

**FACTORS INFLUENCING EXPATRIATE CULTURAL  
ADAPTATION AT AGA KHAN UNIVERSITY HOSPITAL,  
KENYA**

**BY**

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## **DECLARATION**

This research project is my original work and has not been submitted for examination to any other university.

Signature..... Date.....

**STEPHEN KATHURIMA MURIUKI**

**D61/71267/2008**

This research project has been submitted for examination with my approval as the University supervisor.

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## **DEDICATION**

This research is dedicated to my parents who made me be whom I am today and more so, to my father who never got tired of talking to me on the value of education even long after I became financially independent. Daddy you always desired to have your children get the highest level of education and this is being accomplished.

## **ABSTRACT**

The increasing globalization of the world requires new measurements for businesses if they are to succeed in the international market. Cultural gaps have a great effect on the difference between living and working in one's home country and abroad. The study was based on human capital theory, which states that international migration depends on standard components of individual capital as age, gender, education, skill, experience, marital status, as well as on personality features (ambition to succeed, entrepreneurial spirit, or a willingness to take risks by changing language, culture, and social environment). Expatriates working in Kenya tend to be either highly paid managers of multinational companies, or development and NGO employees and volunteers. Health care industry in Kenya and more specific at Aga Khan University Hospital continues to receive expatriates to compliment local expertise on highly specialized clinical or medical areas.

The research objective of this study was to determine factors influencing expatriate cultural adaptation at Aga Khan University Hospital in Kenya. The research design employed in this study was descriptive survey design. Data was collected from the expatriate Executives, Managers and Supervisors expatriates in Aga Khan University using questionnaires. Data was analyzed using descriptive statistics whereby frequencies, percentages, mean and standard deviations, generated from the various data categories were computed and presented in graphs and tables.

The study established that the most significant aspects of cultural training were that expatriates are satisfied with the cultural training provided by the organization, expatriates are satisfied with participation in many local community events and that expatriates are satisfied with the duties of the job during the assignment. The study established that majority of the respondents stayed with their spouse / partner during the assignment. This depicts that the majority of the expatriates valued their families and thus opted to stay with their spouses / partners during the assignment to enhance the cultural adaptation. The study established that reward and compensation affect expatriate adaptation to a great extent.

The study recommends review of the existing policies and laws on reward and compensation of the expatriates with a view to ensure that they meet the prevailing international markets rates to retain the expatriates in the organization. The study also recommends that the organization should offer a high quality cultural training to the expatriates coupled with efforts to integration with the local community to maximize their cultural adaptation in Kenya.

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## **ABBREVIATIONS AND ACRONYMS**

**AKDN:** Aga Khan Development Network

**IHRM:** International Human Resource Management

**NGO:** Non-Governmental Organization

**SPSS:** Statistical Package for Social Science

# **CHAPTER ONE:**

## **INTRODUCTION**

### **1.1 Background to the study**

The increasing globalization of the world requires new measurements for businesses if they are to succeed in the international market. Today's information society, increasing world trade due to market integration and massive increase of foreign direct investment (Beardwell, 2004) are all factors influencing the way in which companies operate and manage their social capital – at home and abroad. Usage of expatriates as knowledge transferors has increased because of this alteration in the management of international companies (Romero, 2002, Templer, Tay and Chandrasekar, 2006) and the ongoing change occurring outside the companies' domain is reflected in an internal organizational development. Internal company communication and coordination across borders have become a necessity in order to control and encourage companies' interests abroad. In this, expatriates have become essential for the ability to compete on the international scene.

Globalization is one of the major trends in the business environment, with companies increasingly looking to enter global markets. Business has become more increasingly international; expatriates play a significant role in the global strategies of many organizations by filling a skill gap in a foreign business operation, transferring management expertise or corporate culture, starting new operations and coordinating global activities (Beardwell et al 2004).

Global mobility is a reality and a necessity in today's international business environment (Punnett, 1997). This creates a need for companies to manage international operations

effectively. One option is to send an employee to the foreign location to live and work as an expatriate manager. Business expatriates are sojourners sent to a foreign country by multinationals with the intent to control the company operations and to provide technical and administrative services (Torbiorn, 1982). A marked upsurge of interest in the topic of expatriates' cultural adaptation has been provoked not only by the growth in the volume of expatriates but also due to the financial costs associated with expatriation as well as premature repatriation. The cost of failed expatriate stints is estimated to be between \$2 and \$2.5 billion; (Kotabe and Helsen, 1998). Successful cultural adaptation of business expatriates affects their organizational commitment as well as other performance variables (Gregersen and Black, 1989; Jun, Lee, and Gentry, 1997; Mathieu and Zajac, 1990).

Although globalization has opened opportunities for businesses to increase their revenue base by selling around the world and reducing costs by producing in countries where cheap, going global is not without problems. Doing business in foreign countries has challenges as well. One of the most challenging aspects is international human resource management. According to Pires (2006) international human resource management is increasingly seen as important factor in determining success or failure in international assignment. Organizations may see expatriation assignment as an important strategy in order to bring over business to next stage.

### **1.1.1 Cultural Adaptation as a concept**

An expatriate is a person who lives or works outside of his or her own home country on a non-permanent basis (Anderson, 2005; Ward, Bochner & Furnham, 2001). Employees

who are sent to another country with a specific purpose to accomplish a job-related assignment are generally referred to as expatriates (Sinangil & Ones, 2001).

Cross-cultural adaptation is conceptualized as the degree of psychological comfort with various aspects of a host country (Black, 1988; Oberg, 1960; Nicholson, 1984). Understanding the culture and the mindset that determine one's values and behaviors is a vast challenge for international expatriate and those responsible for their performance and wellbeing. The closer the cultural backgrounds, the easier and faster the adjustment occurs and the less likely the expatriates would want to return home early. Stone (1991) suggested that discovering the capacity for cultural adjustment should be the most important criteria in expatriate selection, since expatriates will not perform effectively and need to extend the relocation duration if they are unable to adjust to the host site culture.

Harzing (2004) argues that expatriate failure is more complicated than merely returning home before an international assignment contracts has expired. He states that high labor turnover during or shortly after international assignments and expatriates who fail to perform adequately, are those assignees seen to bring more loss to the organization than those who return prematurely. Literature indicates that major cause of expatriate failure is related to adjustment problems experienced by the expatriates and or spouse and family (Brewster, 1995; Harzing 2004; Adler2008).

Cultural gaps have a great effect on the difference between living and working in one's home country and abroad. Every country can be profiled but most often, several countries with the same tendencies are put together in clusters in order to generalize and simplify

the use of the theory (Katz and Seifer 1996). As the type of communication is one of the main features of culture, and essential to understand for the expatriate, the concepts of high and low context communication are also worth mentioning.

### **1.1.2 Human Capital Theory**

Human capital theory has been explored in relation to the area of this research study on expatriate cultural adjustment. This study can be assessed by utilizing human capital theory which states that “international migration” depends on “such standard components of individual capital as age, gender, education, skill, experience, marital status, as well as on personality features such as ambition to succeed and “entrepreneurial spirit”, or a willingness to take risks by changing language, culture, and social environment” (Morawska 2007: 5). For Freeman, the essential idea of the human capital theory is “that education is an investment of current time and money for future pay” (Oosterbeek 1992: 5). His argument is more meaningful and to the point when one considers any job-related training, workshops, courses and overseas assignments in scope of education. Oberg supports Freeman’s statement and further enunciates that “(human capital) will increase for individuals with the length of their education and experience in working life. This process could continue for individuals in most occupations until the age of 45-65. This is the essence of human capital theory” (Oberg 1997).

Regarding the ‘experience in working life’ in the previous paragraph, overseas postings can be attributed as pivotal in the career path of an individual. The reason for this is believed to be that they enable expatriates to obtain “international knowledge, for example about complexities of global operations, characteristics of national markets,



business climate, and cultural patterns” (Selmer 2006: 2003). The experience gained with an international transfer, which can be an international replacement in the same company/organization or from one company to another, is considered significant for self-realization or proving oneself in a different context. In this respect, it can be asserted that though expatriation is seen beneficial and profitable primarily and even solely for the companies or organizations, its benefits and teachings for individuals cannot be disregarded. Meanwhile, the concept of ‘time to proficiency’ should be heeded concerning the fact that the sooner the expatriate adjusts to the new location, the better and more the gains will be for both parties. Actually, there is no real obligatory force behind the relocation of expatriates; rather they might even be given the opportunity to choose where to go for their overseas assignments, human capital theory would therefore be appropriate to comprehend their situation.

### **1.1.3 Expatriates in Kenya**

Expatriates working in Kenya tend to be either highly paid managers of multinational companies, or development and NGO employees and volunteers. Strong levels of local employee protectionism can often make the job search difficult, even for skilled and highly qualified foreigners.

Expatriates life can be insulated from Kenyan society, as the fear of crime, particularly in the large cities, sometimes cloisters foreigners behind the gates of compound housing complexes, and locked car doors. Those who emerge from behind this curtain of fear can really enjoy the different cultures of Kenya, all of which are famously welcoming and cheerful.

There are many volunteer jobs in Kenya with government and NGO organizations. The country is a regional hub and headquarters for not-for-profit organizations that service much of eastern Africa. For this reason, many Expatriates working in Kenya find themselves in teaching or development positions, despite their previous skill-set.

Health care industry in Kenya is faced with shortage of local expertise on highly specialized clinical skills. The government through the institutions of higher learning is not able to sufficiently provide sufficient highly trained medics to meet the demand of the citizenry. Consequently, most of the private hospitals in the country have resulted to hiring specialists and consultants from other countries. These expatriates therefore help bridge the health care skills gap and participate in training the locals. Some of the private healthcare institutions that have engaged expatriates include; Aga Khan University hospital, MP Shah, Nairobi hospital, Guru Nanak, Avenue, Mater hospital and most of the mission hospitals in Kenya. Institutions of higher learning also get value in having expatriates provide technical support in their trainings. Interuniversity's fellowship exchange programs contribute to the expatriate engagements. United States International University (USIU), Strathmore University, Catholic University, Kenya Methodist University, Aga Khan University and other private universities have engaged a few expatriates as lecturers or senior administrators.

#### **1.1.4 Expatriates in Aga Khan University**

The Aga Khan University Hospital engages many expatriates every year to offer technical support and training on diverse postgraduate medical specialties offered in the university and in the Advanced Nursing School. Other expatriates are relocated in the

region to offer management support and consultancy work to the 250 bed capacity hospitals with 30 outreach centers in East Africa. Aga Khan University is an international not for profit organization with its presence in eight countries across the globe. Kenya is the regional hub in Africa and therefore expatriates from other Aga Khan entities are occasionally sent on work assignment. Members of the Ismaili community across the world volunteer their professional skills, knowledge and time to Aga Khan entities especially in the developing countries as part of their religious offering. Aga Khan University Hospital in Kenya being one of the entities under the AKDN umbrella benefits heavily in such expatriate engagements. Background of this research is to gain more comprehensive understanding of the cultural adjustment of Aga Khan University expatriates on international assignment in Kenya.

## **1.2 Research Problem**

Expatriation has been a popular method for multinational enterprises to implement the parent company's strategy and practices in their foreign subsidiaries. Since businesses is shifting from national border to global era and international assignments seen as important in this fast globalizing world (Anderson, 2005). These expatriates are usually involved in getting production started or in directing the business processes according to the parent company's requirements. It is important to make resources available in each organization to attend or enhance their knowledge in foreign country.

One of the greatest challenges is how to manage human resources in global level. Human resource management needs to understand expatriate issue in holistic manner in order to maximize the potential of each employee. Many companies are concerned on the budget,

return on investment, length of assignment, benefits and assignment objectives, only few organizations is paying attention on how expatriate adjusting themselves when there are at host site (Ong & Ward, 2005). Aga Khan University Hospital engages expatriates, but there is no documented study carried out on expatriates' cultural adaptation. This study therefore sought to determine the factors that influence expatriate cultural adaptation at Aga Khan University hospital in Kenya.

The research sought to answer the following research question; what are the factors that influence expatriate cultural adaption at the Aga Khan University Hospital in Kenya? The study may contribute to knowledge base on expatriate's adaptation and improve the expatriation processes at the Aga Khan University Hospital.

### **1.3 Research objectives**

The research objective of this study was to determine factors influencing expatriate cultural adaptation at Aga khan University Hospital in Kenya.

### **1.4 Value of the study**

The study sought to examine factors influencing expatriate cultural adaptation at Aga khan University Hospital in Kenya context.

The management of Aga Khan University is under Aga Khan Development Network. The study may be relevant for the management in the sense that it increased the awareness on the factors influencing expatriate adjustment in Kenya and increase awareness on the fact that success in Kenya was influenced by expatriate adjustment based on these factors. Moreover, proper management of expatriates may lead to

competitiveness in Aga Khan University. In addition, the results may also affect the way Aga Khan Development Network design the departure of various expatriates and provide recommendations for improvements.

The study would also be of great importance to scholars and other researchers since the findings may be used as points of reference and indeed to further research in this area. Thus, the findings of this study may contribute to the available literature on expatriate cultural adaptation by going deeper into the subject with Aga Khan University as its particular focus and provided implications for management. Therefore; this study had both academic and managerial relevance.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

Chapter two includes the research framework and the relevant literature on current issues in expatriate adjustment. This research focuses on identifying dependent variable cross cultural adjustment and independent variable job satisfaction, family support, reward and compensation and cultural training.

### **2.2 Expatriate engagement**

An expatriate is an employee working in a unit or plant who is not a citizen of the country in which the unit or plant is located but is a citizen of the country in which the organization is headquartered. Mathis and Jackson (2000) suggested four types of expatriates based on their job assignment since not all individuals decide to work as expatriates are similar in the assignments undertaken. Volunteer expatriates want to work abroad for a period of time because of career or self-development interests. Often, these expatriates volunteer for short-term assignments of less than a year so that they can experience other cultures and travel to desired parts of the world.

Traditional expatriates are professionals and managers assigned to work in foreign operations for one to three years. They then rotate back to the parent corporation in the home country. Career development expatriates are placed in foreign jobs to develop the international management capabilities of the firm. They may serve one to these “tours” in different countries, so that they can develop a broader understanding of international

operations. Global expatriates comprise of those who move from one country to another. Often, they prefer to work internationally rather than in the home country.

In the IHRM literature, it is advocated by a number of writers, including Chowanec and Newstrom (1991) and Oddou (1991) that consideration of four key aspects contribute to the success of international assignments. These aspects are selection, preparation, management (active support) and repatriation. In the area of selection, Sullivan and Tu (1993:25) indicate that the three major factors to be considered when choosing an individual for an overseas assignment are technical and decision-making skills, personal characteristics and the family situation. However, Tung (1984:141) reports that US personnel administrators base the selection decision primarily on technical competence, with insufficient emphasis on the potential expatriate's relational skills and family situation.

To prepare for relocation, Shilling (1993:63) indicates that organizations should have clear relocation policies, pre-departure orientation and on-site cultural adaptation training. A number of researchers, including Enderwick and Hodgson (1993:417), have highlighted deficiencies in the preparatory activities undertaken by organizations for their expatriate personnel and families prior to departure. Indeed, Davidson and Kinzel (1995:109) observe that family-oriented support does not appear to be a priority for many companies. They also report that assisting expatriates' spouses to gain employment or offering employment within the company seems to be of little concern to the companies sampled.

### **2.3 Culture Shock**

All expatriates can be affected by culture shock, but the degree to which they suffer depends from the host country and its specific cultural characteristics, the personality of the employees and how effective they are in doing their job, their attitude towards the people from the host country and vice versa, and the significance of the international assignment (Adler 2007; Marx 1999; Oberg 1960). Depending on these factors, culture shock can result into confusion about one's actions, anxiety, frustration, exhilaration, actions that do not suit the norms of behavior, inability to do one's job and thus not being able to sign an important deal, isolation and depression (Marx 1999). According to Oberg (1960), culture shock is caused by the anxiety that results from losing all our familiar signs and symbols of social intercourse while recognizing seven symptoms: strain, loss and deprivation, rejection and confusion. Culture shock in an expatriate context as described by Adler (1997) is the reaction of expatriates to entering a new, unpredictable, and therefore uncertain environment.

Expatriate adjustment research has been primarily concerned with minimizing expatriate turnover and poor performance (Tung, 1987). Many studies examine how adjustment will influence the expatriate's job satisfaction and commitment to the organization and how these, in turn, influence the expatriates intention or desire to turnover (Gregersen, 1992, Gregersen & Black, 1992; Naumann, 1993; Shaffer & Harrison, 1998)

McEvoy and Parker (1995) recognized the importance of on-the-job variables. In a model of intercultural causes, they list nine organizational causes: compensation and benefits, repatriation/career practices, length of assignment, extent of home office contact,



relocation assistance, work assignment, expatriate/repatriate training, and organizational size. Du-Babcock and Babcock (1995, 1996) extended this stream of research by examining the interactive on-the-job behaviors of expatriates and local personnel. They found that language proficiency and cultural differences impacted the adjustment process and the communication exchanges but did not set forth an adjustment cycle. Depending on their levels of the second-language proficiency, expatriates (and the local personnel in turn) developed remarkably different communication strategies and ways of interacting in the three communication zones that were identified (Du-Babcock & Babcock, 1996).

## **2.4 Expatriate Adaptation**

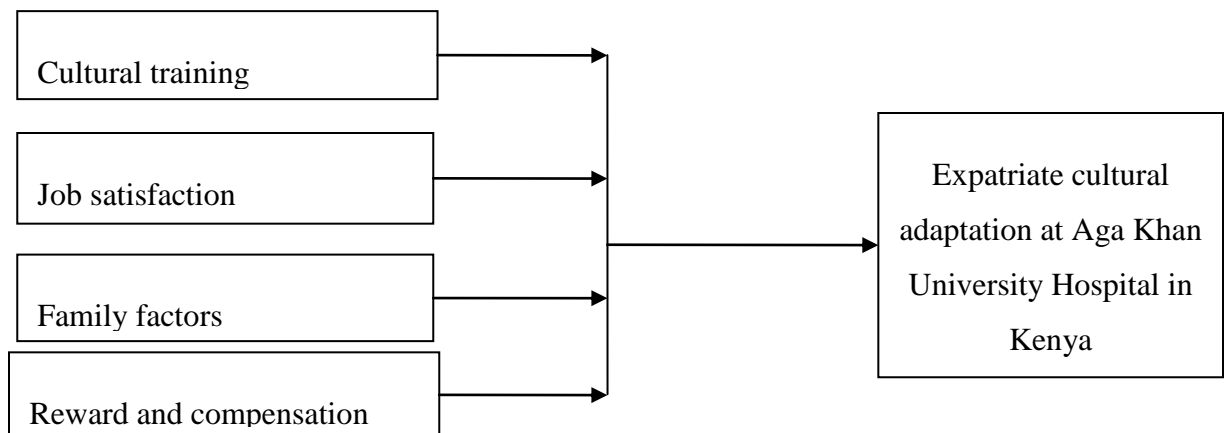
Adjustment in the expatriation context has also been used interchangeably with socialization (Feldman & Bolino, 1999) and adaptation (Florkowski & Fogel, 1999). In the process of adjusting to overseas assignments, expatriate managers face cultural and language barriers in communicating with local staff. Terpstra (1991) in fact argues that the multiplicity of languages and diversity of cultures place constraints on the development of effective and efficient organizational communication in multinational corporations. Expatriates also face the challenge of maintaining contact with the parent organization and integrating their activities within the web of corporate activities. Although the literature has documented an extremely high failure rate of expatriate managers (Adler, 1991; Baker & Ivancevich, 1971; Black, 1988; Mendenhall & Oddou, 1986; Ronen, 1986; Tung, 1982, 1988), the expatriate experience has included individuals who have been able to overcome cultural and language constraints to successfully adapt to overseas assignments while concurrently integrating themselves within the corporate system (Briody & Christman, 1991). Many expatriate adjustment studies have adopted the view that adjustment is multifaceted (Kraimer et, al,

2001; Shaffer et al, 1999).

## 2.5 Conceptual framework

Based on the literature review and research problem, the following research framework was developed. This study suggested a primary research model by combining the dependent variable cross-cultural adjustment and the independent variable, which were job satisfaction, family factor, and cross-cultural training. The relationship of the mentioned variables is shown below.

### Conceptual Framework



### 2.5.1 Cultural Training

Gary Ferraro (1998, p. 150) argues that “by facilitating adjustments to the host culture, CTT increases job performance, reduces the number of incorrect attributions of behavior, increases understanding of one’s own culture, reduces stereotypic thinking, helps in intercultural team building, decreases the social ambiguity that can lead to “culture

shock”, develops cross-cultural competencies, and generally leads to more fully accomplishing one’s professional objectives.”.

A big part of understanding the host culture is the language skills of the employees (Ferraro 1998,) the companies can provide the assignees with a language course if they are willing to. The course takes place either before departure or during their stay in the host country (Dickmann et al., 2008). Proficiency in a foreign language or even basic understanding is always beneficial. The advantages come not only from the ability to communicate and understand the native colleagues but also from their appreciation when seeing the expatriates’ willingness to learn the language and it even makes them more confident in the expatriates’ skills as a whole. Despite all the above said, one does not have to consider that the lack of any language skills is going to doom the assignment to failure. Many companies have adopted English as their corporate language, which gives the grounds for the assignees to succeed in the international field (Dickmann et al., 2008)

### **2.5.2 Job Satisfaction**

Job satisfaction can be viewed as an overall attitude or it can be viewed as multidimensional. Theoretically, individual job performance is a function of knowledge, skills, abilities, and motivation directed at role prescribed behavior, such as formal job responsibilities (Campbell, 1999). However, only the behavior or actions that are relevant to an organization’s goals considered as individual job performance (Campbell, McCloy, Oppler, & Sager, 1993). Theory of job performance has indicated that job performance is a multidimensional construct consist of task dimension (often production or deadline driven and sometimes referred to as “in-role”) and contextual dimension (sometimes

considered discretionary and often termed “extra-role”) (Borman & Motowidlo, 1993). This theory applies equally well in international setting (Caligiuri, 1997). In the expatriate management, international assignees not only expected to perform in their task and contextual performance dimensions but also to accomplish certain assignment specific tasks (e.g., transferring knowledge and technology). This third dimension labeled as assignment specific performance (Caligiuri, 1997; Caligiuri & Day, 2000). With adjustment to their new role at the host site, expatriates may view themselves as functioning members of their organization (Lance, Vandenberg, & Self, 2000) and may derive satisfaction from the work experience.

### **2.5.3 Family Factor**

One of the specific problems that expatriate face is seen by many to revolve around family-spouse adaptation problems. In the model by Black *et al.* (1991) family adjustment was classified as a factor influencing expatriate adjustment, but in the present study it was classified as a separate adjustment dimension on the basis of expatriates’ reports. The most commonly reported causes of adaptation problems for families/spouses were again inadequate language skills and difficulties in creating contacts with the locals. Here too, this kind of problem appeared more commonly in the case of Germany and France than in Britain and Sweden. Family and spouse issues are major concerns as also reported by Harvey (1995) for U.S multinationals in their international operations. The family factor was included in an extensive conceptual framework made by black et al (1991), as non-work variable that could explain the importance of assessing the cross-cultural adjustment. It is importance of spouse and family adjustment to expatriate

assignment success may be moderated by cultural factors. Tung (1998a) for example emphasized the ability to interact effectively with host country as a prime factor in determining expatriate adjustment success or failure.

Furthermore, wives sometimes found it impossible to get a job abroad and, in the context of previous Finnish experience where most women have paid employment, found it frustrating to be a “housewife”. Not surprisingly, some expatriates whose children were of school age found it difficult for their children at the start of schooling because they had no adequate language skills. Furthermore, some expatriates had difficulties with the health care of their children because of different assumptions about vaccines and medical instructions or dissatisfaction with the quality of the health care system. Harris and Moran (2000) reported that expatriates were not happy with their international assignments, because of reason related spouse and family. In these situations, usually assignment will end early and expatriate cannot be productive at host site.

#### **2.5.4 Reward and compensation**

Compensation "is the most critical issue when it comes to attracting and keeping talent" (Willis 2000, p. 20). A fair wage is the cornerstone of the contractual and implied agreements between employees employers, the underlying assumption being that money can influence behaviour (Parker and Wright 2001). Companies often provide pay packages superior to the markets for critical talent. These include special pay premiums, stock options, or bonuses. Base package reflects fair pay; supplemental programs reflect individual, team or organizational performance and success.

Pay and benefits offered by employers play a big role in an employee's decision to stay or leave. Employers that pay significantly below market rate with no other compensatory factors working in their favor may find that their retention difficulties may be due to lower salaries (Pfeffer, 1994). Mitchell, (1992) suggests other options besides increasing basic salary like market leader can be introduced where groups of staff are given unconsolidated payments. These payments target staff that would be difficult to replace because of skill shortage in the labour market or whose loss would cause serious difficulties for the organization. Location allowances can be used in areas where staff is difficult to recruit and retain; benchmarking pay ensures pay levels are competitive. Pay progression, a pay scale that is partly linked to performance, experience and competency levels may also be employed.

Organizations' in most industries are implementing innovative compensation approaches to differentiate themselves (Parker and Wright 2001). Innovative practices reflect the individual player contract model, focusing on "what it will take" to attract and retain each individual, regardless of the pay of others (Boyd and Salamin 2001). According to a study by Mercer (2003), employees will stay if they are rewarded. Employees are usually rewarded based on quality based performance. A sense of accomplishment is recognized as important and a strong motivator. Employees tend to remain with the organisation when they feel their capabilities, efforts and performance contributions are recognized and appreciated (Davies 2001).

Expatriate compensation is often considered extremely costly and time consuming for the organizations involved (Bonache & Pla-Barber 2005). Thus, it has two inherent

handicaps when it comes to the management of contemporary employment relationships (Rousseau, 2001). This perception pressures companies to either decrease their investment in international experience and knowledge, (Bonache & Pla-Barber 2005; Pate & Scullion 2010, Schell & Solomon 1997) or to look for alternate international employee populations, such as self-initiated expatriates (Meyskens, Von Glivow, Wether & Clarke 2009; Thite, Srinivasan, Harvey & Valk 2009) or to decrease the coverage and amount of their expatriate compensation packages (Perkins & Daste 2007). However, compensation practices and strategy are one of the most powerful and salient means in the employment relationship to send clear messages to members of the organization, informing them about expected attitudes and behaviors (Schell & Solomon 1997, Rousseau & Ho 2000). There is a danger that the pressures that organizations feel to reduce compensation costs may lead to an alteration in the expatriates' perceptions not only of their compensation package, but also of their whole employment relationship prompting expatriates to change their attitude toward their employer or simply change their employer.

## **CHAPTER THREE:**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter presents the research methodology that was used to carry out the study. Included in this chapter are the research design, data collection and instruments and data analysis.

#### **3.2 Research Design**

The research design employed in this study was descriptive survey design. According to Cooper and Schindler (2006), descriptive survey design discover and measure cause and effect relationships among variables. The study used a descriptive design because it enables the researcher to collect in-depth information about the population being studied. The survey design used in this study was justified by the following factors: The design is unique since the information to be gathered from expatriates at Aga Khan University is not available from other sources. Where the same information is collected from every respondent, the design enhanced standardization of measurement. The survey data also complimented existing data from secondary sources.

#### **3.3 Data collection**

Data was collected from the expatriate Executives, Managers and Supervisors expatriates in Aga Khan University. The main instrument for data collection was structured questionnaires that allowed for uniformity of responses to questions.



Both primary and secondary data sources were used to collect the research data. According to Mugenda and Mugenda (2008), primary data is data the researcher collects from respondents while secondary data refers to data from other sources.

The questionnaire is a fast way of obtaining data as compared to others instruments (Mugenda & Mugenda, 2008). Questionnaires give the researcher comprehensive data on a wide range of factors. Both open-ended and closed-ended questions were used. Questionnaires allowed greater uniformity in the way questions are asked, ensuring greater compatibility in the responses.

In developing the questionnaire, two broad categories of questions were considered, namely: structured and unstructured questions. According to Field (2005), structured questions are usually accompanied by a list of all possible alternatives from which respondents selected the answer that best describes their position. Questions were constructed to address specific objectives and provided a variety of possible responses. Unstructured questions gave the respondent freedom of response, which helped the researcher to gauge the feelings of the respondent. These kinds of questions exposed respondents' attitudes and views very well (Field, 2005).

This study utilized both primary and secondary data. Primary data was obtained through the use of structured questionnaires. The researcher approached the executives and heads of departments to seek authority for data collection.

### **3.4 Data analysis**

Data was analyzed using descriptive statistics whereby frequencies, percentages, mean and standard deviations, generated from the various data categories were computed and presented in graphs and tables. Data analysis is the whole process which starts immediately after data collection and ends at the point of interpretation and processing data (Kothari, 2004). Therefore, editing, coding, classifying and tabulating are the processing steps to be used to process the collected data for a better and efficient analysis.

The statistical package for social sciences (SPSS) was used.

## **CHAPTER FOUR:**

### **DATA ANALYSIS, RESULTS AND DISCUSSION**

#### **4.1 Introduction**

This chapter presents analysis and findings of the study as set out in the research methodology. The results were presented on the factors influencing expatriate cultural adaptation at Aga Khan University Hospital, Kenya. The main objective of the study was to determine factors influencing expatriate cultural adaptation at Aga Khan University Hospital in Kenya. The study targeted 45 expatriates out of which 40 expatriates responded and returned their questionnaires contributing to the response rate of 88.9%. This response rates were sufficient and representative and conforms to Mugenda and Mugenda (1999) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. This commendable response rate was due to extra efforts that were made via personal calls and visits to remind the respondent to fill-in and return the questionnaires. The chapter covers the demographic information, and the findings are based on the objectives.

#### **4.2 Demographic Information**

##### **Gender distribution of the expatriates**

The study sought to establish the expatriates' gender distribution. The findings are as stipulated in table 4.1.

**Table 4.1 Gender distribution of the expatriates**

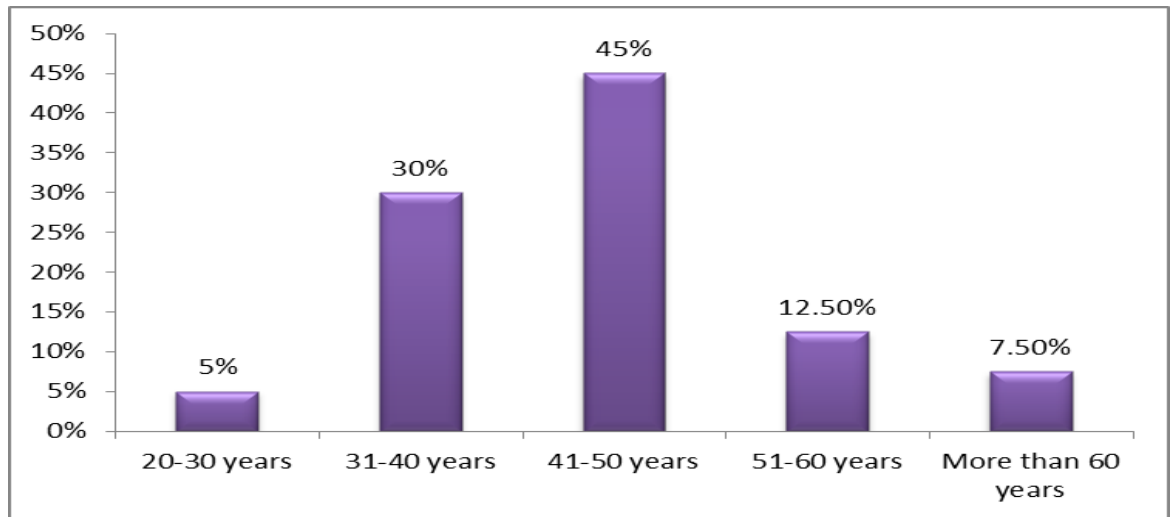
	<b>Frequency</b>	<b>Percent</b>
Male	35	87.5%
Female	5	12.5%
Total	40	100

From the findings illustrated in table 4.1 the majority of the respondents (87.5%) were males while 12.5% were females. This illustrates that there is gender disparity in the organization as the majority of the expatriates are males.

**Age bracket of the respondents**

The study also sought to establish the age distribution of the expatriates as shown in figure 4.1.

**Figure 4.1 Age bracket of the respondents**



According to the findings, most of the respondents (45%) were 41-50 years of age, 30% were 31-40 years while 12.5% were aged 51-60 years. This depicts that the expatriates

are highly experienced owing to the accumulation of knowledge and skills throughout the working life of the expatriates, majority of whom are over 40 years.

### **Level of experience based on the number of years working as an expatriate**

The research sought to establish respondents' level of experience based on the number of years they have worked as an expatriate.

**Figure 4.2 Level of experience based on the number of years working as an expatriate**

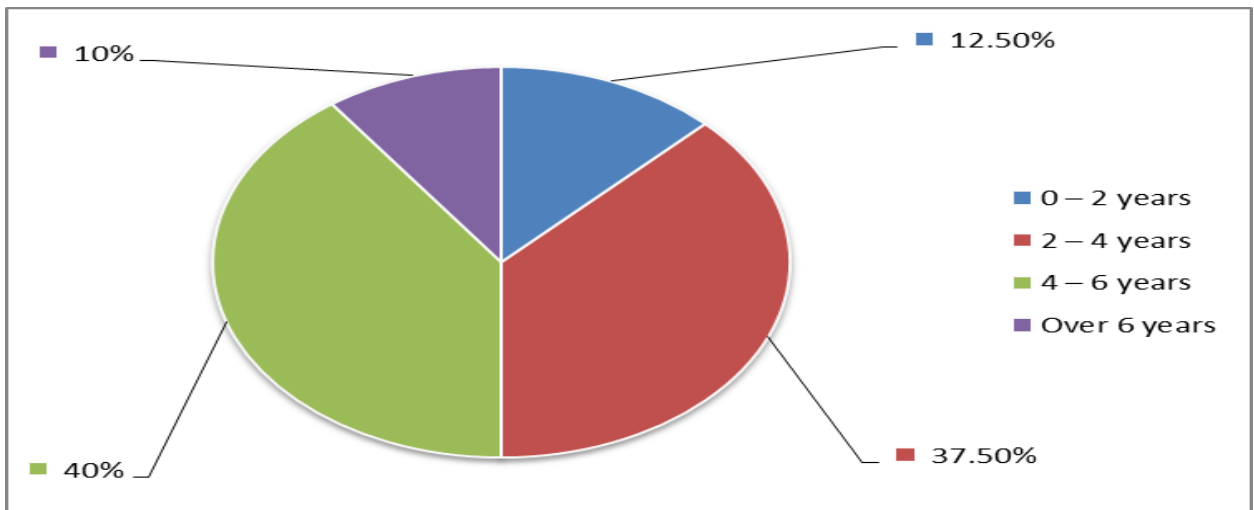
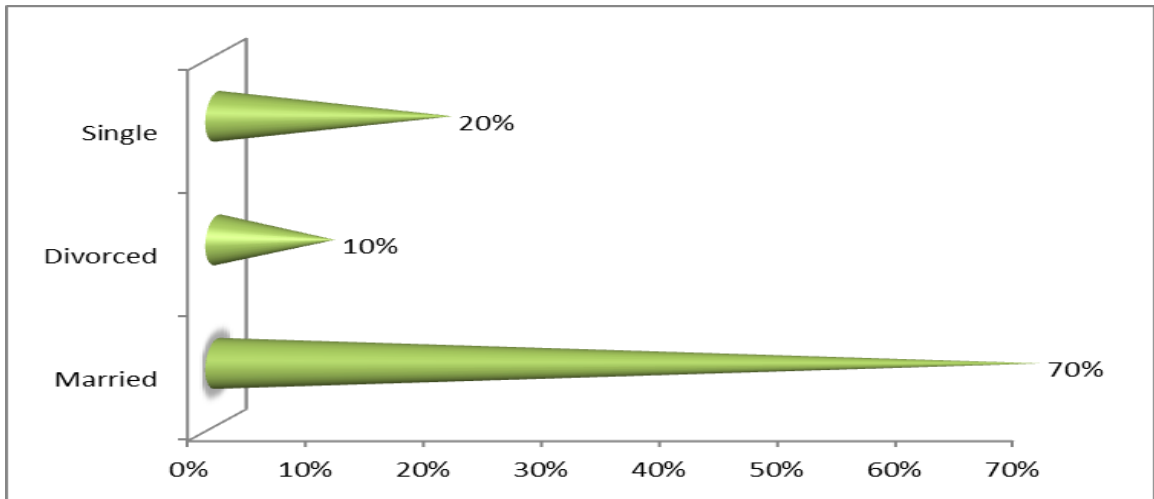


Figure 4.2 shows that most of the expatriate (40%) had worked in the organization for 4-6 years, 37.5% for 2-40 years while 12.5% had worked in the organization for 0-2 years. This illustrates that the respondents had worked in the organization to give credible information on the factors influencing expatriate cultural adaptation at the Aga Khan university hospital. It also depicts that the respondents were highly experienced owing to the many years they had worked in the organization.

### Current marital status

The respondents were required to indicate their current marital status.

**Figure 4.3 Current marital status**



From the findings, the majority of the respondents (70%) posited that they were married, 20% were single while 10% were divorced. This illustrates that majority of the respondents were bread winners in their families and family responsibilities influenced their cultural adaptation in the foreign countries.

### Highest education level of respondents

The study also sought to establish the highest-level education of the respondents.

**Figure 4.4 Highest education level of respondents**

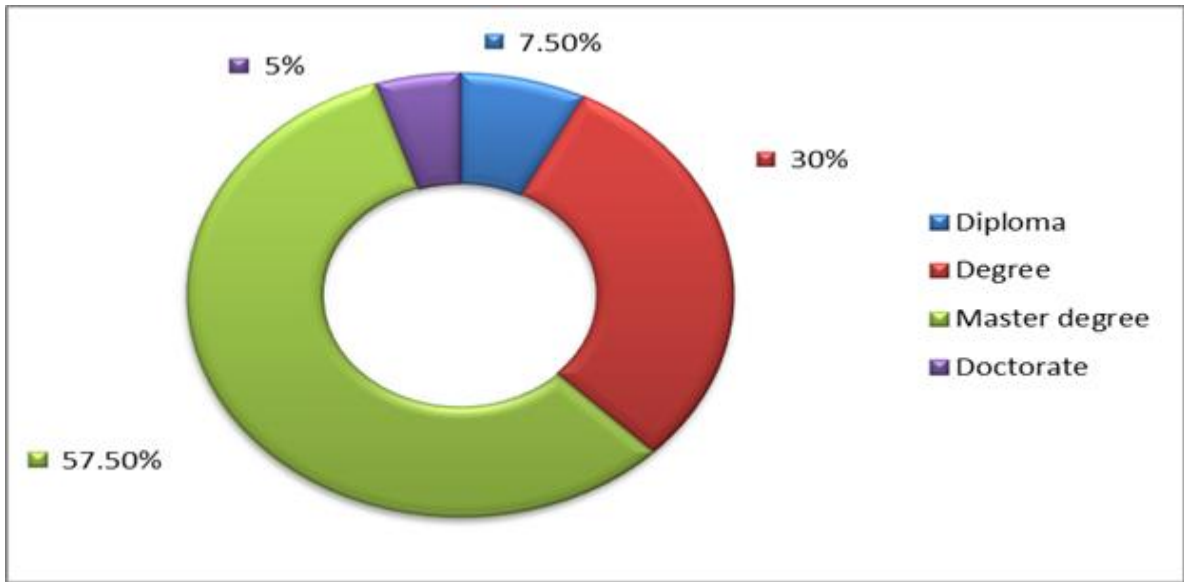


Figure 4.4 indicates that majority of the expatriates (57.5%) had master's degree, 30% were degree holders while 7.5% were diploma holders. This illustrates that majority of the respondents were highly trained in their profession as they had very high academic qualifications.

### **4.3 Cultural Training**

#### **Influence of cultural training on expatriate adaptation**

The study sought to establish the influence of cultural training on expatriate adaptation. The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements, where: 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great extent and 5-To a very great extent. The mean and standard deviations were generated from SPSS and are as illustrated in table

**Table 4.2 Statements on influence of cultural training on expatriate adaptation**

<b>Statements on influence of cultural training on expatriate adaptation</b>	<b>Mean</b>	<b>Std Dev</b>
Expatriates are satisfied with the cultural training provided by the organization	4.2941	.46967
Expatriates are satisfied with the duties of the job during the assignment	4.0000	.50000
Expatriates are satisfied while interacting with foreigners	3.8824	1.57648
Expatriates are satisfied with participation in many local community events	4.1000	1.22474
Expatriates are satisfied while living in a host site	3.7647	1.52190

From the study findings in Table 4.2, majority of the expatriates agreed to a great extent that expatriates are satisfied with the cultural training provided by the organization (M=4.2941), expatriates are satisfied with participation in many local community events (M=4.1000) and that expatriates are satisfied with the duties of the job during the assignment (M=4.0000) respectively. In addition, the majority of the expatriates agreed to a moderate extent that expatriates are satisfied while interacting with foreigners (M=3.8824), and that expatriates are satisfied while living in a host site (M=3.7647) respectively. This illustrates that quality cultural training, integration with the local community during the work period and job satisfactions were key aspects on the influence of cultural training on adaptation of the expatriates. This agrees with Oberg (1960) who observed that culture shock is caused by the anxiety that results from losing all our familiar signs and symbols of social intercourse while recognizing seven



symptoms: strain, loss and deprivation, rejection and confusion. Culture shock in an expatriate context described as the reaction of expatriates to entering a new, unpredictable, and therefore uncertain environment. Lee and Larwood (1983) also agreed that during the process of acculturation, expatriates tend to adopt new social and work roles in the new culture to avoid role and intercultural conflict. Rather than this one-way influence process in which expatriates do all the adapting, Du-Babcock and Babcock (1996) also suggested a two-way interactive model in which the expatriates and local personnel mutually influence each other and in which expatriates at higher organizational levels played a dominant role by being the initiators of communication.

#### **Expatriates' abilities in adapting to different cultures during relocation assignments**

The study sought to establish the expatriates' abilities in adapting to different cultures during relocation assignments. The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements, where: 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great extent and 5-To a very great extent. The mean and standard deviations were generated from SPSS and are as illustrated in table 4.3.

**Table 4.3 Expatriates' abilities in adapting to different cultures during relocation assignments**

<b>Expatriates' abilities in adapting to different cultures</b>	Mean	Std dev
Expatriates are constantly trying to understand themselves better; to know their strengths & weaknesses	4.2378	.69445
Expatriates respect the opinions of others; though they may not always agree with them.	3.9514	.73928
Expatriates are always curious about new things, people and places	4.2108	4.25184
In unfamiliar situations, expatriates watch (or observe) and listen before reacting.	4.1730	.72406
Expatriates are able to change courses quickly	4.3676	.73353
Expatriates like other people and accept them as they are.	4.0212	.34212

From the study findings in Table 4.3 above, majority of the of the expatriate agreed to a great extent that expatriates are able to change courses quickly (M=4.3676), expatriates are constantly trying to understand themselves better; to know their strengths & weaknesses (M=4.2378), expatriates are always curious about new things, people and places (M=4.2108), in unfamiliar situations, expatriates watch (or observe) and listen before reacting (M=4.1730) respectively. Further majority of the expatriate agreed to a great to a moderate extent that expatriates respect the opinions of others; though they may not always agree with them (M=3.9514). This depicts that the most significant expatriates' abilities in adapting to different cultures during relocation assignments were flexibility in adapting to the new culture, expatriates mastery of their capabilities and weaknesses while dealing with new people from a different cultural divide, willingness to learn new things and seeking to understand other people before reacting to their views. This is in agreement with Lee and Larwood (1983) argued that during the process of acculturation, expatriates tend to adopt new social and work roles in the new culture to

avoid role and intercultural conflict. Rather than this one-way influence process in which expatriates do all the adapting, Du-Babcock and Babcock (1996) suggested a two-way interactive model in which the expatriates and local personnel mutually influence each other and in which expatriates at higher organizational levels played a dominant role by being the initiators of communication.

#### **4.4 Job satisfaction**

##### **Effect of job satisfaction on expatriate adaptation**

The study sought to establish the effect of job satisfaction on expatriate adaptation. The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements, where: 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great extent and 5-To a very great extent. The mean and standard deviations were generated from SPSS and are as illustrated in table 4.4.

**Table 4.4 Effect of job satisfaction on expatriate adaptation**

<b>Effect of job satisfaction on expatriate adaptation</b>	<b>Mea</b>	<b>Std dev</b>
Expatriates are satisfied with supervisor's care and responses to the issues of great importance to the assignment	3.2757	.83452
Expatriates are satisfied with the professionalism of their colleagues	3.8351	.64950
Expatriates are satisfied with the duration of their assignment	4.0568	.73149
Expatriates are satisfied with the learning opportunities available during the assignment	4.1676	.72158
Expatriates are satisfied with the respect they receive from the people they work with during the assignment	4.0622	.74722

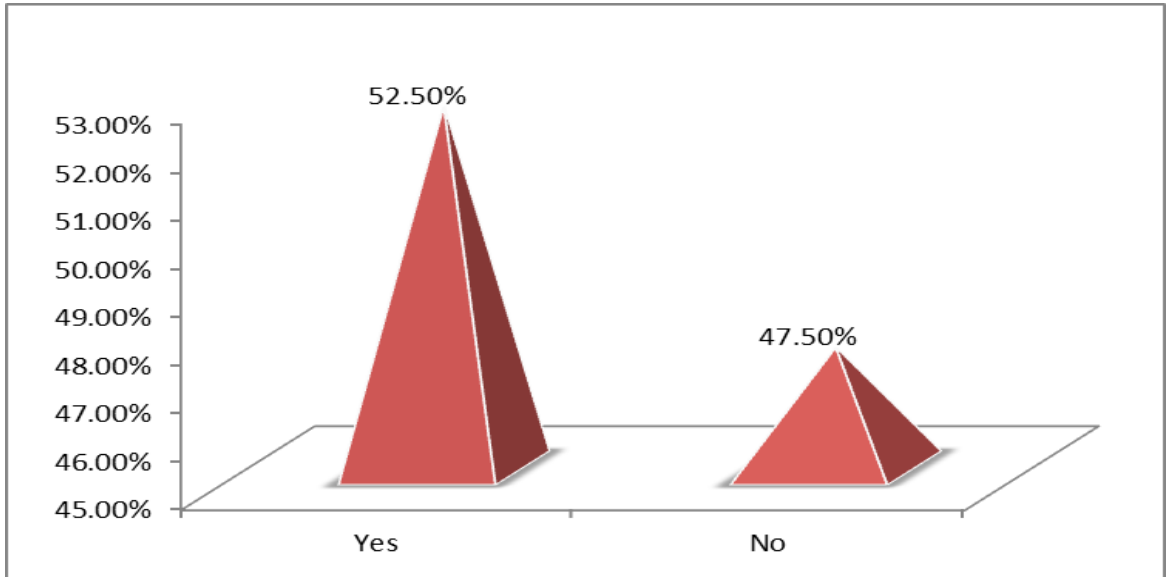
Table 4.4 show that majority of the of the expatriate agreed to a great extent that expatriates are satisfied with the learning opportunities available during the assignment (M=4.1676), expatriates are satisfied with the respect they receive from the people they work with during the assignment (M=4.0622) and that expatriates are satisfied with the duration of their assignment (M=4.0568) respectively. In addition, the majority of the expatriate agreed to a moderate extent that expatriates are satisfied with the professionalism of their colleagues (M=3.8351) and that expatriates are satisfied with supervisor's care and responses to the issues of great importance to the assignment 3.2757 respectively. This depicts that the most significant aspects of the expatriates' job satisfaction on expatriate adaptation were learning opportunities available during the assignment, respect from the people in the host country and the number of years of expatriates' experience. This is in agreement with Campbell, (1999) who cited that the behavior or actions that are relevant to an organization's goals considered as individual job performance. Job performance is a multidimensional construct consist of task dimension (often production or deadline driven and sometimes referred to as "in-role") and contextual dimension (sometimes considered discretionary and often termed "extra-role").

#### **4.5 Family factors**

##### **Whether the expatriate's spouse / partner was staying with them during the assignment**

The study also sought to establish whether the expatriate's spouse / partner was staying with them during the assignment

**Figure 4.5 Whether the expatriate's spouse / partner was staying with them during the assignment**

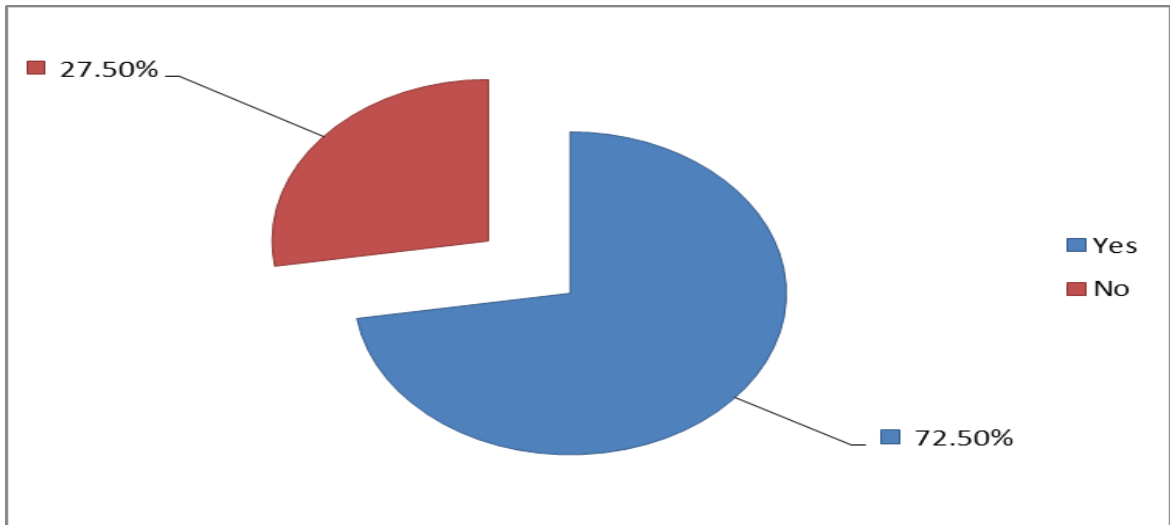


From the findings, majority of the respondents (52.5%) posited that they stayed with their spouse / partner during the assignment while 47.5% attested that they never stayed with their spouse/partner during the assignment. This depicts that the majority of the expatriates valued their families and thus opted to stay with their spouses / partners during the assignment to enhance the cultural adaptation.

#### **Whether the expatriates have children**

The study sought to establish whether the expatriates had their own children

**Figure 4.6 Whether the expatriates have children**



According to the results, the majority of the respondents (72.5%) attested that they had children while only a small proportion of the respondents (27.5%) indicated that they never had children. This illustrates that majority of the respondents were the bread winners in their families and thus their families determined their cultural adaptation during their work.

#### **Statements on family factors that influence expatriate adaptation**

The study sought to establish the family factors that influence expatriate adaptation. The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements, where: 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great extent and 5-To a very great extent. The mean and standard deviations were generated from SPSS and are as illustrated in table 4.5.

**Table 4.5 Statements on family factors that influence expatriate adaptation**

<b>Statements on family factors that influence expatriate adaptation</b>	Mean	Std Dev
Expatriates are satisfied with their current assignment	4.2757	.83452
Expatriates' spouse and children are satisfied with their assignment abroad	3.8351	.64950
Expatriates' family are satisfied with the unfamiliar experiences during the assignment	3.753	.2314
Expatriates' are satisfied with their job and responsibilities during your assignment	4.2243	.69525
Expatriates' are satisfied with the chances they had to participate in decision making processes	4.4459	.67510

As shown in table 4.5 majority of the expatriate agreed to a great extent that expatriates' are satisfied with the chances they had to participate in decision making processes (M=4.4459), expatriates are satisfied with their current assignment (M=4.2757) and that expatriates' are satisfied with their job and responsibilities during your assignment (M=4.2243) respectively. In addition, the majority of the expatriate agreed to a moderate extent that expatriates' spouse, children are satisfied with their assignment abroad (M=3.8351) and that expatriates' family are satisfied with the unfamiliar experiences during the assignment (M=3.753) respectively. This depicts that the most significant family factors that influence expatriate adaptation included the family support for expatriates' assignment which was enhanced by involving the family in decision making processes, extent of expatriates' job satisfaction and the adaptation of the expatriate's families with the unfamiliar experiences. This agrees with Harvey (1995) who observed that the family factor was included in an extensive conceptual framework made by black et al (1991), as non-work variable that could explain the importance of assessing the cross-cultural adjustment. It is importance of spouse and family adjustment to expatriate

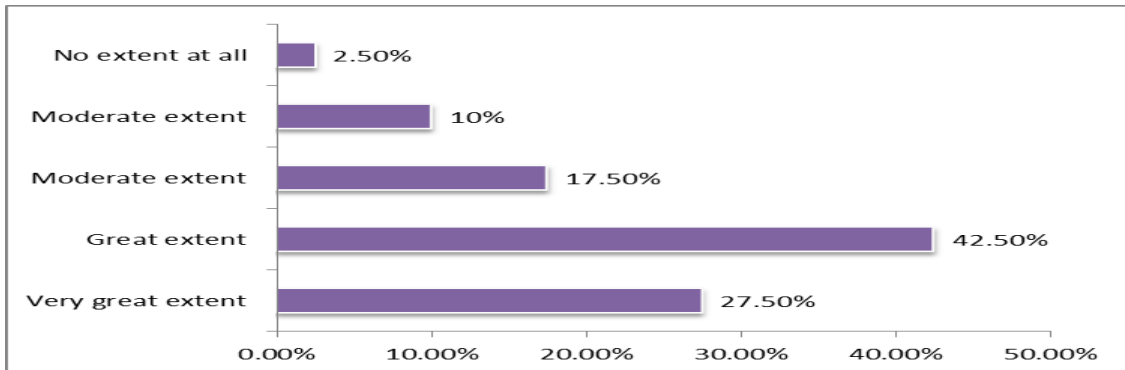
assignment success may be moderated by cultural factors. Tung (1998a) for example emphasized the ability to interact effectively with host country as a prime factor in determining expatriate adjustment success or failure.

#### 4.6 Reward and Compensation

##### Extent to which Expatriate's reward and compensation affect expatriate adaptation

The researcher inquired on the extent to which Expatriate's reward and compensation affect expatriate adaptation.

**Figure 4.7 Extent to which Expatriate's reward and compensation affect expatriate adaptation**



From the findings, most of the respondents (42.5%) posited that reward and compensation affect expatriate adaptation to a great extent, 27.5% to a very great extent while 17.5% indicated that reward and compensation affect expatriate adaptation to a moderate extent. This illustrates that expatriate reward and compensation was a key factor that determined their cultural adaptation. This could be attributed to the fact that majority of the expatriates had taken up their work in foreign countries due to their competitive salaries offered among other benefits associated with the work.



### **Statements on effect of reward and compensation on expatriate adaptation**

The study sought to establish the effect of reward and compensation on expatriate adaptation. The mean and standard deviations were generated from SPSS and are as illustrated in table 4.6.

**Table 4.6 Statements on effect of reward and compensation on expatriate adaptation**

<b>Statements on effect of reward and compensation on expatriate adaptation</b>	Mean	Std dev
A fair wage is the cornerstone of the contractual and implied agreements between employees employers	4.1765	.95101
Companies often provide pay packages superior to the markets for critical talent	3.4118	1.00367
Pay and benefits offered by employers play a big role in an employee's decision to stay or leave	4.0321	0.79057
Organizations' are implementing innovative compensation approaches to differentiate themselves	3.2941	1.57181
Employees are usually rewarded based on quality based performance	3.0378	3.94027
Employees remain with the organisation where their capabilities, and performance contributions are recognized and appreciated	4.0214	.03421
Expatriate compensation is often considered extremely costly and time consuming for the organizations involved	4.0000	1.00000

From the findings, majority of the expatriate agreed to a great extent that a fair wage is the cornerstone of the contractual and implied agreements between employees employers (M=4.1765), pay and benefits offered by employers play a big role in an employee's decision to stay or leave (M=4.0321), employees remain with the organisation where their capabilities, and performance contributions are recognized and appreciated (M=4.0214), expatriate compensation is often considered extremely costly and time consuming for the organizations involved (M=4.0000) respectively. In addition, majority

of the expatriate agreed to a moderate extent that companies often provide pay packages superior to the markets for critical talent (M=3.4118), organizations' are implementing innovative compensation approaches to differentiate themselves (M=3.2941) and that employees are usually rewarded based on quality based performance (M=3.0378) respectively. This point to the fact that expatriate reward and compensation influenced the cultural adaptation to a great extent as it was attributed to be the cornerstone of the expatriates' contract. It is also worth noting that the salaries and other benefits offered by the organization and the job recognition and rewards schemes in the organizations determined the retention rate of the expatriates. This is in agreement with Parker and Wright (2001) who agreed that companies often provide pay packages superior to the markets for critical talent. These include special pay premiums, stock options, or bonuses. Base package reflects fair pay; supplemental programs reflect individual, team or organizational performance and success.

### **Strategies used by organizations to retain staffs that are difficult to replace because of skill shortage in the labor market**

The respondents were further requested to give the strategies used by the organization retain staffs that would be difficult to replace because of skills shortage in the labour market or whose loss would cause serious difficulties for the organization. The respondents indicated that the strategies adopted by the organization included; offering them competitive remunerations compared to the market rates, favorable allowances, promotions and recognitions among others.

## **CHAPTER FIVE:**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the summary of the study findings, conclusion and recommendations drawn from these study findings. The chapter is based on the study objectives, which were to establish factors influencing expatriate cultural adaptation at Aga Khan University Hospital, Kenya.

#### **5.2 Summary of findings**

##### **5.2.1 Influence of cultural training on expatriate adaptation**

The study established that the most significant aspects of cultural training were that expatriates are satisfied with the cultural training provided by the organization, expatriates are satisfied with participation in many local community events and that expatriates are satisfied with the duties of the job during the assignment respectively. In addition, the other aspects of cultural training were that expatriates are satisfied while interacting with foreigners, and that expatriates are satisfied while living in a host site respectively. This illustrates that quality cultural training, integration with the local community during the work period and job satisfactions were key aspects on the influence of cultural training on adaptation of the expatriates.

The study revealed that the majority of the of the expatriate agreed to a great extent that expatriates are able to change courses quickly, expatriates are constantly trying to understand themselves better; to know their strengths and weaknesses, expatriates are

always curious about new things, people and places, in unfamiliar situations, expatriates watch (or observe) and listen before reacting respectively. Further majority of the expatriate agreed to a great to a moderate extent that expatriates respect the opinions of others; though they may not always agree with them. This depicts that the most significant expatriates' abilities in adapting to different cultures during relocation assignments were flexibility in adapting to the new culture, expatriates mastery of their capabilities and weaknesses while dealing with new people from a different cultural divide, willingness to learn new things and seeking to understand other people before reacting to their views.

### **5.2.2 Effect of job satisfaction on expatriate adaptation**

The study found out that expatriates are satisfied with the learning opportunities available during the assignment, expatriates are satisfied with the respect they receive from the people they work with during the assignment and that expatriates are satisfied with the duration of their assignment respectively. In addition, the majority of the expatriate agreed to a moderate extent that expatriates are satisfied with the professionalism of their colleagues and that expatriates are satisfied with supervisor's care and responses to the issues of great importance to the assignment respectively. This depicts that the most significant aspects of the expatriates' job satisfaction on expatriate adaptation were learning opportunities available during the assignment, respect from the people in the host country and the number of years of expatriates' experience.

### **5.2.3 Family factors and expatriate adaptation**

The study established that majority of the respondents stayed with their spouse / partner during the assignment. This depicts that the majority of the expatriates valued their families and thus opted to stay with their spouses / partners during the assignment to enhance the cultural adaptation.

The study further established that majority of the respondents had children to take care of. This illustrates that majority of the respondents were the bread winners in their families and thus their families determined their cultural adaptation during their work.

The study revealed that majority of the expatriate agreed to a great extent that expatriates' are satisfied with the chances they had to participate in decision making processes, expatriates are satisfied with their current assignment and that expatriates' are satisfied with their job and responsibilities during your assignment respectively. In addition, the majority of the expatriate agreed to a moderate extent that expatriates' spouse, children are satisfied with their assignment abroad and that expatriates' family are satisfied with the unfamiliar experiences during the assignment respectively. This depicts that the most significant family factors that influence expatriate adaptation included the family support for expatriates' assignment which was enhanced by involving the family in decision making processes, extent of expatriates' job satisfaction and the adaptation of the expatriates' families with the unfamiliar experiences.

#### **5.2.4 Reward and Compensation**

The study established that reward and compensation affect expatriate adaptation to a great extent. This illustrates that expatriate reward and compensation was a key factor that determined their cultural adaptation. This could be attributed to the fact that majority of the expatriates had taken up their work in foreign countries due to their competitive salaries offered among other benefits associated with the work.

The study also established that majority of the expatriate agreed to a great extent that a fair wage is the cornerstone of the contractual and implied agreements between employees employers, pay and benefits offered by employers play a big role in an employee's decision to stay or leave, employees remain with the organization where their capabilities, and performance contributions are recognized and appreciated, expatriate compensation is often considered extremely costly and time consuming for the organizations involved respectively. In addition, majority of the expatriate agreed to a moderate extent that companies often provide pay packages superior to the markets for critical talent, organizations' are implementing innovative compensation approaches to differentiate themselves and that employees are usually rewarded based on quality based performance respectively. This point to the fact that expatriate reward and compensation influenced the cultural adaptation to a great extent as it was attributed to be the cornerstone of the expatriates' contract. It is also worth noting that the salaries and other benefits offered by the organization and the job recognition and rewards schemes in the organizations determined the retention rate of the expatriates.

The study further revealed that strategies adopted by the organization to retain staffs that would be difficult to replace because of skills shortage in the labour market or whose loss would cause serious difficulties for the organization included; offering them competitive remunerations compared to the market rates, favorable allowances, promotions and recognitions among others.

## **5.3 Conclusion**

### **5.3.1 Influence of cultural training on expatriate adaptation**

The study concluded that the most significant aspects of cultural training included that expatriates are satisfied with the cultural training provided by the organization, expatriates are satisfied with participation in many local community events and that expatriates are satisfied with the duties of the job during the assignment respectively. Thus the quality cultural training, level of integration with the local community during the work period and job satisfaction were key aspects on the influence of cultural training on adaptation of the expatriates.

The study concluded that the most significant expatriates' abilities in adapting to different cultures during relocation assignments were flexibility in adapting to the new culture, expatriates mastery of their capabilities and weaknesses while dealing with new people from a different cultural divides, willingness to learn new things and seeking to understand other people before reacting to their views.

### **5.3.2 Effect of job satisfaction on expatriate adaptation**

The study concluded that expatriates are satisfied with the learning opportunities available during the assignment, expatriates are satisfied with the respect they receive from the people they work with during the assignment and that expatriates are satisfied with the duration of their assignment respectively. Therefore the most significant aspects of the expatriates' job satisfaction on expatriate adaptation were learning opportunities available during the assignment, respect from the people in the host country and the number of years of expatriates' experience.

### **5.3.3 Family factors and expatriate adaptation**

The study concluded that majority of the respondents stayed with their spouse / partner during the assignment. This depicts that the majority of the expatriates valued their families and thus opted to stay with their spouses / partners during the assignment to enhance the cultural adaptation. The study further concluded that majority of the respondents had children to take care of. This illustrates that majority of the respondents were the bread winners in their families and thus their families' obligations determined their cultural adaptation during their work.

The study concluded that majority of the expatriate agreed to a great extent that expatriates' are satisfied with the chances they had to participate in decision making processes, expatriates are satisfied with their current assignment and that expatriates' are satisfied with their job and responsibilities during your assignment respectively. Therefore, the most significant family factors that influenced expatriate adaptation included the family support for expatriates' assignment which was enhanced by involving



the family in decision making processes, extent of expatriates' job satisfaction and the adaptation of the expatriates' families with the unfamiliar experiences.

#### **5.3.4 Reward and Compensation**

The study concluded that reward and compensation affect expatriate adaptation to a great extent. This illustrates that expatriate reward and compensation was a key factor that determined their cultural adaptation. This could be attributed to the fact that majority of the expatriates had taken up their work in foreign countries due to their competitive salaries offered among other benefits associated with the work.

The study also concluded that majority of the expatriate agreed to a great extent that a fair wage is the cornerstone of the contractual and implied agreements between employees employers, pay and benefits offered by employers play a big role in an employee's decision to stay or leave, employees remain with the organisation where their capabilities, and performance contributions are recognized and appreciated, expatriate compensation is often considered extremely costly and time consuming for the organizations involved respectively. This point to the fact that expatriate reward and compensation influenced the cultural adaptation to a great extent as it was attributed to be the cornerstone of the expatriates' contract. It is also worth noting that the salaries and other benefits offered by the organization and the job recognition and rewards schemes in the organizations determined the retention rate of the expatriates.

The study further concluded that strategies adopted by the organization to retain staffs that would be difficult to replace because of skills shortage in the labour market or whose loss would cause serious difficulties for the organization included; offering them

competitive remunerations compared to the market rates, favorable allowances, promotions and recognitions among others.

#### **5.4 Recommendations of the study**

This sub-section presents recommendations for policy interventions.

##### **5.4.1 Recommendations for policy intervention**

The study recommends review of the existing policies and laws on reward and compensation of the expatriates with a view to ensure that they meet the prevailing international markets rates to retain the expatriates in the organization.

The research recommends the government and the relevant ministries should relook at the laws and policies governing expatriates stay in the country to establish the existing barriers that inhibit the expatriates' interest in working in the country.

##### **5.4.2 Recommendations for cultural training**

The study also recommends that the organization should offer a high quality cultural training to the expatriates coupled with efforts to integration with the local community to maximize their cultural adaptation in Kenya.

##### **5.4.3 Recommendations for further study**

Further research is necessary as the findings were based on a relatively small sample that may have influenced the nature of results that were obtained. There is need to expand on the sample size and carry out similar research in other organizations.

The analysis that was used is not sufficient to draw conclusions on the factors influencing expatriate cultural adaptation at Aga Khan University Hospital in Kenya and to provide adequate information that can be used for policy development. Further research focusing on inferential analysis is necessary to study the factors influencing expatriate cultural adaptation at Aga Khan University Hospital in Kenya.

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## APPENDIX 1 QUESTIONNAIRE

**Instructions:** *(Please read the instructions given and answer the questions as appropriately as possible).* It is advisable that you read carefully and correctly fill in each section as provided.

### Section A: Demographic Information

1. What is your gender?

Female

Male

2. In which age bracket do you belong?

20-30 years

31-40 years

41-50 years

51-60 years

More than 60 years

3. How many years have you worked as an expatriate?

0 – 2 years

2 – 4 years

4 – 6 years

Over 6 years

4. What is your current marital status?

[ ]

Married

[ ]

Divorced

[ ] Single

5. What is the highest education you achieved?

Diploma

Degree

Masters degree

Doctorate

## Section B Cultural Training

6. The following statements relates to the influence of cultural training on expatriate adaptation. To what extent do you agree with each one of them. Use a scale where 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great and 5-To a very great extent

	1	2	3	4	5
Expatriates are satisfied with the cultural training provided by the organization					
Expatriates are satisfied with the duties of the job during the assignment					
Expatriates are satisfied while interacting with foreigners					
Expatriates are satisfied with participation in many local community events					
Expatriates are satisfied while living in a host site					

7. The following statements address the expatriates' abilities in adapting to a different culture during relocation assignments. To what extent do you agree with each one of them? Use a scale where 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great and 5-To a very great extent

	1	2	3	4	5
Expatriates are constantly trying to understand					

themselves better; to know their strengths & weaknesses					
Expatriates respect the opinions of others; though they may not always agree with them.					
Expatriates are always curious about new things, people and places					
In unfamiliar situations, expatriates watch (or observe) and listen before reacting.					
Expatriates are able to change courses quickly					
Expatriates like other people and accept them as they are.					

**Section C Job satisfaction**

8. The following statements relates to the effect of job satisfaction on expatriate adaptation. To what extent do you agree with each one of them. Use a scale where 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great and 5-To a very great extent

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Expatriates are satisfied with supervisor's care and responses to the issues of great importance to the assignment					

Expatriates are satisfied with the professionalism of their colleagues					
Expatriates are satisfied with the duration of their assignment					
Expatriates are satisfied with the learning opportunities available during the assignment					
Expatriates are satisfied with the respect they receive from the people they work with during the assignment					

**Section D Family factors**

9. Was your spouse / partner staying with you during the assignment?

Yes  No  Sometimes

10. Do you have any dependent children?

Yes  No

11. The following statements relates to family factors that influence expatriate adaptation. To what extent do you agree with each one of them. Use a scale where 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great and 5-To a very great extent

	1	2	3	4	5
Expatriates are satisfied with their current					

assignment					
Expatriates' spouse and children are satisfied with their assignment abroad					
Expatriates' family are satisfied with the unfamiliar experiences during the assignment					
Expatriates' are satisfied with their job and responsibilities during your assignment					
Expatriates' are satisfied with the chances they had to participate in decision making processes					

**Section E Reward and Compensation**

12. To what extent does reward and compensation affect expatriate adaptation?

- a) Very great extent          b) Great extent          c) Moderate extent
- d) Less extent            e) No extent at all

13. The following statements relates to how reward and compensation affect expatriate adaptation. To what extent do you agree with each one of them. Use a scale where 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great and 5-To a very great extent

	1	2	3	4	5
A fair wage is the cornerstone of the contractual and implied agreements between employees					

employers					
Companies often provide pay packages superior to the markets for critical talent					
Pay and benefits offered by employers play a big role in an employee's decision to stay or leave					
Organizations' are implementing innovative compensation approaches to differentiate themselves					
Employees are usually rewarded based on quality based performance					
Employees remain with the organisation where their capabilities, and performance contributions are recognized and appreciated					
Expatriate compensation is often considered extremely costly and time consuming for the organizations involved					

14. Which strategies do your organization use to retain staff that would be difficult to replace because of skill shortage in the labour market or whose loss would cause serious difficulties for the organization? .....

.....

**THANK YOU FOR YOUR TIME AND PARTICIPATION**