

Cognitive styles and adjustment challenges for Finnish expatriates: A case study

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Abstract

Choosing the right candidate to send abroad to represent the organization has always been a major challenge for multinational companies (MNC). The costs of sending expatriates especially in the case of early returns are high for the companies (Bonache, Brewster & Suutari, 2001, Copeland & Griggs, 1985). For this study 10 Finnish expatriates were interviewed during or shortly after their assignment in a culture that is opposite to that of their home country's culture (see Hofstede, 1991). Expatriates also completed the Myers-Briggs Type Indicator to measure differences in adjustment from a personality point of view. In addition some of the responses from one Finnish employee working under a long-term contract were included because of her valuable insights. Four groups were represented: NTs and STs with four each, and two SFs. NFs were not represented in the sample.

The STs had more challenges with hygienic issues than other groups. They also had challenges with bureaucracy and local people. The NTs more often mentioned challenges related to local management and hierarchy as well as language skills but tend to take challenges less personally. The SFs saw the main challenge in relationships at work and with local people. Italian traffic and the number of traffic accidents were worrisome. SFs felt that they did not have enough information before the assignment and were not as content with their contract as were the other groups. SFs also needed to maintain closer contact with their relatives and friends in their home country. On the basis of these results it appears that cognitive style has a significant impact on adjustment to a new culture. Therefore in addition to training in cultural differences, preparation for work abroad should also include personality and the characteristic concerns that different cognitive styles raise.

Introduction

International assignments have been used by firms to develop global leaders. In a recent survey on developing global leadership competencies, 80% of the executives described their foreign work assignment as the single most influential developmental experience in their lives (Black, Gregersen & Morrison, 1998). International operations require a multinational company (MNC) to transfer key personnel across borders between various units. These international transfers are demanding from the compensation and tax jurisdiction point of view, but also due to adjustment difficulties experienced by expatriates in alien work and cultural settings (Brewster, 1991). According to Copeland and Griggs (1985) the costs for early returns for U.S. companies have risen to hundreds of thousands dollars per expatriate.

Adjustment difficulties and poor training can also result to losing business opportunities and contracts and even damage to the company name (Björkman, 1990). In the study concerning expatriate assignments and repatriation some researchers argue that firms do not give enough attention to training expatriates and often undervalue the skills they gained abroad when placing repatriates back in the home organization. This may result in mistrust and resignations (Black, Gregersen & Stroh, 1998). With a better understanding of expatriate assignments

and knowledge of expatriates' personality it may be possible to predict problems more accurately and prevent or reduce adjustment challenges.

Cultural, organizational and personal adjustment

Expatriates are facing major challenges in adapting to a new national and organizational culture. How well they adapt depends not only on the differences between expatriates' home and foreign country and organization but also on the sojourner's personality (Routamaa & Honkonen, 1999, Routamaa & Rautiainen, 2002).

Hofstede defines five layers of national culture: values, rituals, heroes, symbols, and practices. Practices, symbols, and heroes are relatively easy to learn. Rituals and values define behavior in deeper cultural layers and are not so easy understood or accepted. Expatriates often adjust more easily either to the work environment and company's organizational culture or to the environment outside work, that is, the national culture (Hofstede, 1991). It is easier to adjust to organizational culture if the expatriate comes from the company's homeland or if the organizational culture is similar to the ones in his/her homeland.

According to Hofstede's theory Finland and Italy can be described as countries that have opposite national culture in terms of masculinity

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vs. femininity (equality between women and men), power distance (hierarchy) and uncertainty avoidance (rules in the society). Individualism vs. collectivism (individual decisions) level is more or less similar in these countries.

Finland can be described having a rather feminine national culture with women and men equally working in higher positions (as a president, for example). Power distance is very low between employees, and subordinates often address executives by their first name. Also uncertainty avoidance is somewhat lower than in Italian national culture. In Finland, rules and laws are fewer, but they are rather more strictly followed. Individualism is quite high in both countries but not near as high as in the US. When national cultures differ in this scale, adjustment challenges are very likely to appear.

Aycan (1997) divides the expatriation process into four parts: pre-departure preparation, post-arrival initial contact, appraisal and coping, and psychological and adjustment outcomes. Hofstede (1991) describes the feelings of expatriate from euphoria to culture shock and acculturation from which follow negative, positive, or neutral states.

The adjustment process and mental challenges are easier for expatriate to cope with when sufficient information concerning national and organizational culture as well as work itself is given and language courses are organized not only for the expatriate but also for his/her family (Suutari & Brewster, 2000; Black, Mendenhall & Oddou, 1991). Links between the home country organization and the foreign organization are vital in order for the expatriate to cope with new situations and to keep on track with what is happening back home. If these links are missing, it will be very challenging for the expatriate to return after the assignment.

In addition to these well-known aspects, expatriate personality may help to predict the adjustment problems and challenges that expatriates are likely to face. Personality has been recognized as one of the key influences on success in the expatriate assignment (Black, 1990; Ones & Viswesvaran, 1997, 2003).

Cognitive styles and Myers-Briggs type indicator

Myers Briggs type indicator was developed by a mother-daughter team (Katherine C. Briggs & Isabel Briggs Myers) based on Jung's personality theories. (Myers & McCaulley, 1985; Engler, 1979). The purpose was to help people better understand themselves and each other. The MBTI instrument divides people into 16 personality types with four sets of contrasting preferences: Extraverted - Introverted, Sensing - Intui-

tion, Thinking - Feeling, and Judging - Perceiving. (Myers & McCaulley, 1985).

MBTI cognitive styles are formed from the combination of perception (sensing or intuition) and judgment (thinking or feeling). The four cognitive styles are sensing-thinking (ST), sensing-feeling (SF), intuition-thinking (NT), and intuition-feeling (NF). People with a preference for sensing and thinking focus attention on facts and handle them with impersonal analysis. STs tend to be practical and find scope for their abilities in technical areas with facts and objects. People who prefer sensing and feeling focus attention on facts and handles them with personal warmth. These types tend to become sympathetic and friendly and find scope for their abilities in practical help and services for people (Myers, McCaulley, Quenk & Hammer 1998). People who prefer intuition and thinking focus attention on possibilities and handles them with impersonal analysis. They tend to be logical and ingenious and find scope for their abilities in theoretical and technical developments. People who have preferences for intuition and feeling focus attention on possibilities and handles them with personal warmth. They tend to be enthusiastic and insightful and find scope for their abilities in understanding and communication with others (Myers, McCaulley, Quenk & Hammer 1998). In this study cognitive styles were used to explore the challenges Finnish expatriates experience in adjusting to work in Italy.

Cognitive styles and background information of the sample

The interviews of eleven expatriates were carried through either during their assignment in Trieste, Italy, or soon after they returned to Finland. All those interviewed were males and had worked in company's Italian office for more than a year. The only woman of the sample was already considered as one of the locals rather than as an expatriate because of her twenty-years of experience in Italy, but some of her answers are included in this report. The youngest of the interviewed was 33, and oldest was 44.

Three of the expatriates had been abroad before. Eight were accompanied by family or spouse. Two lived alone. Only one of the spouses was working during the assignment. None of the expatriates spoke Italian before leaving, but six had taken a language course in preparation. Seven were studying Italian during their assignment. Nine of the expatriates had visited Trieste either alone or with their spouse before moving there. The eleventh interviewed had seen her future husband in Finland. She had left to visit Italy in 1986 and was still on that trip.

The expatriates received information on the assignment an average of two months before leaving. The shortest time between the knowledge about the assignment and moving was two weeks. The longest was six months. Four of the expatriates felt that the time to prepare for moving was too short. The average duration of the assignments was two years. Eight of the expatriates reported that they were working more with Italians than with Finns, and one said he was working as much with Italians as with Finns. One of the expatriates was working as a regional manager and was working with Finns, Italians, and other nationalities outside Italy when needed.

The sample of the study included four STs, four NTs, and three SFs. A fourth SF was excluded from the sample because she already had extensive local contract, was married to an Italian, and could no longer be considered in the same category as the other expatriates. She described in considerable detail the differences between masculinity and power distance, which Finland and Italy represent, in ways that supported Hofstede's (1991) theory. She was, to her knowledge, the only woman working as a manager in the company's Italian office. She had difficulties at first but was now rather content of her life abroad especially outside the company.

NTs were, without exception, working in higher management and development. STs were working in middle management and mechanical development. Two of the SFs were working as specialists, and one was in middle management. NFs were not represented in the sample. One reason for this could be that the sample was collected from a company that works in the field of metal industry, and NFs often tend to work in professions that are closer to people. In general, these assignments are consistent with MBTI theory (Myers et al., 1998).

Method

Finnish version of the MBTI indicator was used to study the personalities of the sample. The indicator was completed prior to the interviews and structured questionnaire that were used to study both adjustment challenges and cultural differences. This article includes only the questions that were used to study adjustment challenges of Finnish expatriates. Part 2 of the original questionnaire is included as an appendix. The responses from structured questionnaire were counted together by cognitive styles and then compared. The scale was from 1 to 5 with 5 the most positive response.

The theme interviews were tape recorded and then used to compare the adjustment challenges expatriates felt crucial. During the interview only a few questions were asked, and the

interviewer led the conversation as little as possible. Results of the MBTI indicator came after the interviews and so had no effect during the data collecting. Seven of the interviews (including the employee with local contract) were carried through during the assignment in Italy and four of the interviews shortly after returning to home country (less than a year after the assignment).

Results

Motivation to work as an expatriate was high in all three cognitive styles. Table 1 presents the mean score for challenges the expatriates reported. The scale is from 1 to 5. The numbers in each cognitive style are small so these averages are only suggestive.

Expectations. STs felt that their expectations about the challenges of the work during the assignment was very close to reality (4,50). NTs felt that expectations about work were less close to reality (3,75). One of the NTs was especially disappointed about the extent to which he was allowed to make decisions. Because of the limited possibilities to "work at his best," he also felt that his work was not challenging enough. He was one of the first Finnish expatriates in Trieste and said he had had no preparation training at all. He was also very frustrated upon returning and finding little possibility of being promoted. SFs found greater differences between their expectations and reality (3,50). They were dissatisfied with the busy traffic and the amount of car and scooter accidents in Trieste. STs and NTs, however, felt the traffic was more stimulating and exiting.

Prior information. SFs also felt that they did not have enough information before moving abroad (2,50). In contrast NTs were quite satisfied (4,50). STs scored between these two (3,25). In the addition to training organized by the company (received by all but the first expatriate mentioned above) nearly all of them had obtained information from their colleagues, from the internet, and by visiting the country either on holiday or otherwise.

Tasks. The SFs found their functions abroad were not as clear (3,50) as did the NTs (4,25). STs believed their work was challenging (4,00) and rewarding (4,75). The SFs and NTs were not quite as well satisfied (4,00). This could be due to more direct orders and tasks descriptions used in Italy. SFs (4,50) and NTs (4,00) still felt that they had adequate skills for the work. STs rated their skills lower (3,75). STs felt they had nearly all the resources needed (4,00), while NTs (3,75) and SFs (3,00) were not as positive. SFs felt that they had too many tasks to do (4,00). For NTs the number of jobs was not as much of a problem (3,00). This may be due to SFs tendency

to be very precise and handle things with personal warmth.

Management. NTs reported that they were not happy about the local management (2,50) and doubted whether the local management was professional enough. They were frustrated by the management hierarchy and the limited possibilities to make decisions. SFs and STs were also dissatisfied with the management. SFs tried

to make things happen through the “right channels without insulting anyone.” One SF was extremely frustrated about the relationships at work. All this could be due to the fact that the factory was owned by Italian government before its acquisition by a private firm, and many of the old employees were still working at the company.

Table 1. Adjustment challenges by cognitive styles.

Question	NT (4)	ST (4)	SF (2)
Correct expectations, work requirements	3,75	4,50	4,00
Correct expectations, life outside work	3,75	4,75	3,50
Enough information prior to departure	4,50	3,25	2,50
I know what are my tasks	4,25	4,00	3,50
Work is challenging	4,00	4,75	4,00
My skills are adequate for work	4,00	3,75	4,50
I have all the resources needed	3,75	4,00	3,00
I have too many tasks to do	3,00	3,50	4,00
I am content with local management	2,50	3,00	3,00
I am content with local colleagues	3,75	4,25	4,00
Local colleagues are professional	3,00	4,25	4,00
I am content with my contract	4,00	4,00	3,00
I keep in contact with homeland	3,75	4,25	4,50

Challenges. STs were more content with local colleagues (4,25) than the NTs (3,75) and SFs (4,00). The NTs felt that the local colleagues were not professional enough (3,00). NTs and STs were content with their assignment contracts (4,00). SFs were not so satisfied (3,00). SFs also kept more contact with home (4,50).

Table 2 presents the mean score for the challenges related to national culture and outside life. Again only expatriates appear in the table, but some of the answers of the third SF are included in the text.

Schools. NTs were especially content with the international school for their children (5,00), and STs were nearly as content (4,25). One of the STs complained that most of the children at the school were Italians and talked only Italian during the breaks. Neither of the SFs had children. The third SF had one child and was not pleased. Specifically, when the parents of one of child had not paid for the afternoon snack, none of the children had a snack.

Table 2. Challenges outside of work

Question	NT (4)	ST (4)	SF (2)
schools for children	5,00	4,25	-
local traffic	4,25	4,25	2,50
local shops	4,00	4,25	4,00
leisure time	4,50	4,50	4,50
weather	3,75	4,50	4,50
local people	3,50	3,00	3,00
living conditions	4,50	3,50	3,50
local food	5,00	5,00	5,00
bureaucracy	3,50	2,00	2,00

Traffic, leisure, weather. All but SFs found the local traffic a challenge (2,50) while the NTs and STs were not so concerned (both groups, 4,25). The STs were especially happy with the local shops (4,25). All cognitive styles enjoyed their leisure time in the local beaches and Slovenian mountains close to Trieste (4,50). Only NTs complained about the weather (3,75) because of the wind that blew sand once a year.

People. NTs were happier with the local people (3,50) than STs and SFs (both 3,00), who complained that politics and food were the only topics locals wanted to talk about. Still NTs expressed greater concern about their poor language skills than others.

Living. The NTs were very happy with their living conditions (4,50), while STs and SFs were not so pleased (both 3,50). This is probably due to the higher positions of the NTs. They could afford more. At least one of the NTs had a housekeeper that was part of the assignment contract. Two of the STs commented on the local cleaning services and less hygienic conditions. One of the STs even advised taking two napkins to a restaurant in order to place one in the chair.

Bureaucracy. All three cognitive styles were really happy with local food (5,00) but bureaucracy in offices and hospitals was something they did not like (STs and SFs, 2,00; NTs, 3,50). One of the STs was very dissatisfied with the local hospital because of the long queues, bureaucracy, and the less than hygienic conditions. "Even Italians themselves did not know in what order and to where all the papers should be delivered. In Finland, at least, the instructions are clear."

SFs were more concerned about bureaucracy in the offices and the problem of Italians

sometimes thinking that the Finns were Slovenians. One of the SFs described how one local man had shouted at his wife on the bus, thinking she was Slovenian. NTs answered this question a bit more positively (3,50) probably because of their higher position. One of the NTs was part of the executive team and had his own secretary to deal with all paper work and some of the "boring everyday tasks."

Conclusion

STs had challenges with hygienic issues, bureaucracy, and with local people. They reported that rules and instructions they expected to find were missing both at work and in the outside community, but they described their jobs as quite satisfactory.

SFs saw their main challenge in relationships at work and with local people. Italian traffic and the amount of accidents were of concern. SFs felt that they did not have had enough information before arriving at their assignment and were not as happy with their contract as were the other cognitive styles. SFs also sought to keep closer contact to their relatives and friends in home country. However, one of the SFs had clearly adapted well to Italian culture, having lived there already nearly 20 years.

NTs more often cited challenges related to local management and the firm's internal hierarchy. Further, they found deficiencies in their language skills, Italian, and also their colleagues' limited proficiency in English. NTs seemed to have more objective ways to struggle with the difficulties they encountered and did not take even the negative experiences personally.

Earlier studies have shown that NTs and NFs could make the adjustment to a new culture most easily (Routamaa & Honkonen, 1999; Rou-

tamaa & Rautiainen, 2002). The responses to the questions were not always clear and might have been resulted from the NTs tendency to rate items higher than the other cognitive styles (Myers, McCaulley, Quenk & Hammer 1998). Due to very small sample, the results can be considered not definitive but interesting and suggestive.

Adjusting to a new culture was perhaps slightly easier for those expatriates who had been abroad previously. Also those who had family and children seemed to adjust better than those who went alone. One ST couples had their first child soon after they had returned to Finland, and they felt that living abroad had made their relationship stronger.

Although preservice training has improved, it is still common for expatriates' spouse to be left without training and language courses before arriving at the new assignment (Björkman, 1990). In this sample most of the spouses had had a language course but had been left out from the other parts of the training. It is likely

that the spouses' personality, perception and judgment, also has impact on how the work assignment is understood and evaluated. This suggests that the same training should be provided to spouses as well.

Building on the experience of its employees, training organized by the sending company could better meet the challenges that are likely to appear during the mission abroad. A focus on the cognitive styles of expatriates can help to create a picture of the specific kinds of adjustment challenges that different individuals are likely to face. For example a contact person having same cognitive style who has visited the same country could be valuable especially in the early phases of the assignment.

Finally, despite the small sample size, the results fore each cognitive style were consistent with type theory (Myers et al., 1985; Myers et al., 1998). Personality does make a difference in the experience of working abroad and in facing the challenges of living and working in a new culture.

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Appendix. Interview Questionnaire

Part 2: The adjustment challenges of Finnish expatriates

1. I had correct expectations concerning the work requirements during the assignment?
2. I had correct expectations concerning the life outside work?
3. I had enough information of the new culture (national and organizational) prior to the assignment?
4. I knew exactly what my tasks are during the assignment?
5. Work during the assignment is very challenging?
6. My skills are adequate for the work?
7. I have all the resources needed?
8. I have too many tasks?
9. I am content with local management?
10. I am content with local colleagues?
11. Local colleagues are professional?
12. I am content with my assignment contract?
13. I keep in contact with homeland?

Challenges outside of work

I am content with:

- | | |
|-------------------------|-------------------------------|
| 1. Schools for children | 6. Local people |
| 2. Local traffic | 7. Living conditions |
| 3. Local shops | 8. Local food |
| 4. Leisure time | 9. Bureaucracy |
| 5. Local weather | (in offices, hospitals, etc.) |