee is a non-issue as soon as his/her contribution to the assignment is no longer needed (Pucik, 1997). This type of assignment goal-setting is also referred to as transactional (Yan et al, 2002). However this study focuses on assignments which aim to develop global leadership talent, and are thus learning-driven, emphasizing a relational viewpoint from the organization. For this type of assignment to be successful employee retention is certainly paramount. Thus any drop in commitment would be considered unwelcome.

However, the perception of deficiencies in organizational support does not automatically affect commitment. Siers (2007) studied the cognitive evaluation processes of expatriates and found that the effect on commitment was dependent on the perception of organizational justice. The results indicated that the higher the perception of fairness, the lower the impact of poor support is on commitment. Organizational justice is a three-dimensional construct that encompasses outcome- (distributive), process- (procedural) and behaviour-concerned (interactional) elements (Cohen-Charash & Spector, 2001). Thus the effect on commitment is dependent on the subjective conception of what perceived level of support would be too low to be considered fair, which in turn is largely determined by the psychological contract between the organization and the employee (Tekleab et al., 2005). In other words, not all expatriates expect support, as the matter depends on their perception of the obligations. The concept of psychological contract is of high relevance in the context of this study, therefore the theory will be next shortly reviewed before further discussion of its importance to employee commitment and retention is presented.

## 2.3 Psychological Contract

Psychological contracts are “individual beliefs in a reciprocal obligation between the individual and the organization” (Rousseau, 1989).

Much of the current (post 1980s) interest in psychological contract research can be attributed to the work of Denise Rousseau, inspired by the reducing relevance of traditional employment relationships (Cullinane & Dundon, 2006). However, the origins of the term “psychological contract” trail back to the 1960s and to the research of mutual expectations between employers and employees (Hui et al., 2004). Levinson et al (1962) discovered that when employees spoke about their jobs they repeatedly mentioned their expectations in a manner that implicated the existence of obligations linked to those expectations (Roehling, 1997). Expectations are often conscious, but also unconscious needs for affection, dependency and aggression as well as identity ideals influence psychological contracts through their effect on motivation and behavior (Meckler et al., 2003). Only the expectations that include a sense of obligation form psychological contracts, as not all expectations are contractual by nature (Rousseau & Tijoriwala, 1998).

Essentially the research on the topic covers the examination of the psychological, social and interpersonal mechanisms and individual interpretations of the relationships that exist between two contractual parties (Hui et al., 2004). A psychological contract may include such issues as workload, dignity at work, opportunity for growth, or a general sense of being taken care of (Guzzo et al., 1994). Mundane themes such as when the employee should take ones holidays or be allowed to make personal phone calls are also common examples (Boddy, 2000). In the case of expatriates it is reasonable to assume that psychological contracts are particularly broad, since their lives are commonly extensively tied to their employer outside their working hours as well (Guzzo et al., 1994).

Psychological contracts are by definition unwritten, however the promises contained in them can be based on written text, as well as oral discussion, or organizational practices and procedures (Lester et al., 2001). The concept can be operationalized from the perspectives of either the worker or the employer, or both (Hui et al., 2004). However the fact that the contract resides in neither party but in the interaction between them, and that this complex construct, despite its reciprocal nature, is highly subjective and well hidden can make the whole theory an analytic nightmare, as Guest (1998) suggests. The contract itself is a mental model (schema) which is based on promises and a belief of mutuality, therefore it shares the common characteristics of other mental models, such as stability and durability (Rousseau, 2001). Schemas are large, complex clusters of knowledge about a situation, an event or a person in a generalized form, which influence the way the human mind understands the surrounding world (Matlin, 2009).

Because the psychological contract is a schema, it is influenced by the beliefs and expectations that have formed often well before the mental model itself (Rousseau, 2001). Thus pre-employment beliefs, such as occupational prejudice and prototypes have a big impact on the development of the psychological contract (Rousseau, 2003). This and other characteristics of cognition cause several problems, which will be discussed later on.

An example of psychological contract formulation can be seen in figure 2 below:

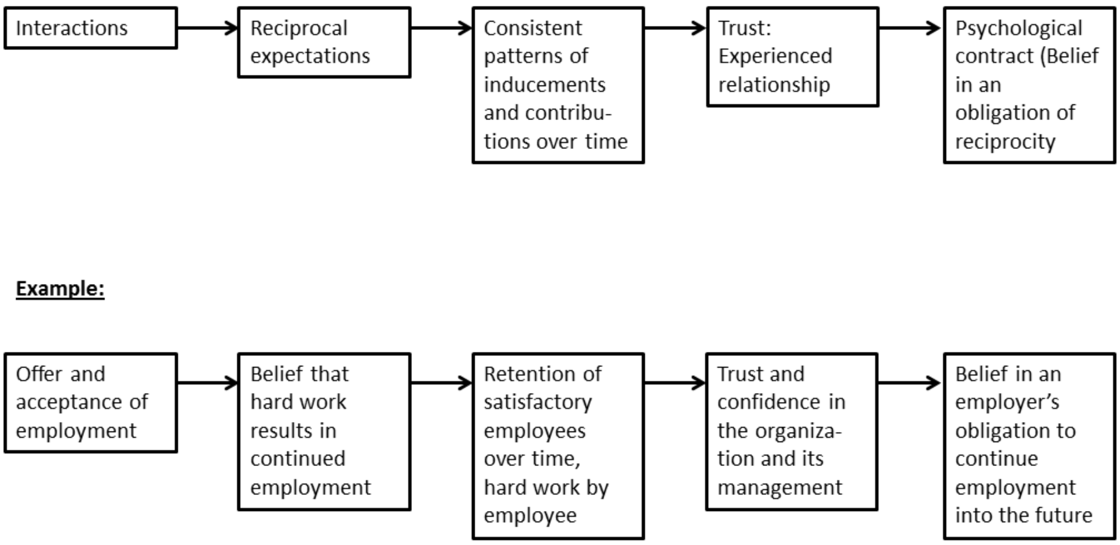


Figure 2. Development of an individual's psychological contract (adapted from Rousseau, 1989, p.125)

A distinctive characteristic of psychological contracts is that they evolve constantly as the employment relationship develops (Robinson & Rousseau, 1994). The level of trust tends to accumulate as a relationship matures, which also deepens the extent of the social exchange (Robinson et al., 1994). This is consistent with the finding that cognitive processes are active by nature, as brains constantly draw inferences and synthesize new information with long-term memory in an attempt to understand observed occurrences (Matlin, 2009). It is also important to note that a psychological contract is based on the perceived obligation of reciprocity of one individual party, and does not necessarily have to be mutual to exist (Rousseau, 1989). Naturally all implicit and explicit clues of the existence of the obligation that the party perceives strengthen the psychological contract. (Rousseau, 1989) A study by Robinson et al. (1994) revealed a significant change in obligation perceptions of business school graduates during their initial years at their employing organization. The results show a perceived decrease in employee obligations and an increase in employer obligations.

Psychological contracts can be divided in transactional and relational contracts based on the scope of their content (Guzzo et al., 1994). A transactional contract includes in its barest form only the specific exchange of contributions and monetary rewards, whereas a relational contract goes beyond this economic trade to cover expectations of a long-term relationship with mutual feelings of loyalty and security (Rousseau, 1990). Typically relational contracts tend to commit both parties better and align motivation to reach common goals, as transactional contracts facilitate a short-term oriented fulfillment of clearly defined goals and are generally more susceptible to uncertainty, such as employee turnover during economic fluctuations (Rousseau, 2004). Transactional contracts have been suggested to be the antecedent to continuance commitment, whereas relational contracts explain normative commitment (Gonzales & Guillen, 2008). Historically relational contracts used to be more common, but the past quarter of a century has seen the transactional type taking over due to increased corporate downsizing and as the labor market has gained more flexibility allowing easier movement between employers (Cullinane & Dundon, 2006). .

The unwritten perceptions and beliefs that form the contracts are by definition highly subjective (Robinson & Rousseau, 1994). Therefore the contract parties may have and most likely do have differing views of what the contract contains and actually means to the employment relationship (Rousseau, 1989). For a simplified example, a promotion may have been vaguely promised for good performance, but even if both the employer and the employee believe such a reciprocity is in place, the term good performance may appear quite different to each party (Robinson & Rousseau, 1994). Parts of the psychological contract are usually implicit, for example the employee may learn it the hard way that one's employer fosters a "long hours culture" that everyone is expected to conform to (Boddy, 2000). In such an example the organization believes that by employing the person he/she is obligated to learn the ropes, which would include being dedicated to the job and not the clock. The main point behind these examples is that explicit promises of reciprocity cannot cover everything in complex social interaction due to cognitive limits and there is always some room for variation in personal judgment (Rousseau, 1989). The human brain is also known to be prone to making slight mistakes as it attempts to keep record of the source of various information, which is called false monitoring (Matlin, 2009). An employee might for example clearly remember being explicitly promised something that was in reality only an assumption made by the employee him/herself, thus developing a psychological contract on false premises. Similarly the contract may become distorted due to an unconscious bias to wishful thinking (Gordon et al., 2005).

Psychological contracts create a basis for trust, which facilitates cooperation (Hui et al., 2004). They can also make the relationships more vulnerable to organizational change, which often is a matter of adapting to an environmental change, thus beyond the control of management (Cullinane & Dundon, 2006). If an individual perceives that the other party does not respond to his/her contributions with actions or rewards that he/she understands the other party is obligated to, the psychological contract is violated, which has a direct undermining effect on trust and good faith and commonly results in intense emotional and attitudinal responses (Rousseau, 1989). The effect is more severe than that of unmet expectations, as has been proven in previous studies (Rousseau, 1998).

However, the effect of violation is quite different depending on whether the contract is transactional or relational. A breached relational contract is likely to result in severe upset and more often employee turnover than is the case with a transactional contract (Rousseau, 2004). It has also been demonstrated, that a violation is more likely to decrease perceived obligations of both parties than to adjust the imbalance by increasing the obligations of the other party, mainly because a person's own obligations are perceived to be more adjustable (Robinson et al., 1994).

Furthermore, a violation of a transactional contract is likely to add to the perceived inputs or contributions of the individual who suffers from the violation, thus decreasing the perceived obligations that person sees he/she is bound to. In practice a violation of a transactional contract would easily result in a drop in effort the person puts in, as he/she no longer feels obliged to do as much as before the violation. If the psychological contract is relational, a violation is likely to change it towards a more transactional direction. (Robinson et al., 1994)

The concept of psychological contract violation is preceded by a psychological contract breach, which is very likely to lead to the perception of violation, determining factors being perceptions of organizational justice and purposefulness of the breach (Morrison & Robinson, 1997; Robinson & Morrison, 2000). Contract violations are fairly common, as a touch over 50% employees surveyed report having experienced it at some stage of their careers, many reporting reneging on promises or obligatory expectations that formed in the beginning of the relationship (Robinson & Rousseau, 1994; Grimmer & Oddy, 2007; Turnley & Feldman, 2000). In a part of a study that investigated the most common violations, a sample containing employees engaged in international business showed most common contract violations were related to training and supervisory support (Turnley & Feldman, 2000).

The effects of psychological contract violation most commonly include a considerable drop in affective commitment (Restubog et al, 2009) and intentions of turnover (Turnley & Feldman, 2000). It has been shown that the perception of the violation as a one-time occurrence would have a less dramatic impact than perception of an emerging pattern, i.e. anticipation of future violations (Turnley & Feldman, 1998). Likewise a perception of purposeful contract reneging is always worse than when it is seen as unintentional action (Robinson & Morrison, 2000). As with all perceptions, violation perceptions are dependent on employee vigilance, which also implies that a person who has experienced violation before is more prone to detect it in future (Robinson & Morrison, 2000). Furthermore, a person's propensity to interpret events in a negative or positive manner affects violation perceptions (Kunze & Phillips, 2011), and a person who has at the time of hiring had multiple employment options to choose from is more prone to spot violation as it happens (Robinson & Morrison, 2000). Even though unmet expectations alone are rather harmless as compared to a psychological contract violation, they are likely to add to the weight of a violation (Turnley & Feldman, 2000).

The mechanisms of psychological contract and organizational justice theories are deeply interconnected and contract violation helps to explain why social exchange relationships are related to turnover intentions (Dulac et al., 2008). In fact contract violation is a form of injustice (Morrison & Robinson, 1997), as a violation involves a perception of unfair distribution of outcomes, i.e. a perception of low distributive justice (Restubog et al., 2009). Furthermore it has been repeatedly recorded that psychological contract violation combined with low perceived justice leads to feelings of anger and resentment (Thompson & Heron, 2005, Robinson & Morrison, 2000, Shah et al., 2011).

Perceived organizational support, which has been shown to increase affective commitment and trust (Dulac et al., 2008), helps prevent undesirable outcomes for employers when perceived justice is low (Siers, 2007) or when a psychological contract has been breached (Zagenczyk et al., 2011).On the other hand, a fulfilled psychological contract alleviates the perception of unfairness (Thompson & Heron, 2005).

A high perception of organizational support also alleviates the negative effects of psychological contract violation (Dulac et al., 2008), and it has been proven that perceived procedural justice, i.e. how fairly decisions are made leads to a higher perception of support and thus lower levels of contract violation perceptions (Tekleab et al., 2005; Turnley & Feldman, 1998; Robinson & Morrison, 2000). However Restubog et al (2009) found that perceived justice alleviates the consequences of low levels of violation, but not high levels of violation, which would imply that the buffering power of perceived justice weakens considerably as the violation becomes more severe. The finding was contrary to previous studies, which concluded that perceived justice alleviates consequences despite the scale of the violation (Kickul et al., 2002; Thompson & Heron, 2005). Thus it can be stated that providing an expatriate with adequate support is important beyond the scope of securing the completion of the assignment through proper adjustment to local conditions. However ensuring favorable non-work outcomes, such as the adjustment of the assignee's family, is very costly, so as companies look to cut costs, Garonzik et al (2000) suggest that the expatriate's perception of procedural justice is paramount to avoiding adverse reactions.

The effects of contract violations depend on the type of relationship between the employee and the employer. The consequences of contract violation are generally worse in relational exchange relationships, because of the bigger contrast between expectations and reality (Morrison & Robinson, 1997; Dulac et al., 2008, Restubog et al., 2010). If the employee expects high justice, the violation is even worse than in the case of a person who does not have high hopes regarding the other party (Restubog et al., 2009). Also in longer relationships expectations tend to be more accurate and the psychological contract more developed, making a violation more severe, as the violator gets no "benefit of the doubt" (Dulac et al., 2008).

Managerial aspirations, which arguably many developmental expatriates have, may influence the formation of a relational contract (Grimmer & Oddy, 2007). Benevolents, i.e. employees who systematically seek to give more than they receive and favor relational contracts react to a mild violation calmly, but strongly to severe violation, especially if perceived justice is low (Restubog et al., 2009). Similarly entitleds, i.e. employees who seek to take more from the relationship than they give, and favor transactional contracts, maintain their low input contribution regardless of the contract violation (Restubog et al., 2009).

The contract type also determines how justice perceptions affect the consequences of a violation. Interactional justice affects the impact of an intrinsic (i.e. relational) contract violation, whereas procedural justice is more important in the case of an extrinsic (i.e. transactional) contract violation (Kickul et al., 2002). Interestingly, as relational contract violation leads to lower commitment and trust, a transactional contract violation seems to have no such effect (Grimmer & Oddy, 2007; Zagenczyk et al., 2011). This is in line with relational contracts correlating positively and transactional contracts correlating negatively with affective commitment (Ali et al., 2010). Thus Grimmer and Oddy (2007) speculate that as a transactional contract may be seen just as the absence of a relational contract, it could be argued it is no psychological contract at all. Nonetheless, as corporate restructuring is likely to result in contract violation, Turnley and Feldman (1998) suggest that in such a case relational contracts should be deliberately avoided. Central obligations of pre-employment beliefs are likely to affect the contents of the psychological contract after organizational entry (De Vos et al., 2009), which makes it important for employers to close the gap between expectations and reality (Robinson & Morrison, 2000)

As a summary of factors that alleviate the consequences of a psychological contract breach, Johnson and O'Leary-Kelly (2003) highlight the importance of making the employee understand that the change was unavoidable, making sure that the contract breach is of small magnitude at worst, and that procedural and interactional justice are in place when the deal is changed. To clarify the complexity, some characteristics of transactional and relational contract types and factors that mitigate of exacerbate a contract violation are summarized below in tables 1 and 2, respectively.

Table 1. Characteristics of transactional and relational contract types

| Contract type | Antecedents | Scope of content | Effect on commitment | Consequences of violation | Emphasized fairness type |
|---|---|---|---|---|---|
| **Transactional** | Boundaryless career –mindset, preference to outputs exceeding inputs, | Work contributions and direct rewards | Antecedent to continuance commitment, negative correlation with affective commitment | Decreased own obligations (reduced effort) | Procedural justice |
| **Relational** | Hierarchical career –mindset, preference to inputs exceeding outputs, managerial aspirations | Long-term loyalty and security | Antecedent to normative commitment, positive correlation with affective commitment | Severe upset, turnover intentions, decline to transactional contract type | Interactional justice |

Table 2. Mitigating and exacerbating factors of psychological contract violation

| | |
|---|---|
| **Mitigating factors of occurred violation** | perception of incident uniqueness, perceived inadvertence, high perception of justice, high perceived organizational support, low expectations of justice, |
| **Exacerbating factors of occurred violation** | perception of an emerging pattern, perceived purposefulness, low perception of justice, high expectations of justice, longevity of the relationship, |

The tendency of employees to develop transactional or relational contracts with their employing organizations is partly dependent on the career mindset of the individual. Therefore the focus will next turn to boundaryless career theory and the changes that have taken place regarding the formulation of careers.

## 2.4 Boundaryless Careers

> "I was brought up in a house where we were taught that loyalty was very important to the company you worked for. My father gave that kind of loyalty (to his employer) for 30 years. He is now on strike pay receiving $65 per week . . . and really doesn't know if he will have a job tomorrow. So although I was taught to believe in the value of loyalty, my attitude has changed." (Allen & Meyer, 1990, p 14)

Boundaryless careers have been argued to be a response to corporate downsizing and increased layoffs, as people who have been let go have lost their trust in corporations as providers of entire careers and the fear of a similar fate has influenced the attitudes of also the people who have closely witnessed the human side of corporate reorganization. (Defillippi & Arthur, 1994) A lower level of perceived job security has caused individual employees to rethink the locus of career development responsibility and as a result have taken more and more matters into their own hands (Stahl et al., 2009). In a way the willingness to steer one's own career may also partly be a result of a perception of incompetence of organizations to do so. According to King (2004), career self-management may be the only way to navigate the unpredictable, even chaotic organizational life, as the constant turbulence makes it practically impossible for firms to provide sensible career paths to all employees. Interestingly, the impulse for career self-management may also come from the organization intentionally, as some firms prefer their employees to behave this way (Sturges et al., 2005).

As a consequence lifetime employment in one organization is not pursued to the extent it used to be, and individuals build their careers more from independent job experiences that take place across organizational boundaries including stints with numerous different employers (Defillippi & Arthur, 1994). The boundaryless nature also affects the direction of careers, as the traditional upward movement in the company hierarchy is replaced with movements in any possible directions, which are guided by the person's internal idea of where one wants the career to go (Cappellen & Janssens, 2005).

According to the boundaryless career theory, each individual career movement is influenced by factors from three domains, which are namely individual, organizational and global environment domains. The change that has taken place has reduced the role of organizations and turned more focus on individuals. (Cappellen & Janssens, 2005) All the domains are important to understand how careers evolve, but since this study examines the motives of individuals, the organizational and global environment domains are left on the background and the focus is on the individual domain.

The individual domain of boundaryless career variables includes career competencies, locus of career development responsibility and the role of work versus personal life (Cappellen & Janssens, 2005). Career competencies are derived directly from the idea that as a company is a sum of its individual employees, so are its competencies. Therefore the firm competencies of culture, know-how and networks translate to individual competencies of know-why, know-how and know-whom. (Defillippi & Arthur, 1994) Career capital is synonym for career competencies, which perhaps gives a more direct image of the way a boundaryless careerist is suggested to view these competencies: as components of personal market value. (Stahl et al., 2009, Suutari & Mäkelä, 2007)

Know-why competencies refer to the individual's motivation, personal meaning and identification. (Defillippi & Arthur, 1994) An example of the change in attitudes in this regard is the tendency of modern employees to identify one's self independently of the organization. (Cappellen & Janssens, 2005) This is also the competency that active management of organizational culture is attempting to influence. (Defillippi & Arthur, 1994)

Know-how competencies reflect the employee's knowledge, skills and abilities, which accumulate over time and can be developed through training. Know-whom consist of the networks of people one knows. There are three ways in which networks can be exploited: 1) Networks are a resource of expertise, 2) networks are a media to distribute reputation and 3) networks are a source of competitive advantage through learning new knowledge, skills and abilities. The second point contains a possibility for the individual to use the reputation of the company for personal benefit, for example in applying for a job or gaining valuable contacts. Similarly the company networks can be used to benefit the individual instead of the organization. (Defillippi & Arthur, 1994)

Strengths in one or two competencies alone do not make an individual a fully mobile boundaryless careerist. For example a person with plenty of knowledge, skills and abilities and wide network of contacts may not fully exploit one's capabilities if one has no clear idea of what one wants to do or identifies one's self strongly with the employing organization, which in turn prevents a move to a more lucrative position outside the current employer. Or, in a case where the person has a strong sense of know-why as well as plenty of know-how, but only knows a few people outside the organizational limits, one may not have ever heard of the possibilities one could pursue. (Defillippi & Arthur, 1994)

Locus of career development responsibility answers the question of who is in control of the overall direction and individual movements of the person's career. A boundaryless careerist is proposed to be more proactive in terms of career management which implies organizations have lost some of their power in that regard. In line with this is the change in balance of importance between work and personal life, as expatriate candidates give more emphasis to family issues in international relocation decisions. (Cappellen & Janssens, 2005)

Regarding expatriates, the boundaryless career theory grasps three interesting aspects. First of all, the expatriate, if possessing a boundaryless career mindset, may leave the company upon completion of the assignment even if the company has avoided critical mistakes in the process and the entire assignment process has been a flourishing success (Lazarova & Cerdin, 2007). Secondly, the boundaryless career theory helps explain why some employees are more prone to leaving than others, even when affective commitment is the same (Forrier et al., 2009). Thirdly, as boundaryless careerists are by definition more than likely to view their employing organizations as mere tour stops on their way to more compelling assignments, there is a big risk from the firm's point of view that they are being taken advantage of (Currie et al., 2006).

There may also be a reason to believe that at least partly the willingness of a boundaryless careerist to remain at his/hers current organization is in fact commitment to the job instead of the organization. This assumption is drawn from the apparent relation between the knowing why –component and psychological contract type. According to Wittig-Berman and Beutell (2009), a boundaryless careerist possesses a set of work values that favors identification with the profession, not the organization. This suggests that they are by default more prone to developing transactional psychological contracts, simply because relational contracts would imply identification with the organization (Rousseau, 1990). A further implication of the connection between identifying with either profession or organization and the scope of the psychological contract is the finding that it is only relational contract violation that lowers the level of identification with the firm, as a transactional contract violation bears no such consequence (Zagenczyk et al., 2011).

The problem with a firm attempting to make long-term plans, such as succession planning, regarding expatriates with boundaryless career mindsets is that even affective commitment to the employer does not prevent them from monitoring the job market. Such findings were made by Ito and Brotheridge (2005) when they studied the effects of company initiated activities that increased the career adaptability of its employees. They found that the increase in career adaptability, which could also be described as personal marketability, did have a positive effect on affective commitment, but even greater correlation with turnover intentions.

Another aspect that makes the career-planning of boundaryless careerist expatriates challenging is the tendency of them to be more critical towards career decisions made for them, in cases such as expatriation where they, being far away from the home office, can only influence the outcomes to a limited extent. A career decision made by a "gatekeeper" may not be fully congruent with the specific aspirations of the boundaryless careerist, thus there lies a great risk of the employee perceiving the situation more negatively than a traditional careerist who expects to have less control over career moves (King, 2004). Therefore a boundaryless careerist is likely to be exceedingly vigilant regarding any such incongruity.

To return to the case of the frustrated expatriate, a psychological contract may be breached either purposefully or unintentionally, and the latter may happen for two reasons. First, it may be that the psychological contracts are misaligned (Yan et al., 2002). This happens when the other party considers the contract to be purely transactional and the other party perceives relational elements to be included. In such a case it is very likely that the relational elements are not met by the other party which results in contract violation. The results of this and other alignment possibilities can be seen in table 3 below.

Table 3. Organization-individual alignment matrix and summary of propositions (Yan et al., 2002 p. 382)

| | | **Individual** | |
|---|---|---|---|
| | | ***Relational*** | ***Transactional*** |
| **Organization** | ***Relational*** | Cell I: Mutual loyalty<br>- High organizational success in expatriation and repatriation (P1)<br>- High individual success in expatriation and repatriation (P2) | Cell II: Agent opportunism<br>- Moderate organizational success in expatriation but failure in repatriation (P3)<br>- High individual success in expatriation but mixed success in repatriation (P4) |
| | ***Transactional*** | Cell III: Principal opportunism<br>- Moderate organizational success in expatriation and low success in repatriation (P5)<br>- Moderate individual success in expatriation but failure in repatriation (P6) | Cell IV: Mutual transaction<br>- Moderate to high organizational success in expatriation and a better chance of organizational success in repatriation than that in the case of misalignment (P7)<br>- Moderate to high individual success in expatriation and a better chance of individual success in repatriation than that in the case of misalignment (P8) |

Secondly, due to the subjective nature of the contract there is risk that even if both parties perceive the contract to be consistently either relational or transactional, the contents of the contract perceptions may vary (Cullinane & Dundon, 2006). In fact, it has been reported that the perceptions of employer’s obligations are especially inconsistent between employees in similar roles within the same organization (Tallman, 2008), which makes the task of knowing what different employees expect borderline impossible for the employer. Thus it would again be probable that a violation would occur, as the other party would quite possibly not even be aware of the breached psychological contract elements. Theoretically both of these types of unwillingly performed contract violations could be reduced by negotiating a specifically tailored individual contract with each expatriate.

## 2.5 Idiosyncratic Deals

"Formally defined, i-deals refer to voluntary, personalized agreements of a nonstandard nature negotiated between individual employees and their employers regarding terms that benefit each party." (Rousseau et al., 2006, p978)

To battle the diminishing organizational commitment of modern employees companies have come up with a way to restore some of that lost loyalty, idiosyncratic deals (Ng & Feldman, 2010). As employees have become the most valuable asset of many firms today, idiosyncratic deals are a tool to both recruit and retain these highly mobile, high market value employees (Rousseau, 2001) The general intention of these contracts is to benefit both the employer and employee (Anand et al, 2010), and are based in psychological contract theory (Nikolaou et al., 2007). The underlying principle is to reward, motivate and retain a high-performing or valuable employee by negotiating specifically those individual contract terms that the employee values, thereby creating better employment conditions (Rousseau et al., 2006). Thus the direct visible result of idiosyncratic deals is, simply put, employees in similar roles receive differing features for their contributions (Rousseau, 2001). However, there is a significant difference between idiosyncratic deals and favoritism or unauthorized arrangements, which is apparent in the comparison of i-deals and other person-specific arrangements that can be seen in table 4.

Table 4. Comparison of characteristics between I-deals and other arrangements (Rousseau et al., 2006, p980)

**I-Deals Compared to Other Person-Specific Employment Arrangements**

| | Employment Arrangement | | |
|---|---|---|---|
| Feature | I-Deals | Favoritism or Cronyism | Unauthorized Arrangements |
| Allocation | Negotiated by employee | Endowment to employee | Usurped by employee |
| Basis | Worker's value to firm and personal need | Particular relationship | Rule breaking |
| Beneficiary | Employee and employer | Employee and powerful others (e.g., managers) | Employee only |
| Coworker consequences | Effects on perceptions depend on content, timing, and process for creating i-deal | Reduces trust and perception of procedural and outcome fairness | Reduces legitimacy of organizational practices |

However, it has been noted that the excessive use of idiosyncratic contract arrangements may actually undermine trust and cooperation (Broschak & Davis-Blake, 2006). Similarly, Ng and Feldman (2008) argue that the power of i-deals regarding the improvement in organizational commitment lies in the perception of contract replicability. According to their theory, an individual's assessment of the uniqueness of the psychological contract with their employer is critical to commitment. Therefore if the employee believes that the contract could not be attainable in another organization, loyalty to the current employer is higher and violations of the psychological contract have less serious implications.

An idiosyncratic deal has the potential to change the psychological contract type from transactional to relational, especially in the early stages of psychological contract development when it is more susceptible to changes (Lee et al., 2011). This may happen in several manners. First of all, idiosyncratic deals increase affective commitment directly (Hornung et al., 2008) and indirectly by increasing the likelihood of psychological contract fulfillment (Sturges et al., 2005). Secondly, as the probability of an unintentional contract violation decreases, so does the resulting organizational disidentification (Zagenczyk et al., 2011). However, Rousseau (2001) suggests that if all benefits are negotiable, then there is a risk of the relationship turning transactional, thus promoting a certain non-negotiable standard package of benefits. Thirdly, as many managers are deliberately ambiguous when expressing employer obligations in an attempt to create flexibility, an idiosyncratic deal would through the elimination of such behavior facilitate an atmosphere of trust (Tallman, 2008). Fourthly, even though the research on the antecedents of justice expectations is still in its infancy, Bell et al (2004) safely suggest that direct experience of justice breeds expectations of justice. An idiosyncratic deal is a written contract that materializes the obligations of the psychological contract and presumably reduces the likelihood of distributional injustice by adding weight to its consequences. Thus it may be argued that an idiosyncratic deal promotes expectations of justice. However, consistency in human resource practices creates a sense of procedural justice and as idiosyncratic deals may in some cases undermine it, criteria for benefits and inducements should be made very clear (Rousseau, 2001). Moreover, an idiosyncratic deal based on a careful evaluation of the psychological contract decreases its subjectivity, because when the reciprocity of the employment arrangement is made consistent and clear, people do not feel the need to read between the lines and misinterpret the psychological contract by doing so (Lee et al., 2011).

Thus there are two ways for the psychological contract of a developmental expatriate to be mistakenly violated, either due to the misalignment of the psychological contracts or misinterpretation of the contents of the contracts. Theoretically, an idiosyncratic deal answers to both of these problems. First, it is argued to deepen the employment relationship and thereby align both psychological contracts to relational types, mainly by increasing the affective commitment of the employee (Hornung et al., 2008; Sturges et al., 2005). Secondly, it gives a more realistic and outspoken view to both parties of what actually is going to happen throughout the process regarding specific contributions and inducements, reducing subjectivity of the psychological contracts (Lee et al., 2011). However, due to bounded rationality, it may be very challenging to produce a watertight idiosyncratic deal that matches the psychological contracts accurately enough not to cause problems when unexpected difficulties arise during the assignment. Therefore it has to be examined which parts of the entire process are most likely to cause misinterpretations of obligations so they can be included in the idiosyncratic deal negotiations.

## 2.6 Summary of the Literature Review

Modern requirements for international business leaders demand first-hand overseas experience and companies around the globe are struggling to find suitable candidates for key positions, as the supply of internationally savvy business leaders drags behind the increasing demand (Prewitt et al, 2011). Further, the competition for these scarce human resources has tightened as the necessity of international leadership talent has been widely recognized (Lloyd’s Risk Index 2011). The two ways to acquire international talent include hiring a person with sufficient experience, or developing existing employees by sending them on internationals assignments (Daily et al., 2000). The grooming option is preferable due to candidate assessment (Byham, 2000), cultural fit (Dempsey & Epstein, 2001) and personnel stimulus reasons (Ulrich & Smallwood, 2007).

However, making developmental expatriate assignments work is an art in itself. The numerous problems that firms currently face in the process include shortcomings in assignee selection(Anderson, 2005), cultural and lingual pre-departure training (Katz & Seifer, 1996), adjustment to working and living conditions abroad (Farh et al., 2010), general on-location support (Aycan, 1997), various spouse and family issues (Avril & Magnini, 2007), and finally repatriation and integration back to home organization (Lazarova & Caligiuri, 2001). Measuring success in these phases cannot be based on a vague overall estimation of expatriate failure avoidance, generally calling the assignment a success if the expatriate doesn’t return prematurely and the assignment is completed within set time, quality and budget goals (Lee, 2007).

With the long-term developmental goal in mind, the commitment of the assignee and his/her intentions to stay cannot be overlooked (Tung, 1998). This aspect then brings the psychological contract of the expatriate in play. As inevitably some mishaps are bound to occur during the assignment and by no means would it be economically viable for the employer to try to smooth out every bump on the road, it becomes critical to understand how the employee interprets the distribution of obligations in those situations (Garonzik et al., 2000; Siers, 2007). Regarding the expatriate’s commitment and long-term intentions to stay and advance in the organization it makes a big difference what the employee believes the company has promised him/her, thus to what extent the expatriate holds the firm responsible for the adversity (Tekleab et al., 2005).

The scope of the psychological contract is of great importance as well. The employer, due to their developmental aspirations, perceives a relational psychological contract by default, which includes obligations that extend beyond mere economical transaction (Guzzo et al., 1994). Thus if the assignee perceives only transactional obligations there is a considerable risk that he/she will leave the company upon the completion of the assignment to explore other opportunities elsewhere (Yan et al., 2002).

The tendency to form relational or transactional contracts is related to the career orientation of the employee. A modern boundaryless careerist avoids building long-term relationships with one employer and identifies with the profession instead, building one's career by navigating from one job to the next, regardless of organizational boundaries (Defillippi & Arthur, 1994; Cappellen & Janssens, 2005). Understanding how to commit these types to long-term relationships is critical, as there is no guarantee that even a satisfied boundaryless careerist will stay with the firm in the probable case in which an attractive opportunity somewhere else presents itself after the assignment is completed (Lazarova & Cerdin, 2007; Wittig-Berman & Beutell, 2009).
To answer the problems of unintentional psychological contract violation and defining the sufficient amount of support it has been suggested that each expatriate is tailored an idiosyncratic deal that encompasses the main obligations of the psychological contract between the employer and the employee (Nikolaou et al., 2007; Ng & Feldman, 2010). Such a contract would potentially align the psychological contracts to suit the developmental goals of the expatriation (Hornung et al., 2008; Sturges et al., 2005) and reduce subjectivity regarding the perceptions of obligations (Lee et al., 2011). However, due to bounded rationality it is very likely that the idiosyncratic deals are foredoomed to inadequacy without a thorough investigation of the key obligations that make or break the commitment of the expatriate.

In figure 3 below the career attitude of the individual is illustrated to influence the psychological contract between the expatriate candidate and the MNC. Both parties have their own perceptions of the critical elements of contract, breeding the risks of misalignment and misinterpretation of the psychological contract, which in turn have an effect on organizational commitment and ultimately the success of developmental expatriate retention. However, the use of the idiosyncratic deal and its main objectives to align the contract perceptions and improve mutual interpretation of the obligations remains unknown at this stage, and will be dealt with by the empirical section of the thesis.

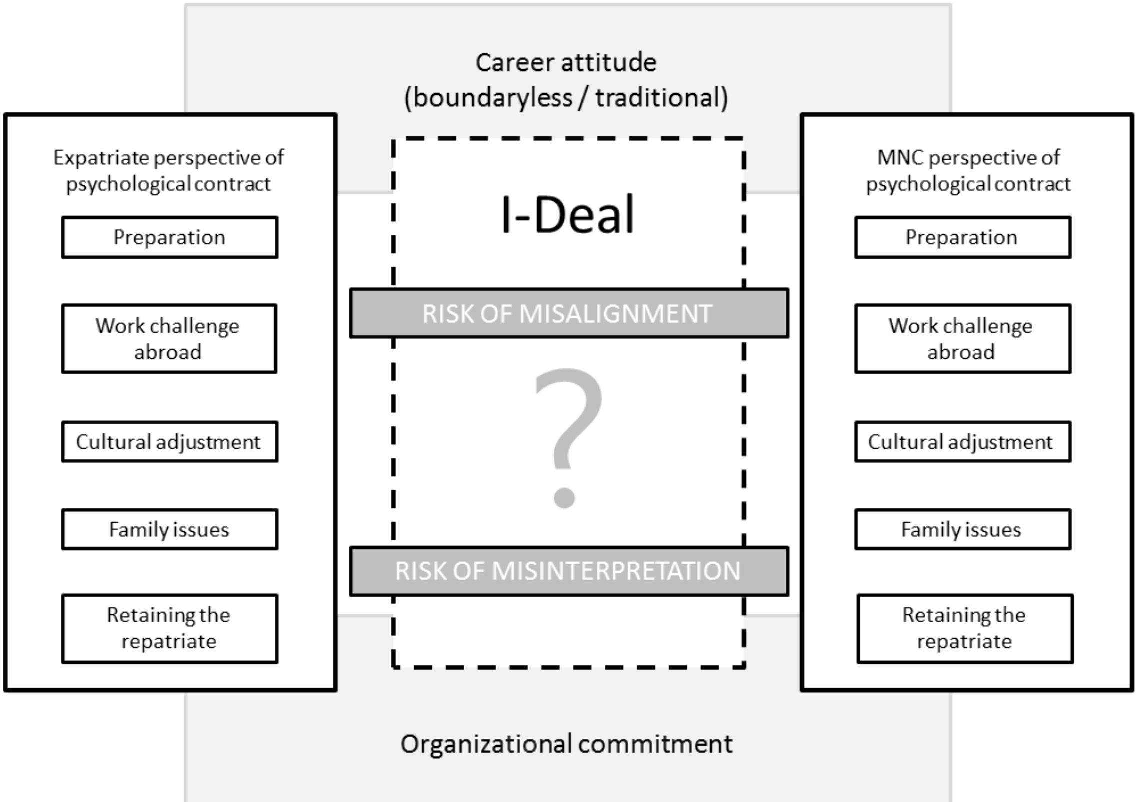



Figure 3. An illustration of the role of the idiosyncratic deal.

# 3 RESEARCH METHOD

To answer the research question I had to somehow obtain the opinions of expatriate candidates on the parts of expatriation that the literature considered critical to success, and what they thought about the reciprocal obligations and their connections to commitment in the process of developmental expatriation. I also wanted to distinguish those candidates who possess a boundaryless career mind-set from the more traditionally thinking types, to be able to identify the important differences in the idiosyncratic contract objectives of each. Therefore I chose to use two methods, to interview the candidates and have them take a small survey in order to determine their career attitude. In this part considering the methodology of the study I will first discuss the choices made regarding the unit of analysis and sampling. Then the focus will be on how the data for this thesis was collected and issues related to the chosen interview method will be reflected upon. Finally the decisions related to analyzing and interpreting the data are covered and the quality of the research is discussed in terms of reliability and validity.

## 3.1 Unit of Analysis and Sampling Decisions

The second objective of my thesis is to investigate how expatriates interpret and understand the mutual obligations that exist between them and their employers to find the key elements of idiosyncratic deals in the expatriation context. The focus is on which elements constitute these psychological contracts and would be essential to the idiosyncratic deals offered to them. A hasty assumption would then be that expatriates are the unit of analysis. However, the problem with investigating expatriates is that they all have one thing in common: they all have accepted to go on an international assignment. Employees who have accepted expatriation view the costs and benefits of an assignment favourable to them, as it can be argued that otherwise they would have rejected it in the first place. In the case of employees who reject expatriation the negatives associated with the career move outweigh the positives. This assumption opens up the question whether the balance is opposite to those who accept the assignment only because of individual variance in emphasis of decision-making criteria, or because there is difference in the selection of relevant criteria. In other words, the ones who reject may include other elements in their consideration than the ones who accept.

Naturally it goes without mentioning that decision-making criteria are always subjective as no two people are the same. Nevertheless, studying only employees who view the trade-off as beneficial (and decide to accept) results at best in a description of specifically their psychological contracts. Presently the trend is that high-potential employees are harder and harder to lure into acceptance of expatriation (Hippler, 2009). Consequently there are volumes of good candidates rejecting offers of international assignments, and their interpretations of the psychological contracts are equally relevant to this thesis. A hypothetical example of this is an employee who gives high value to job security and family life, who nonetheless wants to progress in one's career. This person may hold a strong belief that by working hard and showing loyalty to the company he/she is entitled to take time off to spend with one's family, without risking career progression. In such a case the person might reject an international assignment as he/she would see it not fitting that belief. Summarizing the above discussion, by studying expatriates I would risk excluding some interesting elements, because the people who value these elements are not accepting the assignments.

In addition to attempting to enrich the scope of obtained data by including people who ultimately see expatriation as a negative move, previous literature enables the selection of interviewees based on their career attitude. A small survey is used to distinguish boundaryless careerists from more traditional, hierarchically advancing employees to make sure both types are present in the thesis. The survey is developed by Briscoe & Hall and presented in their 2005 published book "Protean and boundaryless career assessment collection" and has been validated by further studies (Briscoe et al., 2006). Boundaryless careerists are argued to be more opportunistic in their career movement (Stahl et al., 2009), which leads me to believe that their interpretations of mutual obligations with the employer are also different from the traditional types. The intention is not to compare the two or find out which type would be more suitable to an international assignment, but to make sure the collected data includes a richer array of psychological contract elements.

### 3.2 Selection and Contacting of Interviewees

The initial plan was to contact the expatriate candidates through their firms. More specifically, HR managers were to be asked to provide contact information of employees they would consider to be possible candidates for expatriate assignments. This gives some power to the managers to affect the results of the study, but the risk is acceptable since they are presumably the most knowledgeable experts on the matter. Once the contact information of the assorted employees was received, a short email invitation was sent describing the study and the role of the interviewees in it. At this point it was made clear that all the individuals accepting the invitation would be given the short career attitude survey and some of the participants will be interviewed in more detail. The selection criteria for the interviews will be explained further in the chapter. The firms that were contacted are multinationals operating in Finland and were selected based on an online search.

Age is irrelevant for the selection of the interviewees, since there is no meaningful way to limit developmental expatriates in this fashion. Naturally individual differences in employees and variation in the needs of the companies determine how old an expatriate is. A more sensible way to distinguish suitable interviewees is to ask the hr managers to specifically filter those potential expatriates, whose assignment would be in a significant part based on leadership development, instead of functional needs such as filling a shortage of expertise overseas. The main idea was to interview those employees, who the company wishes to build a long lasting relationship with. Even if the classification is based on the possibly sketchy judgment of the hr manager, it is likely to increase the probability that at least some of the interviewees are high-potentials, whose resignation after a presumed expatriation would hurt the company to some extent.

The study is limited to include only employees who are Finnish to reduce the effect different cultural backgrounds would have on the results. Also, there is a practical benefit related to this decision. The interviews can be entirely conducted in Finnish, which ensures the smoothness of reciprocal verbal expression. There could be important deficiencies in both the amount and quality of data that the interviewees would be able to give, provided the discussion would be held in English for example. Also the use of native language is assumed to facilitate the accuracy and depth of follow-up questions made by the interviewer, as well as improve the overall efficiency in terms of making most out of the time available for the meetings. Furthermore, the common native language is likely to assist in building an atmosphere of rapport and trust (Welch & Piekkari, 2006).

The number of individuals interviewed was determined by the judgment of the researcher during the interview phase based on the following criteria. First of all, the minimum number of subjects is four. This is the smallest quantity which enables the occurrence of a boundaryless careerist willing to go on an assignment, a boundaryless careerist not willing to go, a traditional careerist willing to go and a traditional careerist not willing to go. The first two individuals who agreed to be interviewed were interviewed regardless of their career attitudes. One of them was a boundaryless career type while the other demonstrated a traditional hierarchical career orientation. After these first two, it was planned to be considered whether a need for specifically the other type of career attitude had arisen. For example, if the first two interviewees had been both strongly boundaryless career –oriented and willing to go on the assignment, emphasis in the selection of the next interviewees would have been put on finding a traditional type. On the other hand, if both of the first ones had been boundarylessly oriented, but differed in their willingness to go, the third interviewee would not have to be a traditional type, since in that case even a third boundaryless type might have brought some new aspects into the discussion. This would have been the procedure in the ideal situation, where plenty of suitable interviewees are available and there is variance in their career attitudes. However the task proved to be too difficult, due to trouble obtaining ideal interviewees, and the criteria was thus to be reconsidered. Eventually the interviewees included two boundaryless types and two traditional types.

Both boundaryless types were willing to go as well as one of the traditional types, while the other traditional type would not. However it was thought out that even though the presumption is that a broader variety of subject career attitudes and tendencies to accept expatriation will yield a more complete description of the psychological contracts, it does not necessarily mean that the results are automatically weaker should one or the other type be dominant amongst the subjects. Interviewee selection criteria are summarized in table 5.

Table 5. Interviewee selection criteria

| Selection criterion | Justification of criterion |
|---|---|
| Leadership potential | Representativeness of developmental expatriation |
| Finnish citizenship | Similar cultural background / improve quality of interviews |
| Career orientation | Include both boundaryless career and traditional types |
| Willingness to go on expatriation | Include both willing to go and unwilling to go / enrich scope of data |

## 3.3 DATA COLLECTION AND INTERVIEWING TECHNIQUE

The chosen methods of data collection are a short survey and qualitative semi-structured interviewing. The survey and the interviewing guide can be found in the appendices section. The results of the survey were directly attained from the scores that were added up, a higher score indicating a more boundaryless attitude and a lower score translating into a traditional attitude. With the chosen interviewing setup I intended to reach some depth in the conversation to ensure the interviewees share as much information as possible on the topic.  However, due to my lacking experience as an interviewer I did not wish to engage in a completely unstructured form of interviewing, as there would have been a greater risk of the conversation going a direction that is irrelevant to my thesis topic.

The interviews were divided in interpreting current psychological contracts of the employees and several themes based on the phases of expatriation. These phases are pre-departure, adjustment, performance of duties abroad and repatriation, including topics regarding family issues, company support, psychological contract and commitment. The themes are directly derived from the theoretical framework of the thesis, as Tuomi and Sarajärvi (2009, p.75) suggest. An issue arises here regarding the sensibility of collecting data about a phenomenon that is mostly speculative. Naturally the prediction of future obligations is not as accurate as descriptions of obligations that have fully formed. Despite this the anticipations of obligations serve as a foundation for future psychological contracts, which makes studying them worthwhile. The difficult part here is to separate components of psychological contracts from mere expectations, as the difference of the two is clearly explained in literature (Guzzo et al., 1994)

The idea behind going through each phase is to help the interviewee discuss what he/she would consider to be the key obligations throughout the expatriation. This also narrows down the area the interviewee is attempting to visualize. By simply asking what the person would expect the trade-off of obligations to contain in the entire assignment, many elements might remain hidden due to the complexity of the concept. The point that these elements only exist as assumptions in the minds of the interviewees further highlights the role of the interviewer as a guide.

A set of standardized questions was made that was presented to each interviewee to ensure that the selected topics are at least covered to a certain extent. These questions were designed to be very generic and closely related to the issues stemming from the earlier literature. In addition the interviewees were given a chance to elaborate on aspects that appeared during the process. The intention of the interviewer was to attempt to spot interesting points and ask further questions about them and give freedom to the interviewees to talk about matters they want to open up, as long as it serves the purpose of the study.

Moreover, at the end of each interview the subjects were presented the question of whether they would be ready to embark on an expatriate assignment considering the earlier conversation and the assumption that the company is willing to build a relationship with them. This question could have also been asked in the beginning of the interview, but since the conversation itself may in the best scenario lead the interviewees to discover hidden standpoints that shed light on their thinking, it was decided to be saved to the end. For example a person who prior to the meeting has a very confused conception of the matter may realize during the discussion that an expatriate assignment would in fact fit one's career aspirations and situation in life, or vice versa, would probably give a different opinion before and after the interview. Furthermore, if the interviewees were to be asked both at the start and after the meeting, then there is a risk that the earlier opinion influences the latter one, thus possibly affecting the answer in an undesirable fashion.

All interviews were recorded on audio tape after the interviewees had given the permission to do so. Time of the interviews was restricted to approximately an hour each, to improve the chances of finding interesting subjects. It was thought that people may be more tempted to take part in a study that doesn't take too much of their time and longer interviews might cause scheduling problems on the behalf of the interviewees. Also, shorter time frame contributes to keeping the conversation within the realms of the thesis topic. This was also thought to help in the transcription and analysis phases, as there would be less insignificant filling amidst the material. Regardless of the suggestive timetable the interviews were not meant to be cut short at the one hour mark if the interviewee were in the middle of discussing an interesting viewpoint and does not bother discussing the topic further than what was originally planned. As Berg (1998, p73) expresses, "length is a relative concept when conducting interviews. Some topics and subjects will produce long interviews while others will create short ones."

Since a substantial part of the research focuses on issues that have not yet taken place in their lives, it was pondered that it may prove too difficult for the interviewees to extensively discuss the matter unless they are given a chance to prepare for the interview. Tuomi and Sarajärvi (2009, p72) suggest that to increase the probability of success in this type of data collection, it is preferable to distribute the questions or interview material to the interviewees well beforehand. However, there is no guarantee that the interviewees have the best of the research in mind (Alvesson, 2003) and may subconsciously think of ideal responses, which they suppose the researcher or the audience of the study wish to hear. The decision was to not inform the interviewees of the questions, but the problem of "ideal answers" still remained. A classic example of this would be the underestimation of financial benefits and increased pay in general as a result for personal development during the international assignment. To avoid such misinformation, the interviewees were encouraged to prepare to speak exactly what they individually think and by emphasizing that there are no right or wrong answers in this study. In fact, from the perspective of this thesis it is rather expected that individuals seek to maximize their own wellbeing. What make this research interesting are the differences in how they think they can manage that task in the context of expatriation. Having said that, I must declare that by maximizing one's own wellbeing I mean the pursuit of matters the individual sees valuable. For someone this may mean a fast development to executive level and high salaries jumping from company to company while chasing that goal, whereas another person may wish to build a strong relationship with one firm where one feels he/she belongs to.

## 3.4 Pre-Analysis, Analysis and Interpretation

According to Saaranen-Kauppinen & Puusniekka (2006), the decision regarding whether to focus the analysis on what is being said in the interviews or how it is expressed should reflect how accurately the material is transcribed and coded. Ultimately the decision of analysis focal point is guided by the research question. Based on these premises the transcription of the material was conducted in Finnish and on a level that leaved out all repetition of words and stuttering to include only meaningful sentences. The thesis is after all about the psychological contracts of the employees, and not about how the subjects discuss them. Thus a clear decision was made to adopt a standpoint that emphasizes realism over relativism. It has been however noted, that these two perspectives may to some extent be used in an overlapping fashion (Saaranen-Kauppinen & Puusniekka, 2006). The transition to such point of view was considered a plausible option if the collected material would awake a significant interest to move to that direction, however it was not considered reasonable, regardless of the study not being purely realistic in that sense either. The realistic approach also allows the material to be translated to English at any stage, as the intention is not to analyze verbal expression. To facilitate the fluency of coding the data and arranging it to themes as well as interpreting it, translation to English was done only just at the reporting stage.

Once the interview data was transcribed and ready for analysis it was examined for classes that occur naturally throughout the material. These classes were based on recognized patterns and also include subclasses. Tuomi and Sarajärvi (2009, p107-108) list three ways to conduct this content analysis: inductive, deductive and abductive. The inductive method emphasises the material itself as the source of the classes and subclasses, whereas the deductive process adopts them from existing theory and focuses on reflecting and contrasting the material against it. From these my study could perhaps be well supported by the inductive method, since the goal is to delineate which elements constitute the psychological contracts of the subjects. Also, there is existing theory that the results of this study presumably share some common surface with, but is also arguably outdated and partly irrelevant to be directly applied to expatriation. However, I did not conduct the interviews without previous knowledge of the main topics of the thesis and could not help but steer the conversation to suit those purposes, thus the most suitable approach is the abduction method, in which the beginning of the analysis is conducted similarly to the inductive method, but at later stages the existing theory is brought into examination and a possible outcome is the addition of classes to the existing theory (Tuomi & Sarajärvi, 2009, p117-119).

After the classes and subclasses had been formed, an indexing system was created by systematically using each class and subclass to organize the data. Berg (1998, p92) recommends that the material should be preferably coded by at least two individuals to ensure the categories rise from the data independently of the researcher, or that the classification does not reflect something the researcher wishes to see. Unfortunately I had to conduct this process by myself, so I was under pressure to pay special attention to remain objective. The system was designed to include the name of the class, division into subclasses and short descriptions of the occurrence. The description consisted of the number of the interviewee, pages in the transcript and a short citation to help locating it in the future. An example of the method can be seen in table 6 below.

Table 6. Transactional rewards in expatriation (example of coding system)

| **Salary** | **Career capital** |
|---|---|
| #2, p. 13: *"In my opinion there has to be a considerable increase in pay once you move overseas, there has to be…"*<br><br>#1, p. 2: *"I'm not really that interested money, for example if I received half of what I get now, it wouldn't bother me much at all…"* | #3, p. 18: *"…you definitely need freedom to make your own decisions, because your leadership skills won't develop if there's always someone telling you exactly how to do things…"*<br><br>#1, p. 7: *"I would go on expatriation just to be able to get a better job afterwards, with this firm or somewhere else"* |

This procedure was the first step of content analysis that was be performed to prepare the material to such a form that allows the arrival at conclusions and further discussion of how the findings relate to previous literature. Tuomi and Sarajärvi (2009, p103) point out the common flaw in analyses in qualitative studies, which is the false belief of the researcher that the often quite burdensome and time-consuming content analysis is equal to the results of the study, whereas the actual results are to be found after that process. Saaranen-Kauppinen & Puusniekka (2006) argue that the researcher has to go beyond the analysis to interpret and discuss what can be inferred from it. However a thorough content analysis offers a solid foundation for building interpretive arguments.

Berg (1998, p244) mentions the ineffectiveness of content analysis to prove causal relationships between the variables to be one of its weaknesses, but this is not an objective of this thesis anyway. According to Alasuutari (1999, p34) this is the task of quantitative studies, and to pursue those goals this research would have to be followed by one, to further investigate the prevalence of the discovered psychological contract elements and the causality between an idiosyncratic deal (that is based on the results of this study) and organizational commitment.

In the beginning of the analysis the interview material was thus screened out to highlight when specifically important topics were discussed. The relevant importance of these topics was subjectively assessed by the author of the thesis and was based on knowledge gathered during the composition of the literature review. The areas that were then selected as the focus points of analysis are 1) career attitude and meaning of work, 2) general view on expatriation, 3) preparation and support during expatriation, 4) family issues, 5) financial compensation, 6) relationship with the firm, and 7) thoughts on negotiating an idiosyncratic deal.

The justification of selecting these focus areas are as follows. Career attitude and meaning of work is considered helpful to understand what role work has in the lives of the interviewees and thereby it aids in evaluating further discussion on topics that are more tangibly related to actual expatriation issues.

The next two focus areas are specific discussion on knowledge and expectations of expatriation and preparation and support. First, the topic is more generally covered and this part of the analysis concerns anything expatriation related the interviewees have brought up in the discussions, excluding the more specific topics of preparation and support which are analyzed as their own entity. All interviewees have no prior experience of expatriation, which means their thoughts are purely based on expectations, some of which may include obligatory elements. Therefore they represent the focal employee of the study, the one who is on the verge of making a life-changing career move that includes all kinds of risks for both the employer and the employee oneself.

Family has increased its importance regarding employees refusing to take on long-term international assignments and family related problems are widely reported to be of a major concern to expatriates (Punnet, 1997). Similarly to understanding the role of work in an employee's life, it is equally valid to include discussion of family, as it is commonly known to counterweight working life.

Discussion on financial compensation is mainly rooted in the division between relational and transactional psychological contract types (Yan et al., 2002), or more specifically equivalent obligatory elements in the contracts. The idea of bringing it under the analytical lens is related to the assumption that there are vast differences between people in relation to their attitude towards money and financial rewards of their contributions to an employer. Supposedly some individuals are eager to demand bigger paychecks while others look forward to other, perhaps less material gains. Therefore there would also be differences between these people in what they mainly expect from an expatriate assignment. Arguably a person interested in higher pay would see expatriation as an effective way to achieve a better paying position, while a person looking for challenges and opportunities to grow would perhaps seek career advancement, although for slightly differing motives.

However, proving the existence of any such causality is beyond the scope of this thesis. That being said, it is relevant to the research question as it is closely related to formulation of the idiosyncratic deal. It would make more sense to offer a person interested in high salaries a more transactional contract, but it cannot be stated without deeper analysis whether this person should be offered a contract which includes some relational elements as a given, or should all relational elements be negotiable. Likewise, the existing relationship with current employer attempts to capture any thoughts the interviewees have about relational elements of the psychological contract. Again, it is assumed that some employees are rather cold in their attitude towards their organization and see it merely as a means of earning a living. On the other hand there may be people who identify strongly with their employer and show signs of affective commitment.

The last part of analysis is formed by any discussions directly related to idiosyncratic deal elements and the development of the key elements and objectives of the idiosyncratic deal in developmental expatriation.

### 3.5 Validity and Reliability

Much of the data obtained in the interviews was presented accurately in the discussion and analysis section, to allow the reader to follow the interpretation of the researcher, which increases the validity of the study (Smith, 1996; Pratt, 2009). Furthermore, the material used from each interview were sent back to the interviewees to check the accuracy of interpretations, to make sure the answers were not misunderstood by the researcher. Also, the use of the boundaryless career attitude survey added to the validity of the study through triangulation effect (Smith, 1996), as the interview data could then be contrasted with the career literature as well.

The interviewees were specifically encouraged to say exactly what was in their minds regarding any given subject and to avoid thinking about issues such as the social acceptability of their answers to add to the reliability of the research (Saaranen-Kauppinen & Puusniekka, 2006). Full anonymity was provided, including the opportunity to screen the interview data they had provided, so they could be sure of their anonymity and respond as truthfully as possible to the questions. Moreover, the boundaryless careerists that were interviewed were internally consistent as were the traditional careerists, and alternative readings of the data were included in the discussion and reflected to theory, implying that there was internal coherence in the study (Smith, 1996).

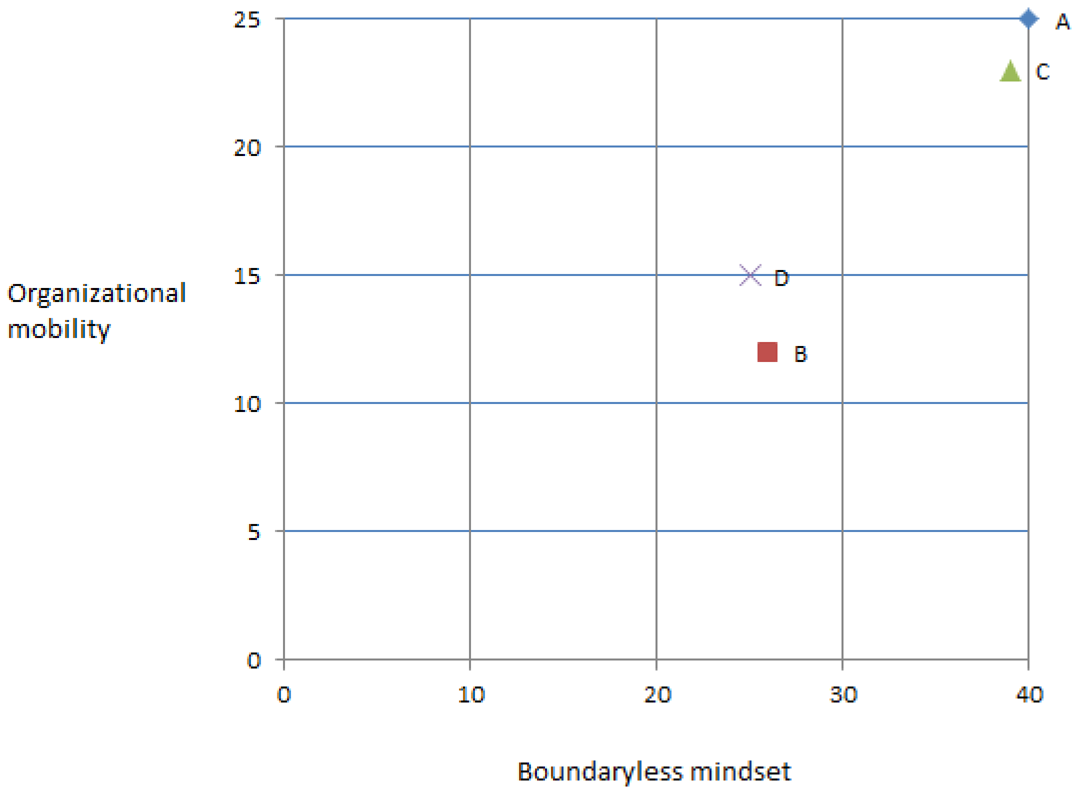
# 4 EMPIRICAL FINDINGS & DISCUSSION

The empirical data of this thesis consist of four interviews and a career attitude survey. The interviewees worked in different parts of Finland, in varying fields of business. Interviewee A is a female, was 36 years old during the time of the interview, lived in a relationship (unmarried) and had worked for her company for three years. Interviewee B is a male, 38 years old, married with children and had worked for current firm for 15 years. Interviewee C is a male, 24 years old living in a relationship (unmarried) and had worked for his company for two years. Interviewee D is a 29-year old female, married with children and had spent five years with current employer. The interviewees were coded according to their career attitude (boundaryless = B, traditional = T), willingess to go on expatriation (willing = Y, unwilling = N) and duration of current employment relationship (years). Therefore the interviewees will from now on be referred to as BY3, TN15, BY2 and TY5 respectively.

To determine the extent to which the interviewees represent the boundaryless career orientation, a small survey was conducted at the time of the interviews. The results showed that Persons BY3 and BY2 were typical examples of boundaryless careerists, BY3 scoring 40/40 on the boundaryless mindset and 25/25 on the organizational mobility preference scale and BY2 scoring 39/40 and 23/25 respectively. These two individuals can be said to be highly mobile regarding their attitudes towards employment.

Persons TN15 and TY5 on the other hand indicated a more traditional career attitude, as TN15 scored 26/40 and 12/25 and TY5 25/40 and 15/25. Their scores are close to the midpoint on the scale, which implies they share some characteristics with the boundaryless careerists, but not enough to be fully deemed as such. However, as their scores are not significantly below 50%, it must be noted that they are not totally tied to one organization either. Supposedly such employees are hard to come by in modern employment culture. These results will offer an interesting point of reference to the identification of the key areas of obligations in the psychological contracts and estimating the effects that career orientation has on the scope of those obligations in terms of tendencies to develop relational versus transactional psychological contracts. The results of the career orientation tests can be seen in the figure 4 below.

Figure 4. Career orientation survey results




As per selection criteria, that was determined by the research setting, none of the interviewees had previously been employed overseas. All of them have however had prior experience of interacting with foreign cultures. Person BY3's international track record included several long-distance trips to challenging conditions while working on one's Master's thesis, stints lasting a bit over a month on average. Interviewee TN15 has visited the organization's foreign sites on numerous occasions, person BY2 has lived abroad during university studies and TY5 has had many foreign colleagues while working in Finland.

## 4.1 Career Attitude and Meaning Of Work

### 4.1.1 What Is Expected of Work

All four interviewees mentioned that whatever work they do it must be intrinsically interesting. Person BY3 said it doesn't matter that much what the line of work is, as long as it is not something you hate doing, indicating that the financial reward cannot replace the intrinsic motivation. Person BY2 similarly implied that could not stay home if one was rich enough to do so, or do something boring for living no matter how good the pay was. Person TY5 told that it matters how much task variance the job provides. However, it is not surprising that all four also mentioned money in some form or another. Two, interviewees BY2 and TY5, said directly that money is the prime reason they work, whereas Person TN15 put that it is a good motivating factor on the side. It is noteworthy that organizational commitment literature has identified the importance of extrinsic factors in job search to correlate with continuance commitment, whereas intrinsic factors are likely to precede affective commitment (Meyer & Allen, 1991). It may not fully apply to interviewee TY5 as one made a reference to the general need to work, but BY2 claimed that the motivation to do well at work is derived from the aspiration to reach higher salaries. However, as interviewee BY2 also mentioned the intrinsic reasons to work, it must be mentioned that the literature has studied the correlation of the dominant factor, and in the case of BY2 that would be an extrinsic one and thus promoting continuance commitment. Person BY3 made it very clear that money does not play any role in one's life, as long as one gets paid the same as others and it is enough to pay the bills. Ambitions regarding career advancement formed another topic mentioned by every interviewee. Again, as suspected, not everyone agreed on it. Two said that it is one of their main goals in working life to reach higher positions, which include leading other people. Person BY2 even stated that more than three years in one position would be a bit too long, at least in the earlier stages of career advancement. The other two weren't interested in leadership, but for differing reasons.

Person BY3 didn’t fancy management positions per se, but person TY5 stated directly that because reaching such a position and thriving in it would most likely require excessive devotion to one’s career at the expense of other areas in life, it would not be worthwhile.

Interestingly, both persons BY3 and TY5 emphasized the importance of seeing the results of one’s efforts, and person TY5 even went as far as commenting that sometimes it feels more important than the paycheck one receives. Furthermore, they both talked about what it means to them to continuously learn new things and grow as a person, and that they expect work to provide a platform for that. Persons TN15 and BY2 also touched upon the topic while addressing the willingness to reach higher positions, which could be interpreted as willingness to grow. However, it could also be attributed to other factors, such as pursuing higher salaries, which person BY2 actually indicated. Nonetheless it is fair to say that all interviewees want their work to provide them with growth, be it tangible or intangible. Three of the four said that work should provide a challenge, which is of course closely related to wanting it to be interesting. However person TY5 did not, which could be explained by the tendency of such jobs to follow one home, and person BY2 predicted that while challenge is important now, it may possibly lose its importance as one’s career advances. Other aspects that individual interviewees mentioned but were not mentioned by any others were desire to work overseas, obtaining social connections and receiving a salary that is comparable to the amount of effort put in.

### 4.1.2 What is Being Contributed

Quite logically, three of the interviewees mentioned directly and the fourth indirectly that the main contribution they feel they are giving to their work is time. All acknowledged that most of the waking hours are spent working, person BY2 putting in especially long hours and spending one’s free time learning new duties at work. Person TY5 instead claimed that one doesn’t carry work home, or at least knows how to separate between work and free time. Persons BY3 and TN15 said they have moved across the country because of work and BY3 is willing to relocate overseas if an interesting opportunity presents itself. Person TY5 would also consider moving for similar reasons. TN15 wouldn’t be ready to do so now due to family concerns, but BY2 actually expects to work abroad at some point. Both TN15 and TY5 mentioned the possibility of furthering their studies and perhaps completing a higher degree if it wasn’t for their current employment conditions. Considering the general view of working life, person TN15 stated that it’s a part of any work to have periods of struggle that one must go through.

### 4.1.3 Discussion of the Locus of Career Control

How one sees the role of work in one’s life is related to the extent to which a person is willing to take action to make work suit oneself better. In boundaryless career literature this is referred to as locus of career control (Cappellen & Janssens, 2005). Ideas that the interviewees shared on this theme are analyzed next.

Interviewees BY3, TN15 and TY5 mentioned having applied or having thought of applying to some form of training to improve their chances on the job market. However, person BY3 commented that finding a suitable job in current organization is hard, and that one feels to be one of many who seemingly cannot advance in their organization. This may be a reason for interviewee BY3’s extremely boundaryless career attitude. One has seemingly been caught in the middle of a turbulent organization that is struggling with building the careers of employers, thus conflicting with expectations and promises, leading to frustration and extensive career self-management as theory suggests (Defillippi & Arthur, 1994). However, interviewee BY3’s career orientation prior to current employment is unknown. Similarly, the other boundaryless careerist, person BY2 mentioned that although current advancement opportunities within the organization seem versatile and plausible, one would find it hard to stay in one organization for a longer time period such as 15 years or more. Quite the contrary, person TN15 who scored lower on the boundaryless attitude scale and had stayed with the same employer for over ten years commented to be very patient regarding career development and that internal advancement opportunities seem promising. The same interviewee reported to have applied to other jobs, but within the same organization, whereas the boundaryless careerist person BY3 has applied to several positions both within and outside the current employer. BY3 also implied to watch out for one's personal marketability which also BY2 talked about, by stating that the current project one is involved in is very likely to raise one's market value, and should a significantly better offer be presented person BY2 would most likely leave the organization. Furthermore, BY2 noted to keep oneself aware of what is happening in the job market, to be able to keep one's skillset relevant and up-to-date. There appears to be a difference between the commitment levels of the two boundaryless careerists (BY3 and BY2) and interviewee TN15. As organizational commitment can be defined as the force that inhibits an employee from leaving the employer (Meyer & Herscovitch, 2001), it can be argued that interviewee TN15 is more deeply committed to one's organization than BY3 and BY2. Reasons for this may of course be manifold. First of all, interviewee TN15 has spent by far the most time (over 10 years) with current employer of all the interviewees, and the length of stay in an organization has been proven to correlate with higher commitment (Iqbal, 2010). However, TN15 might have also stayed in the organization that long because being committed. Thus it is unknown which way the causality has worked in this case. Arguably it is a mixture of both; the person has stayed due to commitment and has been committed even more over the years through staying. The matter is relevant, because both of the boundaryless careerist types of the study have stayed with their employers for less than a fifth of the time compared to person TN15. Thus it cannot be determined that is TN15 more committed to the employer due to being less of a boundaryless careerist than BY3 and BY2, or is it simply because of the length of tenure. Furthermore, it can be speculated if interviewee TN15 scored lower on the boundaryless careerist scale because of higher commitment to current organization and the corresponding inhibitions to change employer.

A matter that most likely further contributes to person BY3's eagerness in taking control of one's career is that BY3 considers the human resources policies to be inefficient and inconsistent. On the same topic person TN15 said to understand the realities of human resources and seemingly expected less from that department. Again resonating with the other boundaryless careerist, person BY2 mentioned that the expectations regarding the ability of the human resource department to match an international assignment with a suitable candidate are high, and that any mistakes in such tasks or other issues would not be looked upon graciously. Person BY2 gave the impression that one would not waste time in taking matters into own hands should the organization show any signs of difficulties regarding career development. This implies that person BY2 holds the assumption that the firm has the liability to manage one's career well, in exchange for the person embarking on the assignment. Thus it resembles a psychological contract, which the employer may be unaware of. Furthermore, it appears there could be some difference between the boundaryless careerists and more traditional types in how patient they are with the decisions made by the organization that have anything to do with their careers. It would make sense to assume that a person who likes to actively manage one's career and continuously weighs and speculates about different employment options would also be quite critical of any decisions the employer makes for him/her. A boundaryless careerist is likely to have a stronger opinion of the desirable direction of one's career, which the theory presents as a more developed knowing-why component (Cappellen & Janssens, 2005).

All four interviewees shared the same opinion, that in the case of returning from expatriation they would prefer to know their new position well in advance. However this is quite often not the case in reality (Lazarova & Caligiuri, 2001). Therefore it may be have to be either included in the expatriation contract that a certain type of career advancement will follow, or the firm needs to make sure the expatriate understands that it cannot be guaranteed. Black and Gregersen (1999) suggest that the process of finding a suitable position for the expatriate should be begun as soon as 6 months before return and give the expatriate a say in what one wishes to do and make an evaluation of all the skills learned during the assignment. The interviewees were on the same lines. Persons

TN15 and TY5 would like to influence the characteristics of the new role to some extent, and person BY2 expects the firm to take contact first before initiating any plans, thus giving greater ability to influence the new role. However, person TN15 claimed to understand that it may not be possible to know anything about the new role before returning and would be ready to live with that. This is another hint of a higher level of commitment in the case of interviewee TN15, as tendency to sacrifice behavior is noted to be one of the indicators of commitment (Randall et al., 1990). There would seem to be a difference between the two career orientation types, as the boundaryless careerist again wants to have more control over the next career move, whereas the traditional hierarchical careerist is more willing to trust the employee's decisions blindfolded and take them as they come.

## 4.2 View on Expatriation

The notions the interviewees have on long-term international assignments being used as an international leadership development tool are mostly positive. Person BY3 thinks that international experience is helpful especially in executive positions.

> *"If you think about a person relocating to the Far-East for example and working a few years there, surely it will help you understand the lifestyle and how to survive in the local culture regardless of the type of work you do or in what kind of environment…surely it is an asset."*

On the other hand, BY3 also commented that a lot of the assignments performed overseas include plenty of very basic level duties that don't involve any discussions about the strategic management of multinational enterprises. This notion leads us to discussing the assignment type. If the company sends the expatriate purely on functional grounds, meaning that the underlying reason for sending the employee is to answer to a shortage of expertise overseas or strengthen the link between headquarters and subsidiary, then the assumption above holds. However, if the company sends a person on an international assignment as a part of a succession planning scheme, there is higher probability of other talent grooming elements to be included besides the challenge of adaptation to foreign surroundings (Stahl et al., 2009). However, there is always a risk that an assignment that was designed by the firm to suit the needs of leadership development is mistakenly interpreted by the employee as a functional assignment. This could lead the employee to develop a transactional psychological contract, which would cause further misinterpretations regarding the nature of the relationship between the two parties (Yan et al., 2002). Thus it would be highly important that the employee is aware of the developmental intentions the company has had in mind while planning the assignment. This was also the concern of person TY5, who made a remark considering the riskiness of international assignments to both the employer and the employee. TY5 indicated that thorough attention should be directed towards the planning of the assignment to avoid sending a person overseas with either the employee or the employer being insufficiently prepared or not fully understanding the goals of the assignment.

Person TN15 thought that expatriation would most likely separate the wheat from the chaff, give valuable experience to a leader and widen one's perspective of the world. Perhaps an idea partially behind the comment is that a company could use expatriation as an entrance examination to higher positions, to see who could thrive under pressure and handle the diverse problems expatriation is likely to present. Interviewee BY2 followed on the same lines highlighting the developmental power of expatriation and saw it as of critical importance that the people in top-management of any modern multinational firm have acquired some international insight through overseas work experience, despite considering cultural differences to be somewhat overemphasized in general. Furthermore, BY2 thought it was also important for key personnel in company headquarters to understand what goes on in the foreign affiliates, in a sense that a captain is better off knowing the mechanisms of a rudder before manning the helm, especially when navigating through shoals, which the international business environment is full of.

The interviewees seem to have a good general understanding of the risks involved in repatriation. Interviewee TN15 claimed to be aware that one may have to wait for a while after return until a suitable position is found. Should the expatriate have to return to the same job as before the assignment, TN15 would consider that as a very unfortunate situation. One would feel that the benefits of the developmental assignment would in that case be left badly underutilized. Person BY2 is also aware of the career risk the employee is exposed to and interviewee TY5 pointed out that the job one leaves behind while taking on an international assignment might be something the employee may end up aching for if the expatriation doesn't pan out as expected. According to Robinson and Morrison (2000), an employee who at the time of hiring has had multiple employment options to choose from is likely to be more vigilant regarding violation perceptions. Similarly, it could be argued that a person leaving behind a compelling job would be more vigilant, due to the old job being the viable alternative to expatriation. Person TY5 also commented that should the expatriation be a success, but not result in advancement to a preferable position, it would definitely be a significant disappointment. Interviewee BY3 was quite skeptical about the repatriation procedure and took it for granted that many repatriates are left alone in the situation, with no clear plans of advancement. These comments correlate with the high repatriate turnover rates (Stroh, 1995; Suutari & Brewster, 2003). Repatriates know the value of their newly acquired experience and are willing to consider other options if their current employer fails to provide the career advancement they feel being entitled to. Research does not distinguish boundaryless and traditional careerists in this regard, most likely due to the severity of the mismatch between expectations and reality in these career dead-end situations, which frustrate even the most loyal employees. However, it could also be attributable to a change in thinking by traditional careerists, who perhaps upon the accumulation of career capital and personal market value turn into boundaryless careerists as the expatriation progresses. Suutari and Mäkelä (2007) found that expatriates experience a dramatic increase in understanding their own career preferences and motives, thereby strengthening their career identity. These findings indicate that expatriation does have the career mindset altering power.

Regarding the challenges that an individual is faced with on an international assignment, the general consensus among the interviewees was that one ought to be prepared to exert oneself. Person BY3 mentioned to realize that quite often the assignments take place in difficult conditions, including higher accident and health risks, where one must be able to improvise and construct unconventional solutions. What accentuates the challenge in BY3's opinion is the frequency of companies to pinch the resources, which limits the extent of preparation and causes many of the issues to not see the light of day until the expatriate runs into them on the spot. Sending an expatriate overseas is a very costly process (Baker & Roberts, 2006), which may result in the company trying to cut corners where-ever it is seen reasonable. Under such circumstances some mishaps are bound to occur. Furthermore, BY3 speculated that things one takes for granted at home may not work at all and the entire project itself may be deemed unprofitable and be discontinued.

Interviewee TN15 expects international assignments to require much work from the expatriate and far more personal dedication than domestic jobs, and implied that some people may think it's the other way around. TN15 would be prepared to work longer days than usual, extending well beyond 8 hours a day and assumed that the somewhat unfamiliar duties, different culture and completely new people to work with would make it a tough test for anyone. TN15 also commented that the conditions in many locations make forecasting the possible complications difficult and the issues one may be surrounded with are likely to be so various that it would be quite impossible to be prepared for everything. The plans that are made beforehand will possibly be useless to some extent when things are carried out in practice and unsuspected pitfalls may well emerge in the chemistry between colleagues. Thus interviewee TN15 believes co-workers to make a big difference to how smoothly things run, and assumes the learning of certain culturally sensitive behaviors and finding a common language with others to be of high importance to success. In a general sense, person TN15 finds it rather impossible to avoid things going wrong to some extent. Interestingly, research has shown that when the local organization bears significant resemblance to the home office, which often is the case with multinational firms, then it may in fact turn out to be a refuge for the expatriate (Agard & Mevel-Pla, 2011). Thereby the expatriate would struggle to adjust more to the non-working environment, possibly making one willing to spend longer days working at the office, especially if the expatriate is single or travelling alone.

The operational environments of international assignments are challenging and put one's adjustment ability to the test, according to interviewee BY2's preconception. Unfamiliar conditions heighten the probability of matters going wrong and BY2 states that statistically most expatriations fail in one way or another, either the employee returns prematurely or the assignment goals are not met. This assumption is coherent with the research results, which have reported failure rates as high as 70% (Crocitto et al., 2005). BY2 expects cultural nuances to play a big role and that one must understand how everything is done locally. Person BY2 also understands that to a certain extent people will always work in their own way, but on an international assignment one must adapt one's customs to fit the local culture. Coming from the headquarters alone and telling everyone how they should change their ways to suit the parent organization just because the expatriate is not willing to learn theirs is a quick and efficient route to break any prerequisites for a healthy and functioning collaboration with them. BY2 believes a common language between the expatriate and local co-workers to be a necessity that cannot be overlooked, even though younger generations are increasingly comfortable communicating in English, most older employees are not. Additionally person BY2 expects to run into some complications in the repatriation phase, especially if the assignment has lasted for several years. In modern times businesses change fast and as the expatriate has probably changed to some extent as well during the eventful assignment, there is no guarantee that the employer and the employee still fit each other upon return.

Interviewee TY5 assumes the difficulties to adjust to be related to the country and the local working culture. One expects finding a common language to be one of the most difficult barriers to overcome and is aware of the breadth of misfortunes that may happen compared to what one is accustomed to at home. Far away one feels more vulnerable and alone with problems, but TY5 claims not to be afraid as such, and thinks that the expatriate should be aware of and accept the risks involved in international assignments. Interviewee TY5 also expects to find hardship related to setting up everyday life and having the entire family to adjust. Despite the complications, person TY5 has a positive attitude towards disparity and feels that expatriation could offer valuable new perspective to life. Further, TY5 anticipates the repatriation process to be troublesome, as it cannot be taken for granted that the expatriate adjusts back to the culture and rhythm of life of one’s home country after experiencing another, perhaps more appealing way of life. Thus interviewee TY5 thinks there should at least be an adjustment period that would soften the landing and ease the culture shock.

Similarly to interviewee TY5, BY3 considers personal level adjustment to be extensively dependent on the assignment environment and the task itself, but notes that the only certain thing would be a considerable change to one’s life. Person BY3 is ready to accept the uncertainty of having only a limited pre-departure understanding of the host location and the resulting influx of issues on the spot, because doesn’t believe it could be avoided. Should there be a ready-made organization in place, BY3 would think it to take plenty of effort to adjust to their ways of working and expects it to require one to judge the various situations extra carefully. Furthermore, interviewee BY3 feels excited about the prospect of adjusting to a new culture and mentions the experimentation and working with a limited amount of knowledge to be an interesting challenge that is potentially very rewarding if one manages to make things work.

Person TN15 claims not to have any illusions of the adjustment to a foreign culture to be easy and despite realizing it may take surprisingly long to fully adjust, expects to have good chances of doing so. Similarly to person TY5, interviewee TN15 mentioned the possibility of adapting so fully to the foreign culture that the return to home country becomes an issue, which may result in the person to wanting to leave the country again as soon as possible. Even if the expatriate is able to readjust, TN15 anticipates it to take it’s time and cause another culture shock in the process. Interviewee BY2 emphasizes the importance of proactivity in adjustment and would spend one’s free time also to work hard on it, implying that one cannot expect the adaptation to happen on its own. Generally BY2 is confident in one’s chances to adjust, partly due to an outgoing personality.

## 4.4 Preparation and Support

In interviewee BY3’s opinion the characteristics of the assignment and the duties in the host location would largely determine the necessity of support. Generally BY3 doesn’t expect to receive thorough pre-departure training and thinks that the finer nuances related to expatriate adjustment such as social adjustment are the employee’s own personal problem, not the firm’s. However, it has been argued that social relationships with host country nationals are critical to adjustment and should be taken into consideration in expatriate management (Farh et al., 2010). The larger issues such as accommodation and employment of the spouse are things that interviewee BY3 would expect to receive some help from the firm and thinks that while it isn’t the company’s responsibility to support the whole travelling family, it would bear positive results to the expatriate’s performance indirectly. According to BY3, a visit to the destination beforehand would be preferable, as one could then arrange housing and meet the people one is going to be working with, but such a trip wouldn’t be a necessity. However during the assignment person BY3 would expect a possibility to visit one’s home country, requiring a dependable planning of vacations and possibly some airplane tickets provided by the firm. BY3 would not be interested to be informed about what is going on in the home office during the assignment, but thinks that the directors should somehow show some interest in how the expatriate is doing.

Person TN15 sees the role of the employer as a facilitator of preparation, but remarks that the main responsibility of preparation and adjustment lies on the expatriate. TN15 wishes to be given enough time to prepare for the assignment, but is afraid the departure would be a bit hurried. In TN15's opinion the company should provide language training and good detailed information on the assignment and the corresponding duties. If the assignment includes a project that is already running when the expatriation begins, then TN15 expects to be informed on the history of the project, its goals and what is expected of the expatriate. Ways in which person TN15 expects the company to hold out its helping hand include arranging an exploration trip to the location and helping with finding suitable accommodation. If the family of the expatriate resides most of the time in another city than the assignee, then TN15 would expect more thorough support for the family regarding all practicalities. Interviewee TN15 also expects to receive a few free trips home per year and would assume the firm to point out a person who the expatriate could turn to in all urgent work-related matters. Generally the responsibility of the family is on the expatriate, while the company provides some support. Regarding the reverse culture shock upon repatriation, TN15 does not expect the company to help at all.

When an employee enters an unfamiliar culture, the success of adaptation is determined by both the employer and the expatriate, interviewee BY2 contemplates. It is a factor of how well the individual can and wants to adjust and to what extent the company is able to support him/her. Personally, BY2 would like to know precisely what assumptions and requirements the company has regarding the affiliate the expatriate is heading to and vice versa, to gain an understanding of the relationship between the two. One would also expect to be assisted in learning the new language and have some of the language training take place during working hours, not leaving the employee on one's own and spending every night attempting to learn, when one is already tired from the day's work at the office. However, BY2 emphasizes the importance of the expatriate's own motivation to learn the language. Person BY2 would want the employer to include a possible trailing family to the entire training program and thinks there should be at least one preparation visit to the assignment destination. In a general sense, BY2 trusts that the human resources department does their job well regarding the selection of the right person to the right job and would feel somewhat betrayed if the assignment didn't match the description or would find oneself completely un-fitting to the position. Knowing that person BY2 is a boundaryless careerist, the critical attitude towards any career related decisions made by the company human resources function are quite logical. It could be seen as person BY2 gives away some of one's career controlling power to the firm and expects the company to handle it well in return, thus heightening the alertness in that regard. However, if the company sees that this position is something the expatriate is expected to grow into and offers crucial experience to future positions, then to avoid any psychological contract mismatch it should be communicated clearly to the expatriate to make sure one understands surviving in the unfamiliar role under challenging circumstances is a part of the development plan.

In the beginning of the assignment BY2 expects the company to provide assistance in getting to know the culture, but would not think any social adjustment help would be required. As the assignment matures and the expatriate has had enough time to settle in BY2 thinks the responsibility of the company decreases and the expatriate must be more able to take care of oneself. As an alternative, person BY2 sees it plausible that the company does not directly provide housing, schooling or healthcare, but let's the assignee choose whatever one feels comfortable with and the employer would only take care of the expenses. Furthermore, BY2 thinks that keeping updated with the home office is the expatriate's own responsibility, but would expect the company to take control of the repatriation and making sure that the landing isn't too rough.

Alike to interviewee BY2, person TY5 would hold the company more responsible in the early phases of the assignment process, however seeing the distribution of responsibility being fairly equal between the employer and the employee. Before departure the firm ought to assist in any necessary paperwork and practicalities, and not have the assignee take care of everything while working on current tasks.  Similarly to person TN15, TY5 feels that the firm provides the resources for the employee, but the assignee has to really put effort into the preparation and cannot expect everything to be delivered to one's doorstep. That being said, TY5 would require the company to at least offer a language course if the assignment would demand to use of some other language than English and would be willing to spend some free time to learn it, but would also expect some of the preparations to take place during office hours. All risks that extend beyond normal everyday living such as accidents should be covered by the employer. Furthermore the organization should provide full healthcare to the entire trailing family. A support person, such as a mentor would be preferable and needed on the location, although TY5 assumes not every expatriate would consider such as a necessity. Interviewee TY5 would also require opportunities to travel back to home country occasionally and communication with the home office on a regular basis to keep oneself informed of possible changes.

Interviewees BY3, TN15 and BY2 share the view that the sending organization should attempt to clear the way for the expatriate to be able to focus on the assignment itself. Interviewee BY3 explains that regarding complications in general, everything which the company can iron out easier and faster or has a better premise to deal with should be carried out by the firm, as long as the headache at hand does not directly relate to the assignee's area of expertise. This would enormously aid the expatriate to focus on the assignment itself. Interviewee BY2 was thinking similarly when stating that for example local bureaucracy should not wear the expatriate out, unless that was the reason the assignee was brought in to begin with. Similarly, BY2 would expect it to be of everybody's benefit if the assignee's housing was not very far away from the working site, in that the expatriate could spend more time working instead of commuting. If the company has carelessly made vague promises regarding the practicality of housing solutions for example, then any deviation from those promises, such as an illogical location of provided residence could be interpreted as a psychological contract violation. Moreover, person BY2 thinks that the expatriate should have a say on the accommodation issue due to general comfort reasons. It does nobody favors if the expatriate feels uncomfortable and finds it hard to unwind and recharge between working days. The approach angle of the firm to the entire support issue should thus attempt to answer the question whether the expatriate has everything one needs to work hard over a long period of time, and that would include everything needed at work and at home, BY2 ponders. Along the same principles, interviewee TN15 commented to dedicate to one's work even more than currently and definitely spend more time at work, but would expect to be able to spend time with one's family after coming home from the office. To be able to do so, the firm could assist in providing supportive services such as housekeeping that help the expatriate focus one's energy on the assignment.

Interviewees TN15 and BY2 also discussed the role of the hosting organization. TN15 noted to expect that there would be competent colleagues to help share the workload and BY2 added that should the assignment be directed to a subsidiary where the expatriate would not be fully in charge, then BY2 expects the company to make sure that the hosting organization fosters an atmosphere of acceptance towards the assignee. The underlying reason behind that would be to ensure the co-workers wouldn't feel threatened and adopt a defensive attitude towards the person who comes from the headquarters. It also implies an expectation of organization-wide coordination regarding the assignment and its main goals. However, BY2 also noted that the matter has a lot to do with how the expatriate behaves as well. Interviewees BY3, TN15 and BY2 mentioned that they would prefer plenty of freedom to make decisions and solve problems on their own way. Furthermore, TN15 added that if the nature of the assignment requires independent decision-making, then the expatriate should naturally have the mandate to act accordingly. Interviewee BY2 reflected on the developmental goal of the assignment and argued that if the purpose of the expatriation was to train the leadership qualities of the assignee, then it would make no sense to deny any decision making experience from the person. If the assignment is displayed as a developmental tool, then the expatriate may develop a psychological contract based on simply reasoning that the assignment should then include duties that echo the long-term goals. However, if there is no clear promise being made, the expatriate may only expect those duties, but not obligate the company to provide them. The subjectivity of the psychological contract plays a key role here. The person may initially reason that there should be developmental, responsible tasks in developmental expatriation, but these logical thoughts may over time falsely transform into beliefs of reciprocal obligations, perhaps partly due to wishful thinking (Gordon et al., 2005). Thus eventually in the absence of certain duties the expatriate may feel that the psychological contract has been violated and blame the firm for it, when in reality the conflict is caused by faults in human cognitive processes (Matlin, 2009).

Similarly BY3 mentioned that the goals of the assignment should correlate with the resources made available to the expatriate to form any grounds for assignment success. However, BY3 assumes resources to be scarce and is prepared to having to persuade superiors for any extra funding along the way. Person TN15 made a comment on the same topic and expected that the decisions in such cases would be made quickly, to not disturb the project by putting it on hold waiting for the answer. TN15 also thought the assignee should be given enough time to prepare before departure, preferably more than just a few months. Person BY2 thought that another premise to assignment success would be that the company selects the right person for the job. Moreover, BY2 said to accept the possibility of assignment or adjustment failure and considers the firm to be free from liability as long as it has at least given the expatriate the appropriate chances to succeed. Similarly interviewee TY5 thought that as organizational support can only do so much, it is ultimately expatriate oneself who carries the responsibility of failure.

## 4.3 Family Issues

All four interviewees made the point that one of the biggest headaches in expatriation is whether the spouse or children are able to come with the assignee. Persons BY3 and TN15 made it clear that they would not leave even a spouse behind, thus it would be critical to their decision to embark on an international assignment. According to Punnet (1997), 15% of employees who reject an international assignment do so due to not willing to risk the career progression of their spouses and the number has been estimated to have risen in the past fifteen years. Person TN15 noted that an assignment of a maximum duration of three months would be possible to be completed alone, but anything beyond that length not. However, the developmental assignments that this study is focused on last much longer.

Assuming that the spouse does trail with the expatriate, another major concern for all interviewees was how the spouse would be able to find suitable employment. Person TN15 said that sacrificing the career of the spouse would be the greatest challenge to overcome, and noted that the entire family should stand behind the decision to relocate overseas. Interviewee BY2 saw two plausible solutions to the problem: either the sending organization arranges a job for the spouse or offers a large enough paycheck which would render the issue insignificant. However BY2 did note that that was only a reflection of personal opinion and the spouse would certainly have to be persuaded to suspend one's career. Person TN15 implied not to expect any help from the organization regarding the employment of the spouse, as did interviewee TY5 who thought it is not their responsibility. In person BY2's opinion there is no obligation on the company to assist in spouse's employment upon repatriation. In any case, the employer is likely to possess contacts to local networks that make job hunting considerably easier, and can introduce the spouse to the right people to improve one's chances (Punnet, 1997). These are fairly non-demanding tasks for the organization, but can be very helpful to the expatriate.

Each interviewee thought that the trailing family or spouse should be included in company support to some extent. Interviewee BY3 commented that the spouse should be offered assistance regarding adjustment to local conditions. TN15 thought that the main responsibility of adjusting the spouse or family would be on the expatriate, but noted that in a case where the family would not be able to live in the same city as the expatriate, then the company should pay more attention to their wellbeing. Likewise TN15 suggested that the expatriate should in any case have a reasonable chance to keep the family together and in good spirits by spending time with them, indicating that there shouldn't be too many extraneous distractions that prohibit common time with the family once duties at work have been appropriately carried out. Interviewee BY2 stated that the entire travelling family unit should be included in the same cultural training and support program as the expatriate. However, BY2 also added that if the company could not provide support directly, then the expatriate should be provided with adequate resources to take care of things by oneself. Practically it would translate into arranging any imaginable issue by sending the bill to the employer. Naturally such an arrangement would be very costly to the firm, thus not really a viable option. Person TY5 would expect the company to provide a very basic level of support to travelling companions, such as healthcare, but wouldn't see it necessary for the company to offer cultural training to the spouse or family. Research suggests that as the failure of the spouse or family to adjust is a key trigger for international assignment failure, it is in the company's best interest to focus their supportive actions beyond the expatriate alone (Harvey et al., 2010).

Interviewees TN15, BY2 and TY5 were unanimous in their opinions on the children's education issue and expected that the sending firm should certainly arrange schooling for them. Furthermore, person BY2 saw it as the employer's obligation to arrange high-quality education in a private school. All in all, family issues were assumed to play a crucial role in determining assignment success, as expected. Person TN15 made a comment that it certainly wouldn't be good for the children to be on the road extensively and that without all the family related problems the decision to go would be easy. Similarly, person TY5 considered that if taking the family with would be made effortless and there would be a good job waiting for the spouse as well, then there would be significantly less to worry about and taking on an assignment would be easy. Moreover, interviewees TN15 and BY2 considered an international assignment to be a considerable risk to one's personal relationship, but TN15 added that such a thing isn't something the employer would consider. Management literature lagged behind on the topic as well until the turn of the millennium, but has experienced growth since and could imply that companies would begin to take relationships of the expatriates into more careful consideration than in the past (Takeuchi et al., 2002). As a general hindrance to leaving, BY3, TN15 and TY5 commented that being away from one's closest relatives would also be something to ponder.

## 4.4 Financial Compensation

Monetary rewards are a topic that strongly divided the interviewees, as was expected. Person BY3 declared not to be interested in money at all, and needs it for paying the bills only, indicating that it's power as an incentive is minimal. Person TN15 stated that money alone is not enough reason to work hard, but added that it does have a significant improving effect on motivation. Person BY2 on the other hand said that although money is not the only stimulus for working, it is by far the best one and also expects it to stay that way. For interviewee TY5 the main reason to work is to be able to make a living, but higher salaries do not act as any kind of inducement to exert oneself. Similarly BY3 commented that even though does not wish to be significantly underpaid on equality grounds, it would not bother much at all to be paid less than what one is now receiving. TN15 made a point that it would be likely to attain better pay if one chose to change the employer for that reason alone. Person BY2 speculated that because higher salaries are also the main reason to try to advance in one's career, one would be willing to tolerate less desirable employment circumstances if it could be seen as a way of reaching a better income in the future. However, BY2 also anticipated that once a certain income level is achieved, the importance of money will be likely to fade. Furthermore, person BY2 commented that one expects level of pay to correlate with the amount of responsibilities and challenge of the job description, which in turn should follow one's personal development as an employee. Therefore salary is a reflection of personal market value, and a sign of the amount of respect the employer has for one's contributions and abilities. Quite interestingly, despite the steep difference in fascination with money, interviewee BY3 agrees with BY2 in that if the work input of the employee is valuable to the firm, one should receive a corresponding compensation for it. In other words, neither of them is willing to give away contributions just for the good of the company without being properly paid for it. In a way they demonstrate sensitivity towards distributive justice, giving emphasis to the fairness of outcomes (Cohen-Charash & Spector, 2001). This behavior is closely related to equity sensitivity theory. According to it, neither BY3 or BY2 would be classified as a benevolent, who prefers to contribute more than what one receives for it in return and is interested in investing in a long-term relationship (Restubog et al., 2009). The latter characteristic resonates with the career mindset results, which rated both of these interviewees as boundaryless careerists. A boundaryless careerist is by definition more specifically aware of the contributions one puts in and is likely to have a clearer picture of their market value (Defillippi & Arthur, 1994), thus having strong premises to require adequate compensations in return. Furthermore, as they typically know what they want from their careers, they also have a strong opinion of what they are able to give.

When it comes to expatriation, TN15 thought that the alluring power of a higher salary is increased. Expatriate salaries on average are three times higher than those of an equivalent host country national, with the highest salaries extending up to twenty times the local figure (Bonache et al., 2009). Thereby the increase in pay is a major reason to consider taking on an international assignment. Likewise person BY2 stated that it would be a dominant reason to go, however the pay increase should be quite remarkable for one to agree to go to a specifically undesirable location. As the decision to take on an international assignment can be seen as a career move among the rest, it can be argued that interviewee TN15 demonstrates here an increase of extrinsic factors in job selection criteria. That would then imply that the continuance element of TN15's commitment would be heightened (Meyer & Allen, 1991). While it does not cancel out affective commitment, it indicates that in the case of an erosion of the desire to stay, for example due to psychological contract violation, the expatriate would stay committed only due to the willingness to hold on to the side bets. Simply put, the fact that an expatriate, who has been known to be affectively committed to the firm prior to the international assignment, stays with the company even after repatriation does not necessarily mean that the employee is still planning on staying in the long run, because one may then stay only because of the continuance reasons that were introduced upon acceptance of the assignment. Furthermore, it may well be the case of a relationally aligned psychological contract turning into a transactional contract on the part of the employee, predicting turnover as soon as a better opportunity presents itself. Yan et al (2002) describe a situation where an expatriate perceives to have achieved a higher level of bargaining power against the employer, resulting in motivation to opportunistic behavior such as considering attractive opportunities in other organizations.

On the contrary, BY3 claimed that money makes no difference when choosing to go on expatriation, but as generally the working conditions and duties are more challenging overseas, one would expect the wage to be a bit higher than at home. That being said, BY3 made it clear that should the wage be lower, it would not affect one's decision much. Person TN15 was a tad more determined to say that an international assignment salary should definitely correlate with the increased difficulty of the duties and working conditions. Additionally BY2 expected the level of pay to decrease when the expatriate returns home. Besides the instant increase in salaries, employees who accept international assignments are often after the long-term improvement the experience is expected to have to both future salaries and external personal market value, in other words making it easier to find a high paying job after expatriation (Benson & Pattie, 2008). This is exactly the gain that a person mainly interested in the transactional part of the assignment is looking for in expatriation and is problematic for the company in the leader development point of view (Yan et al., 2002). The challenge would be to determine whether the employee wants to embark on the international assignment for extrinsic, such as money and career capital, or intrinsic reasons, as are personal growth and willingness to pursue a career path within the firm (Meyer & Allen, 1991).

## 4.5 Relationship with the Firm

This part of the analysis focuses on the relationship between the employer and the employee. Specific attention is given to perceptions of the current psychological contract, occurred violations and their consequences, speculations of future violations and their impact on the relationship. Comments considering all three forms of commitment are also unpacked, while paying special attention to their interplay with various incidents regarding the psychological contract.

In the beginning of the employment relationship interviewee BY3 had to move to another part of the country and give up a variety of things to be able to work for the new employer, but did so in expectancy of duties that matched one's education. A psychological contract was thus formed in the very beginning of the employment relationship, further highlighting the importance of information exchange during job interviews (De Vos et al., 2009).There was also plenty of hardship involved in the early months that even made person BY3 thinking about quitting daily, but the prospects of gaining valuable experience, which seemed good at the time, kept one from leaving. Thus it is evident that interviewee BY3 was mainly committed to the employer due to the perceived high costs of leaving (Meyer & Herscovitch, 2001) There was a distinct promise made that after BY3 had settled in there would be plenty of opportunities to work in areas that are related to one's education. However, none of those promises ever materialized. The psychological contract was clearly broken; leaving the question unanswered whether that was the plan to begin with or happened due to organizational change, both plausible premises according to Yan et al's (2002) theory. As affective commitment is known to evolve out of positive experiences and the confirmation of pre-entry expectations (Meyer & Allen, 1991), it is safe to say that it did not have much of a chance of developing in this case. Person BY3 cynically explained:

> *"Our previous regional manager hired a lot of people with Master's degrees and some of them have left since, but there's still plenty of us who stayed and are now rolling their thumbs thinking where to find another job…so they (managers) either calculated something wrong or just somehow cold-heartedly thought that a Master's degree means a person is good and cheap labor with good language skills and flexibility…"*

Person TN15 has been working on other locations for the same organization and on similar duties before and actually moved to one's current home town as the office was started off there. TN15 has been promised that opportunities to more challenging duties will be presented and due to long history in the company expects not to be among the first ones to be dismissed. However TN15 speculated that as lay-offs can concern just about anybody, one cannot think to be in some kind of a special position, thus indicating that a perception of fairness would indeed have a mitigating effect on psychological contract violation, as research suggests (Tekleab et al., 2005; Turnley & Feldman, 1998; Robinson & Morrison, 2000). However, if the firm would attempt to exert its power by for example dictating a move across the country, then BY2 would consider the situation as a severe psychological contract violation and possibly look elsewhere for employment.

Interviewee BY2 gave up on plans to further one's studies due to the prevailing long-hours culture in the current workplace and has also had to cut back on personal activities for the same reason. There is no option to work at home, which many other employers would provide. To balance the account, there is plenty of responsibility in the current work and personal development opportunities are promising. BY2 presumes that the employer will take notice of hard work and good performance and thus if the current project at hand is successfully carried out one expects the next set of duties to be a step forward. The employer has implied that such a progression would follow good performance, which has constituted a contractual obligation in BY2's opinion. Thus, should there be no advancement after the project, BY2 would most likely interpret it as a contract violation and seriously consider leaving. Furthermore, there have been talks about building an international career, and if that opportunity would be turned down for example due to difficulties finding a replacement for BY2, then that would probably result in turnover intentions as well. This is another example of a boundaryless careerist being critical towards the career path design of the organization.The slight hesitation in the answers to such speculative questions, despite the subjective clearness of the psychological contract, is likely to be attributable to all the unknown mitigating and exacerbating factors that are always present in psychological contract violations. A person contemplating the effects of a violation that is presently nowhere in sight is naturally unable to predict the corresponding interactional and procedural justice perceptions, purposefulness of the violation or level of organizational support.

Person TY5 commented that due to the nature of one's work there is quite a bit of travelling involved, which consumes some personal time as well. However, if the employer required person TY5 to move to a different city then there would be an issue that might result in turnover. An employer rarely makes a promise to an employee that one does not have to relocate because it is often taken for granted. However, the employee may subconsciously obligate the employer to ensure that one doesn't have to move, as schemas can also be based on false suppositions (Matlin, 2009). On the other hand, when it comes to changing one's place of residence, there are other factors to quitting than psychological contract violation, mainly the general difficulties relating to moving a family and leaving an entire social network behind. Thus it may not be viable to examine such a situation from the psychological contract perspective.

TY5's employer has emphasized internal development opportunities such as to rotate between jobs and take on international assignments and has clearly indicated that these possibilities are available for all employees, but every time TY5 has applied for them there has been some reason to reject the application. Most commonly it was due to the inability of the organization to find a replacement for TY5, but as the applications were repeatedly rejected on the same grounds it began to feel as a violation of the psychological contract and has reduced TY5's desire to stay considerably. At first it did not cause any emotional responses from interviewee TY5, because of the perception of fairness of the procedure. However, as the violation has happened again, TY5 has logically interpreted it as a recurring event and the reaction has been more critical. Had the employer blocked the application only once, there would likely be no damage done to the relationship. Another similar case was the systematic promotion of equality within the firm, which didn't seem to translate to practices as many of the most wanted openings were filled with people that were in favor of management, and were selected despite of their qualifications, instead of because of them. In this case it is harder to prove whether or not the promises of equality are fulfilled, due to the abstract nature of the concept. However, in terms of a psychological contract violation it does not matter how good the numbers would look like if equality could be measured, if the employee doesn't perceive it first-hand. Thus making promises to employees about equal treatment can do a lot more harm than good to the firm, if the opinions of employees aren't carefully and constantly monitored. In fact, interviewee TY5 mentioned that a major reason for staying with the employer has been the lack of a better alternative, which is naturally not affected by any psychological contract violations. Thus the situation remains the same. Theoretically the breaking of a transactional psychological contract results in lesser inputs of the employee (Robinson et al., 1994).

The contradiction in person BY3's situation is demoralizing. One is promised a bright future in the organization and picked to trainings that are sought after, but is time after time denied entry into positions that better suit one's education. BY3 claims that one would never have applied to the job in the first place, if it hadn't been for the promises of advancement. This indicates that the initial motivation to enter the firm included dominant intrinsic factors, which failed to materialize as affective commitment due to the hardship and psychological contract violation. Therefore BY3 is continuously applying for positions outside the company and experiences no affective commitment towards the firm whatsoever. In fact, BY3 considers many people to share the view. *"The firm went through a rough downsizing period and the way people were treated back then damaged the atmosphere considerably, causing many to leave on their own initiative"*. Interviewee BY3 was treated well, but doesn't feel that it would constitute an obligation to stay and remains in current employment only because hasn't found another job yet. Under these circumstances BY3 only commits to the organization on a continuance level. The good treatment during the downsizing phase didn't constitute a sense of indebtedness and thus didn't turn into normative commitment. Presumably interviewee BY3 judged the gesture to be too little and too late, and wouldn't have perceived to be in a drastically worse career situation had one been laid off, knowing that BY3 was already trying to find another job elsewhere anyway. In a general sense, BY3 feels that a collective company spirit has forsaken the firm a long time ago and one can really only develop any sentimental attachment to the closest co-workers.

*"I don't know if anybody is capable of creating oneself a particularly emotional bond with a modern exchange-listed company that begins to distribute wealth to shareholders as soon as the first signs of profit emerge…and then they go ahead and close a few factories more to be able to continue handing out money…"*

In the case of person TN15, who has remained with the same employer for the longest period of the interviewees, commitment to the organization embodies both affective and continuance elements. Generally speaking, TN15 stays with the employer due to finding the duties appealing and feels comfortable working for the firm. Interviewee TN15 also knows many of the directors personally through working with them in the early years and implies it to have a positive effect on wanting to stay. Boundaryless career theory suggests that a person who is mobile in the career development sense does not identify with one's organization, but with the profession or job instead (Cappellen & Janssens, 2005). Person TN15 represents the opposite, raising the question whether the accumulation of affective commitment and the complying traditional careerist mindset are likely to develop in shorter time periods. None of the other interviewees have worked for their employers even half the time interviewee TN15 has. On the other hand, TN15 perceives none of the competitors of the current employer to be able to offer comparable working conditions. Salary might be higher elsewhere, but it doesn't compensate for the negative aspects of having to relocate the family or spend a lot of time away from them. Even though interviewee TN15 has been treated well during the years, one does not feel obligated to stay in return. According to the universal norm of reciprocity that is suggested to be the mechanism behind this type of obligation formulation, a person should help those from whom help has been received and make sure not to harm them (Scholl, 1981). However, if the employee doesn't think to be irreplaceable or that one's departure would harm the company at all, then leaving the firm wouldn't necessarily contradict the norm. Also, if the employee does not perceive having been helped by the organization, there is no premise for obligation to begin with. Being treated well is under normal circumstances not considered helping and it's the perception of help that counts. Regarding the definition of the organizational "help" in question here, Scholl (1981, p. 595) states that "a reward received by an individual must be beyond what is expected". Thus if the sort of good treatment that interviewee TN15 reported to have been receiving was considered to be within the realms of expectations, then it should not have created any additional obligations and explains also interviewee BY3's feelings regarding not being amongst the ones that were laid off. Furthermore, TN15 commented having been raised to always perform one's duties diligently, which shows as a dedication to the task at hand, but doesn't add to normative commitment to the organization.

Similarly, interviewee BY2 commented that the treatment from the company has been fair and while it may not constitute a compulsion to stay as such, it has produced a sense of obligation to work a little harder for good results. Furthermore, BY2 brought up trails of continuance commitment in thinking that leaving the company at the moment would be downright stupid due to the increase in personal market value upon the completion of the current project, unless of course the offer was too good to be turned down. The statement shows a constant consideration of the next career move developing in the background, even as person BY2 does not plan to leave the company at the moment. The locus of career progression control is observed to be firmly in the hands of interviewee BY2 and that style of thinking is typical for a boundaryless careerist, even as the control is likely to never completely be on either the employer or the employee side (Suutari & Mäkelä, 2007) However, BY2 recently rejected an employment proposition in another firm without finding out what the offer in its entirety was, thus indicating that the affective and normative facets of commitment bear some relevance. That being said, BY2 commented that regardless of enjoying working at the current firm, one must acknowledge the high pace of the business world.

*"…you have to look at things realistically; no-one spends forty years working for one single firm these days. So you need to keep yourself updated on what the requirements at the job market look like and compare that to what you're currently doing to get an idea whether your skills will still be relevant after the project ends"*

Interviewee TY5 made a similar remark to BY3, in that the atmosphere had changed to worse in the company, which had people thinking little less about anything beyond their paychecks. Another effect was the large scale of employee turnover, and as the only cause for at least some affective commitment was co-workers, it faded quickly as people left one after another. Interestingly, TY5 felt that as the company hired new people to fill the openings, one experienced an obligation to stay so the newcomers would have somebody to help them with adjustment to their new duties. Person TY5 also thought that if the company would offer an opportunity to embark on a developmental international assignment, it would most likely generate feelings of wanting to pay the firm back to some extent by staying in the organization upon return. Quite possibly TY5 doesn't expect to be offered such an assignment due to having been denied international opportunities in the past, thus adding to the perception of expatriation as a benefit and explaining the development of an obligation. However, should the expatriation turn sour due to a psychological contract violation by the firm, then TY5 wouldn't expect to feel any need to give anything back. Person TN15 anticipated the development of normative commitment in a similar fashion but added that if the international assignment was successfully carried out, then the obligation would be on the company as well to offer more demanding duties as a reward.

On the other hand, person BY3 didn't believe a developmental assignment would result in any obligation perceptions. *"I don't think any organization could ever own me to the extent that leaving upon repatriation would give me a peculiarly guilty conscience"*. It appears that person BY3 is referring to the low probability of developing a relational psychological contract with any firm. This evaluation is naturally made in one point in time under circumstances that paint a grim picture on the behavior of multinational firms regarding their employees. It must be noted that in another company, without the negative atmosphere, without the violation of the psychological contract and better advancement prospects interviewee BY3 might see the commitment aspect differently. On the other hand, if the mindset is rooted in firm beliefs of multinationals and the role of employers in them, it is likely that the opinion would not change easily as it would require a complete reorganization of robust mental models (Matlin, 2009).

Actually the main reason why BY3 would take on an international assignment would be based on opportunistic grounds, to be able to raise one's career capital and make it easier to find a better job afterwards. The boundaryless career mindset test results fully comply with this statement and show that the interviewee has a very clear picture of one's own role in career development. Seeing what has happened to other people has made interviewee BY3 rather skeptical about the ability of the organization to develop long-term relationships, which waters down any reason to commit.

> *"A friend of mine spent two years in Asia and as she/he returned, they offered her/him a terminable contract. They kicked her/him out during the downsizing process, so no signs of commitment there…and another friend was in Russia, had learned the language and performed demanding duties there. She/he has now returned and spent some two years working in the same duties as I and is all frustrated and ready to leave"*

Interviewee BY3 said that these aspects make it rather impossible to commit to anything but the tasks. Too much affection to individual projects is also questionable as there is always the risk of the firm pulling the plug whenever it ceases to suit their ever-changing plans. The other boundaryless careerist of this study, interviewee BY2 doesn't think there would be much of an increase to normative commitment as a result of the company offering a developmental assignment either. However, BY2 speculated that should a better offer be presented by another organization, then before simply accepting that one would first attempt to make the current employer match that offer. If the gap between the two would be small, then BY2 would more likely stay due to the fact that the current company made it possible to gain the valuable international experience. Similarly to TN15 and TY5, interviewee BY2 also thought that any such feeling of obligations would disappear if the psychological contract was violated. All the interviewees referred to the violation of the relational aspects of a psychological contract, and as a relational contract is generally regarded as an antecedent of normative commitment (Gonzales & Guillen, 2008), it makes sense that it is assumed to collapse if its basis is destroyed.

## 4.6 Idiosyncratic Deal

Interviewees BY2 and TY5 thought that it would be necessary to negotiate a specifically tailored contract, whereas person BY3 didn’t find it essential, declaring to be uninterested attempting to play everything safe regarding expatriation. Interviewee TN15 expected real life occurrences to vary from what is planned beforehand, implying an acceptance of general uncertainty. Person TY5 stated that if anything was to be discussed and promised by either party, it should be put down in written form to avoid misunderstandings due to the common incapability of people to remember everything that has been talked about. Similarly, BY2 would want to negotiate a very detailed contract that would include most of the risks and how they would be dealt with. Furthermore, BY2 added that the benefits of the contract would be a considerable incentive to take on the assignment, and depicted that it could also be made open-ended in the meaning that it would give the expatriate untied hands to arrange practicalities at the expense of the employer. In BY2’s opinion the contract should also encompass repatriation and career progression after the assignment, to underline its developmental goals.

The second objective of the thesis was to gather expectations of potential expatriates and reflect them to existing research to find the key elements of idiosyncratic deals in the expatriation context. Six factors that support building a relational psychological contract were found. They are the critical goals of the expatriation idiosyncratic deals that facilitate the alignment and depth of obligation perceptions.

### 4.6.1 Facilitating and building trust

If the expatriate does not trust that the employer can or is willing to provide a long-lasting relationship where challenges and responsibilities increase as the employee's skills and abilities grow, then it is very unlikely that the employee will build one's future plans on that platform. The logical reaction is then to take matters into own hands and look for new opportunities across organizational boundaries. A relational psychological contract is thus vastly dependent on mutual trust and an idiosyncratic deal which aims to increase the likelihood that the employee is committed to the organization in the long-term has to tackle this issue.

### 4.6.2 Ensuring intrinsic motivation

The extrinsic payoffs in expatriation, such as increased salary and path to higher positions afterwards are arguably a dominant cause for some expatriate applicants to pursue the job. For the relationally oriented firm this may cause severe problems in terms of committing the expatriate to the life inside the organization upon repatriation, when there are temptations outside the firm as well. Extrinsic motivation is easier to influence by a competitor by simply offering a higher salary or higher visibility position. However, a person intrinsically motivated to work in the company is much harder for a competitor to lure, as the source of motivation is less imitable. The dominance of extrinsic motivational factors can be either due to the extreme appeal of them, or because of a lack of appealing alternatives. In the first case the company would perhaps be better off with another expatriate candidate, but in the second case the intrinsic motivational factors could be fed by discovering them through discussions with the employee and then including terms that enforce them, in other words tailoring the job description to encourage internal motivation to exceed external motivation. Also, a psychologist could be used in the selection process to determine whether the candidates are mainly intrinsically or extrinsically motivated.

### 4.6.3 Fostering and encouraging managerial aspirations in current company

Quite obviously the employee must aspire to reach higher positions and preferably to reach them in one's current organization for developmental expatriation to make sense. Thus the employee should be encouraged to strive to become a manager, and get a realistic and promising view of the advancement opportunities that lie ahead once the expatriation is completed.

### 4.6.4 Create a commitment to mutual future by tying personal preferences to relational intentions

When an employee is given the freedom to negotiate terms that suit their preferences, they are likely to react positively by committing more deeply to the organization. (Hornung et al., 2008) However, there is more to be gained if those preferences are successfully linked to the relational intentions of the firm. In the case of the boundaryless careerist the employee would thus be given the opportunity to influence one's career path in the firm, thereby linking the desire to be in control of the direction of one's career to the long-term intention of the organization to retain the employee.

### 4.6.5 Emphasize interactional justice as a norm

As a healthy long-term relationship with an employee is likely to benefit from perceptions and feelings of mutual respect between the individual and the organization, it would make sense to reinforce those expectations by emphasizing that good treatment of the employee is a norm, and that interactional justice will be among the top priorities throughout the foreign assignment and beyond. It sends a strong signal of commitment from the organizational side, but naturally has to be followed by conforming actions.

### 4.6.6 Build a road map for repatriation and career development

Repatriation is a crucial phase of the developmental expatriation process, which finally determines the success of the assignment. Employees are aware of the potential problems that the return to home office can cause to their career advancement, which makes it a fertile issue to be tackled by the idiosyncratic deal. Once the firm and the expatriate have established and agreed on the details how and between which frames the employee will advance after the international assignment, the employee will travel overseas having a clear target to aim at, which would also be strongly tied to the developmental goals of the assignment.

Furthermore, key elements that relate to the prevention of psychological contract misinterpretation were identified in five areas: preparation, work challenge abroad, cultural adjustment, family issues and retention of the repatriate.

### 4.6.7 Preparation

The employee should be given a realistic view of the situation abroad at all stages of the preparation process, starting from the recruitment phase. The firm should proceed carefully at this point, as false ideas given to the employee may grow disastrous for the relational aspects of the contract. Also, even if the employee doesn't think a thorough preparation process is necessary, poor preparation may become a problem to the firm if the expatriate is ill-equipped to deal with the situation abroad. Therefore preparation should be mandatory and standard to certain extent and could perhaps serve as the final screening point to find out if the person indeed does suit the job before sending the employee overseas and making possible replacement costs soar. The idiosyncrasy of the preparation phase can be found in the several different methods to prepare for the different adjustment challenges, and letting the employee influence which one suits him the best of the options that the firm has screened beforehand.

### 4.6.8 Work challenge abroad

Resources and decision making freedom should be discussed in relation to the goals of the assignment, so the employee will get a realistic idea of what magnitude and type of challenge to expect. Also a higher up person should be made available, who could promptly answer the assignee's questions and requests regarding available resources. In the case of an affiliate being the host organization of the expatriate, it should be made certain that the local organization is not hostile towards the expatriate, in that they treat the expatriate with respect regardless of one's background as the headquarters assignee. One way of assisting the establishment of healthy relationships between the expatriate and local colleagues would be to arrange a meeting during the pre-entry trip where the expatriate would have the possibility to get to know the future co-workers and vice versa. From the organizational point of view, if the local bureau rejects the expatriate and treats one disrespectfully, it may be seen as the fault of the home organization as a lack of support and can harm the long-term intent of the assignment.

### 4.6.9 Cultural adjustment

Cultural adjustment is probably one of the areas of problems that the employee will think about the most in the early stages of expatriation, due to the wide-ranging effects it can have on the entire assignment. A way to improve the realism of adjustment expectations would be to finalize the idiosyncratic deals after the pre-entry trips. Also to decrease the likelihood of low perceptions of organizational support, the organization should take care of matters they can perform easier than the expatriate. There are potentially hours and hours of bureaucracy, excessive commuting and other tasks that draw the focus and time of the expatriate away from the essential parts of the assignment. If the expatriate is aware that the firm could have with little effort arranged these matters more efficiently or supported the expatriate better, the risk of distributive injustice grows, especially if they are not in line with performance expectations. Thus they would need to be taken into consideration before entry. Furthermore, it would be practical to consider the use of an assistant/mentor who would help to save time and effort. This person would ideally be a local resident who possesses first-hand experience of working abroad and is well accustomed to the local culture. The mentor/assistant would also be present during the pre-entry trip. Surplus to adjustment aid, this level of personal support would most likely improve the commitment of the employee and should thus be considered regardless of employee requirements or lack thereof.

### 4.6.10 Family issues

Regarding the complex family issues that may arise during the assignment, there should be a very clear line drawn during the negotiations in terms of locus of responsibility throughout the different stages of the expatriation process. The firm cannot ensure entirely that the travelling spouse or children will be happy from start finish and a lot of their wellbeing is also attributable to the decisions and actions of the expatriate oneself. However, neither party should have any uncertainty as to where the responsibility of the firm ends and those of the expatriate begin. When things go awry, as they are bound to, it is very important to the relational aspect of the psychological contract that the expatriate and the firm share the same vision of who to blame for the mistakes. That being said, some level of family support should be considered standard and non-negotiable to play the percentages, such as children's schooling should definitely be arranged by the company. Other than that, there is still plenty of room for personal preferences.

### 4.6.11 Retention of the repatriate

Preparation for repatriation should be done together with the expatriate, making sure that all potential scenarios and possibilities are covered to a reasonable extent. The assignee should know what positions they would potentially fit once they return, to prevent giving them false ideas about their post-assignment career advancement. A boundaryless careerist would certainly appreciate the opportunity to participate in designing the next role, even under the given restrictions that the general corporate management forms. A traditional careerist however would benefit from frequent updates regarding the state of the home office and what the possibilities for the next job are looking like, making sure they feel they are kept inside the loop and not forgotten overseas. A useful thing to remember about expatriates is that even if the firm does not promise them immediate advancement, they may still expect it, either with the current firm or with someone else.

# 5 CONCLUSIONS

## 5.1 Main Findings and Managerial Implications

The first objective of this thesis was to discover main problem areas in expatriate retention, based on existing expatriation research. Generally it can be stated, from the management point of view, that expatriation may end prematurely or produce sub-par results due to insufficiencies in expatriate selection, training or support (Anderson, 2005; Katz & Seifer, 1996). Support includes assisting with adjustment to foreign living and working conditions (Farh et al., 2010), helping with practicalities in and out of office (Aycan, 1997) and providing support to the travelling spouse and children (Avril & Magnini, 2007). However, for developmental expatriation it is also critical that the repatriation process is successful, which may not be the case if it is poorly planned (Lazarova & Caligiuri, 2001) or the employee, regardless of advancement prospects in current company, decides to leave the organization after the assignment. Poor planning of the repatriation process usually means that the firm has the expatriate return to a temporary job, sometimes even the same job as before the assignment, with no clear vision of how to utilize the newly acquired skills and abilities (Stroh, 1995). The employee on the other hand may leave the organization if one's perception of the psychological contract has been transactional and is thus willing to take advantage of the heightened career capital by moving to another, perhaps higher paying job in another firm, having no intent to see through the company's advancement plans (Yan et al., 2002). The expatriate may also have perceived a severe violation of the relational psychological contract, which would most likely lead to a retreat to a transactional contract and resulting in a similar outcome to the previous case (Turnley & Feldman, 2000).

Yan et al (2002) propose that in order for an international assignment to yield optimum results, in practice meaning that the assignment is carried out successfully and both parties are willing to continue the relationship in the future, both must be engaged in a relational psychological contract. However, as they too present, there are many hurdles to overcome. Even if the contracts are aligned in the beginning of the expatriation, either party may deviate from it to disrupt the balance and ultimately cause the long-term relationship to fail. Essentially there are two challenges, how to achieve a starting position where both contracts are aligned relational and more importantly how to ensure they stay that way and preferably even develop further to withstand the repatriation process.

To ensure the relational alignment of the contracts, the company must communicate the relational intent clearly, otherwise the expat might not believe it is there. The burden of proof is on the companies nowadays to proof job security, and that no opportunism will take place on behalf of the company. It is a risk for both parties to make a long-term commitment, even if only on a mental level, thus the company must lead by example and take the first step and act as the initiator. This study has identified six ways for idiosyncratic deals to support the alignment of the contracts. They are:

1) To facilitate and build trust through the i-deal

2) Ensure intrinsic motivation

3) Foster and encourage managerial aspirations in current company

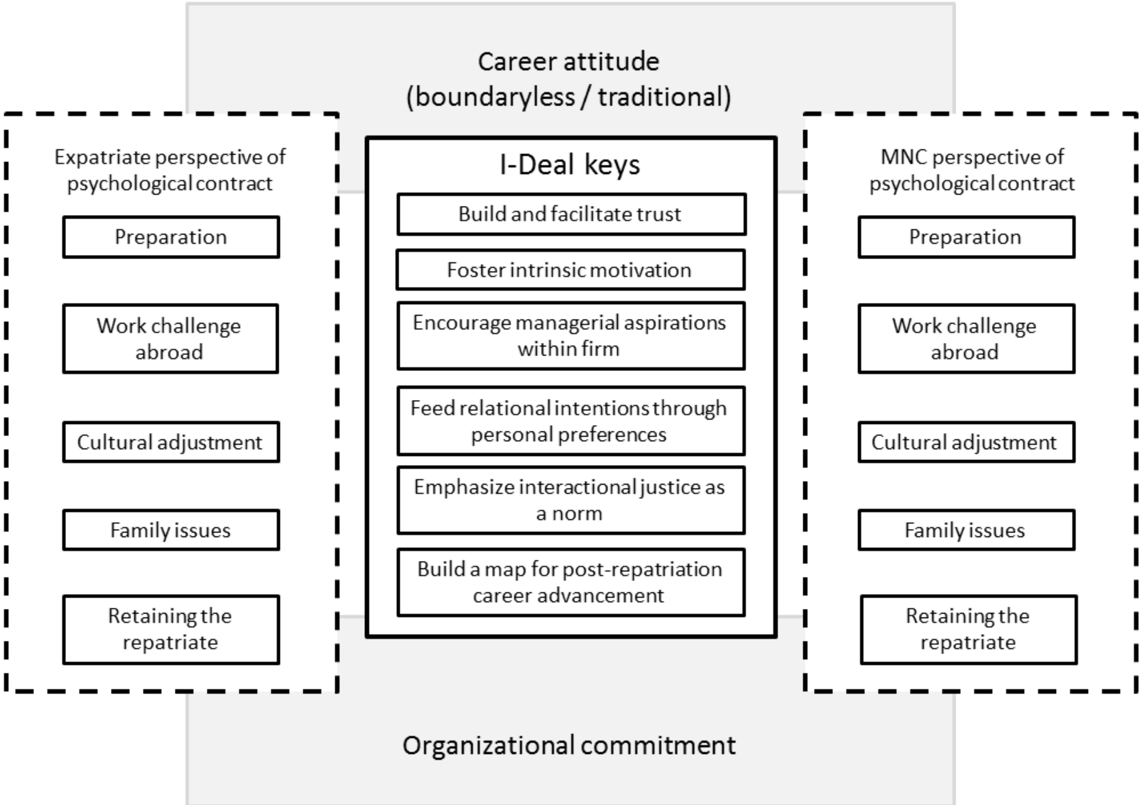
4) Create a commitment to mutual future by tying personal preferences to relational intentions

5) Emphasize interactional justice as a norm and

6) Build a road map for repatriation and career development.

The important areas of obligations of the psychological contracts have to be known to be able to build an idiosyncratic deal to avoid unintentionally violating the contract and push the expat to behave opportunistically. This study proposes based on the literature as well as expatriate candidate interviews, that the most critical elements to negotiate revolve around preparation, work challenge abroad, cultural adjustment, family issues and repatriation. Certain issues, such as basic preparation and children's schooling are best included in the contract automatically to avoid making the relationship too transactional (Rousseau, 2001). However, the negotiating of personal preferences in other issues is likely to add to the commitment of the employee (Hornung et al., 2008; Sturges et al., 2005). Furthermore, a boundaryless careerist requires good career management, as they have by definition strengths in career building. Thus they require their careers to be managed strongly, otherwise they will be likely to do it by themselves. Hence career issues are critical in their idiosyncratic contracts. On the other hand, a traditional careerist, who expects the company to offer career progression and job security is likely to adopt the relational mindset, but must be treated properly not to make the employee think the firm has forgotten him/her overseas. The connections to home office must be kept alive and repatriation plans clearly communicated. Figure 5 is an illustration of the critical areas of expatriation to negotiate to avoid misinterpretations of the psychological contracts and the key objectives of the idiosyncratic deal in order to align the contracts relationally.

Figure 5: Key target areas and objectives of idiosyncratic deals in developmental expatriation.




## 5.2 Theoretical Contribution & Limitations of the Study

This study brings forth the combined focus areas which expatriate management literature has identified and assignee candidates consider relevant, to establish an understanding of the most critical issues worthy of consideration in the negotiations of an idiosyncratic deal in developmental expatriation. It has attempted to follow the multidimensional structure of the phenomenon, to gain a holistic understanding of both sides of the employment setting, the individual and the organization. Both have their own sets of motives to pursue, and reducing the role of luck in aligning those motivations to create a fertile long-lasting employment relationship requires a wide perspective, that takes its toll on depth of detail in some parts. It is up to the judgment of the researcher to determine whether something has been left out, or another part too heavily focused on. That being said, the multi-faceted nature of developmental expatriation failure and the complexity of the related fields of study present a hefty challenge, given that the duration of the development of an internationally savvy business leader in this fashion albeit effective, lasts a lifetime considering today's unpredictable and fast-moving business world.

This study is limited to Finnish expatriate candidates, which hinders the generalizability of the results to some extent. The cultural differences in expatriate psychological contracts are worth studying, but are left out of this thesis in order to obtain a more consistent view of the psychological contracts of Finnish expatriate candidates.

Also, the opinions of the expatriate candidates were to some extent highly speculative, due to the nature of the research setting. Therefore no conclusions can be made whether these preconceptions hold throughout the expatriation, or how much they are likely to change once the expatriate actually meets the challenges abroad.

## 5.3 Suggestions for Further Research

No causal linkages have been tested and the results are partially based on theoretical speculation, making it necessary to announce the need for further examination to determine the linkages between idiosyncratic deals and employee retention. The effect of idiosyncratic deals on the three areas of commitment should be tested on a larger scale to validate the speculations in this study.

Furthermore, a longitudinal study to investigate the changes in the psychological contract throughout the expatriation process would give a better understanding of how the relationship between the organization and the expatriate develops and might offer further insight as to what to take into consideration in the pre-departure negotiations.

Finally, future research could examine the connections between career attitude and reasons to go on expatriation to find out whether the characteristic mobility of boundaryless careerists translates to dominance of that orientation among expatriates, and if their motives to suit the developmental intentions of the firms.

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# APPENDICES

Appendix A. Semi-structural interview guide (in Finnish)

Ikä
Sukupuoli
Siviilisääty/perhe
Ammattinimike
Työsuhteen kesto
Nykyisen tehtävän kesto

## 1. Henkilökohtaiset uratavoitteet

Mitä haluat työuraltasi? Mitä tavoitteita asetat työurallesi? Mikä on työnteon rooli elämässäsi?

## 2. Nykyinen psykologinen sopimus

Miten koet panosten, osallistumisen ja palkitsemisen vastavuoroisuuden työsuhteessasi? Eli mitä uhraat työssäsi, mistä koet luopuvasi että voit tehdä työtäsi, mitä koet riskeeraavasi tekemällä tätä työtä? Entä mitä hyödyt työstäsi, mitä sinulle on luvattu joko suoraan tai epäsuorasti, mitä vihjeitä epäsuorista lupauksista olet havainnut? *HUOM! Kuvausten yksityiskohtaisuus ei tärkeää, arkaluontoisista asioista / liikesalaisuuksista riittää ylimalkainen maininta.* Mitä oletat saavasi takaisin nykyisellä työpanostuksellasi? Mistä oletat (vaadit) työnantajan pitävän kiinni? Mistä oletetusta lupauksesta lipsuminen olisi tapahtuessaan törkeää? Oletettu ”kirjoittamaton sopimus” ylenemisen, työnantajan joustamisen suhteen?

## 3. Boundaryless careers

Lomake

## 4. Sitoutuminen organisaatioon

**Affektiivinen sitoutuminen:**

Oletko tässä työpaikassa koska nimenomaan haluat työskennellä täällä?
Mikäli työnantaja ei pidä ”kirjoittamattomasta sopimuksesta” kiinni, vaikuttaako se haluusi työskennellä nimenomaan kyseisessä yrityksessä? Mitkä rikkomukset tulevat mieleesi sellaisina, joilla on vaikutusta ja mitkä taas eivät vaikuta haluusi työskennellä yrityksessä?

**Laskelmoiva sitoutuminen:**

Koetko olevasi tässä työpaikassa vaihtoehdon puuttumisen vuoksi? Olisiko lähtemisellä liian kova hinta?

**Normatiivinen sitoutuminen:**

Koetko että sinulla olisi velvollisuus pysyä tässä työpaikassa?
Koetko että kasvattavan ulkomaankomennuksen tarjoaminen luo sinulle paineita pysyä yrityksessä komennuksen jälkeen? Koetko että kasvattaminen synnyttäisi velvollisuuden jäädä yritykseen? Miksi ei? Missä tapauksissa ei? Jos kaikki menee/ei mene hyvin?

Olisitko komennuksen jälkeen lähtökohtaisesti valmis katsomaan yrityksesi tarjoaman työuran ensin, vai olisivatko he samalla viivalla työmarkkinoiden tarjousten kanssa?

## 5. Kansainvälisten johtajien kehitys pitkäkestoisten ulkomaankomennusten kautta

Minkälainen kuva yleisesti sinulla on ulkomaankomennuksista?
Entä ulkomaankomennuksista johtamistaitojen kehittämis”työkaluna”? Kansainvälisen kokemuksen merkitys mielestäsi? Oma kansainvälinen kokemus?

**Pitkäkestoinen ulkomaankomennus:**

Mitkä seikat etukäteen arvioituna vaivaisivat mieltäsi, aiheuttaisivat päänvaivaa komennuksen eri vaiheissa (valmistautuminen, sopeutuminen, tehtävän suoritus, paluu)?
Mitä ongelmia/haasteita odottaisit kohtaavasi ennen lähtöä, perillä, palatessa?
Miten suhtautuisit ongelmiin/haasteisiin? Pitäisikö ne ”hinnoitella riskeinä” sopimukseen sisään?
Kenen vastuulla ovat epäonnistumiset ja niiden seuraukset eri osa-alueilla (valmistautuminen tehtävään ja kulttuuriin, sopeutuminen tehtävään ja kulttuuriin, tehtävän suoritus, paluujärjestelyt)
Kuinka paljon vapautta/tarkkoja ohjeita tehtävän hoitamisessa odotat saavasi (oletettava lähtökohta: globaalia johtamistaitoa kehittävä komennus)?

## 6. Organisaation tuki työntekijälle:

Valmistautuminen, sopeutuminen, tehtävän suoritus, paluu
Minkälaista koulutusta odottaisit saavasi ennen tehtävää?
Miten kattavasti odotat yrityksen tukevan sopeutumista uusiin oloihin? (Kattaa kaiken: esim asuntojärjestelyt, opastus ja avustus paikanpäällä, sosiaalinen sopeutuminen, puolison sopeutuminen, puolison ura, lasten koulut)

Miten paljon otaksut/vaadit yrityksen tukevan tehtävän aikana? (mentorointi, yhteydenpito kotikonttoriin, vierailut kotimaahan)
Miten siirtymä takaisin ja uuteen tehtävään pitäisi hoitaa? Minkä odotat olevan roolisi tässä kohdassa? (odotatko että yrityksellä on valmiiksi räätälöity uusi tehtävä jo hyvissä ajoin, vai odotatko että olet itse aktiivisesti mukana uuden työtehtävän määrittämisessä ennen paluuta/paluun jälkeen?)
Entä sopeutuminen takaisin kotikonttoriin? Odotatko että yritys tukee sinua tässä kohdassa?

Miten yritys voi silmissäsi epäonnistua näissä neljässä vaiheessa?
Mitkä näistä epäonnistumisista ovat ”anteeksiantamattomia”?
Onko yrityksellä velvollisuus pitää huoli siitä että sinä ja perheesi/puolisosi osalta <u>kaikki</u> menee hyvin, vai rajoittuuko huolenpito sinuun, vai onko sitä lainkaan? (Esim ”firma huolehtii minusta, minä perheestä”) Tämä kysymys koskee kaikkia neljää vaihetta.

## 7. Työntekijän panos työsuhteeseen

Mistä koet luopuvasi / Mistä olet valmis luopumaan?
Mitä koet riskeeraavasi / Mitä olet valmis riskeeraamaan?

Tehtävän hoitaminen, ponnistelun määrä? (Antaisitko itsestäsi enemmän kuin kotimaassa, jotta haasteista selvitään?)
Työn ja vapaa-ajan suhde?

## Lopuksi:

Lähtisitkö jos nyt tarjottaisiin mahdollisuutta?
Mitä pitäisi luvata että lähtisit?

Appendix B. Boundaryless Career Attitudes Scale (Briscoe & Hall, 2005)

Please indicate the extent to which the following statements are true for you, using the following response scale. Please circle or place an “X” over the appropriate response

| To little or no extent | To a limited extent | To some extent | To a considerable extent | To a great extent |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

[Scale above was listed under each item from Protean Career Attitudes Scale and Boundaryless Career Attitudes Scale]

1. I seek job assignments that allow me to learn something new.
2. I would enjoy working on projects with people across many organizations.
3. I enjoy job assignments that require me to work outside of the organization.
4. I like tasks at work that require me to work beyond my own department.
5. I enjoy working with people outside of my organization.
6. I enjoy jobs that require me to interact with people in many different organizations.
7. I have sought opportunities in the past that allow me to work outside the organization.
8. I am energized in new experiences and situations.
9. I like the predictability that comes with working continuously for the same organization.
10. I would feel very lost if I couldn’t work for my current organization.
11. I prefer to stay in a company I am familiar with rather than look for employment elsewhere.
12. If my organization provided lifetime employment, I would never desire to seek work in other organizations.
13. If my ideal career I would work for only one organization.

Scoring: Boundaryless Mindset ScaleDitems 1–8. Organizational Mobility Preference ScaleDitems 9–13 (Reverse score items 9–13).

Appendix C. Boundaryless Career Attitudes Scale sent to interviewees

Boundaryless Career Attitudes Scale (adapted from Briscoe & Hall, 2005)

**Vastausohje:**
Vastatkaa kussakin kohdassa merkitsemällä "X" sen numeron perään, mikä parhaiten kuvaa teitä. Lomakkeessa on 13 kohtaa ja olen myös laatinut siitä vapaan suomennoksen, joka löytyy heti alkuperäisen englanninkielisen perästä. Vastata voitte kumpaan haluatte. Valmiin lomakkeen pyydän lähettämään takaisin minulle osoitteeseen tommi.kuukkanen@aalto.fi. Kiitos vastauksistanne!

**1. I seek job assignments that allow me to learn something new.**

| To little or no extent | To a limited extent | To some extent | To a considerable extent | To a great extent |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

**2. I would enjoy working on projects with people across many organizations.**

| To little or no extent | To a limited extent | To some extent | To a considerable extent | To a great extent |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

**3. I enjoy job assignments that require me to work outside of the organization.**

| To little or no extent | To a limited extent | To some extent | To a considerable extent | To a great extent |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

**4. I like tasks at work that require me to work beyond my own department.**

| To little or no extent | To a limited extent | To some extent | To a considerable extent | To a great extent |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

**5. I enjoy working with people outside of my organization.**

| To little or no extent | To a limited extent | To some extent | To a considerable extent | To a great extent |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

**6. I enjoy jobs that require me to interact with people in many different organizations.**

| To little or no extent | To a limited extent | To some extent | To a considerable extent | To a great extent |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

**7. I have sought opportunities in the past that allow me to work outside the organization.**

| To little or no extent | To a limited extent | To some extent | To a considerable extent | To a great extent |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

**8. I am energized in new experiences and situations.**

To little or no extent To a limited extent To some extent To a considerable extent To a great extent

1 2 3 4 5

**9. I like the predictability that comes with working continuously for the same organization.**

To little or no extent To a limited extent To some extent To a considerable extent To a great extent

1 2 3 4 5

**10. I would feel very lost if I couldn't work for my current organization.**

To little or no extent To a limited extent To some extent To a considerable extent To a great extent

1 2 3 4 5

**11. I prefer to stay in a company I am familiar with rather than look for employment elsewhere.**

To little or no extent To a limited extent To some extent To a considerable extent To a great extent

1 2 3 4 5

**12. If my organization provided lifetime employment, I would never desire to seek work in other organizations.**

To little or no extent To a limited extent To some extent To a considerable extent To a great extent

1 2 3 4 5

**13. In my ideal career I would work for only one organization.**

To little or no extent To a limited extent To some extent To a considerable extent To a great extent

1 2 3 4 5

**1. Etsin työtehtäviä jotka tarjoavat mahdollisuuden oppia jotain uutta.**

Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä

1 2 3 4 5

**2. Pitäisin työskentelystä projekteissa, joissa kohtaisin ihmisiä monista eri organisaatioista.**

Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä

1 2 3 4 5

**3. Pidän työtehtävistä, jotka edellyttävät työskentelyä organisaation ulkopuolella.**

Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä

1 2 3 4 5

**4. Pidän tehtävistä jotka vaativat työskentelyä osastoni ulkopuolella.**

Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä

1 2 3 4 5

**5. Pidän organisaationi ulkopuolisten ihmisten kanssa työskentelystä.**
Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä
1 2 3 4 5

**6. Pidän tehtävistä jotka edellyttävät vuorovaikutusta monien eri organisaatioiden ihmisten kanssa.**
Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä
1 2 3 4 5

**7. Olen tavoitellut työtehtäviä jotka mahdollistavat organisaation ulkopuolella työskentelemisen.**
Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä
1 2 3 4 5

**8. Innostun uusista kokemuksista ja tilanteista.**
Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä
1 2 3 4 5

**9. Arvostan ennakoitavuutta, jonka pitkään samassa organisaatiossa työskenteleminen mahdollistaa.**
Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä
1 2 3 4 5

**10. Tuntisin oloni neuvottomaksi mikäli en voisi työskennellä nykyisessä organisaatiossani.**
Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä
1 2 3 4 5

**11. Pysyn mieluummin yrityksessä jonka tunnen, kuin etsin töitä muualta.**
Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä
1 2 3 4 5

**12. Jos organisaationi tarjoaisi elinikäisen työn, en koskaan haluaisi etsiä töitä muualta.**
Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä
1 2 3 4 5

**13. Ihannetapauksessa työskentelisin vain yhdessä organisaatiossa läpi urani.**
Täysin eri mieltä Jokseenkin eri mieltä Osittain samaa mieltä Pääosin samaa mieltä Täysin samaa mieltä
1 2 3 4 5