

# **Multifaceted Effects of Host Country Language Proficiency in Expatriate Cross-Cultural Adjustments: A Qualitative Study in China**

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Version November 2014

**Accepted for International Journal of Human Resource Management**

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**Zhang, L. E., & Peltokorpi, V. (2016). Multifaceted effects of host country language proficiency in expatriate cross-cultural adjustments: a qualitative study in China. *The International Journal of Human Resource Management*, 27(13), 1448-1469.**

# **Multifaceted Effects of Host Country Language Proficiency in Expatriate Cross-Cultural Adjustments: A Qualitative Study in China**

## **Abstract**

While expatriates often face language barriers in host countries, relatively little research has focused on the influence of host country language proficiency on cross-cultural adjustment. We drew from social identity theory and conducted an interview-based study with 70 expatriates and their host country national (HCN) colleagues to provide a contextual account of host country language proficiency's effects on work and non-work related adjustment in China. Our findings suggest that expatriate host country language proficiency has multifaceted effects on expatriates' HCN interaction, social support, and network-related work and non-work adjustment.

Keywords: China, Cross-cultural adjustment, expatriate, language proficiency

## Introduction

Accelerating globalization has led multinational corporations (MNCs) to increasingly rely on expatriate assignments to boost their competitiveness in the global market place (GMAC 2013). However, such overseas assignments require expatriates to adapt to novel and complex work environments, and such challenging assignments are often associated with low levels of expatriate adjustment in host countries (Chen, Kirkman, Kim, Farh and Tangirala 2010). Indeed, the inability to adjust to the host country has been found to be a main factor in unsuccessful expatriate assignments, with 57% of HR managers citing this as a problem (GMAC 2002). Maladjusted expatriates are also more likely to prematurely return from their assignments and fail to meet their performance expectations (Harzing and Christensen 2004).

Despite the increasing research in this area (for reviews see Bhaskar-Shrinivas, Harrison, Shaffer and Luk 2005; Takeuchi 2010), many questions regarding drivers of expatriate cross-cultural adjustment still remain. In particular, while expatriates often face language barriers in host countries, relatively little research has focused on the influence of host country language proficiency on cross-cultural adjustment (Bhaskar-Shrinivas et al. 2005; Takeuchi 2010). Yet, research suggests that language influences a myriad of issues in foreign subsidiaries, such as coordination (Marschan-Piekkari, Welch and Welch 1999), control (Björkman and Piekkari 2009), communication (Peltokorpi 2007), knowledge transfer (Peltokorpi and Vaara 2014), social identity (Lauring 2008), and power and career advancement (SanAntonio 1987). Taking into account the multifaceted effects of language in foreign subsidiaries, we propose that more focused research of host country language proficiency on expatriate cross-cultural adjustment is warranted.

In this paper, we contribute to expatriate cross-cultural adjustment research in two ways. First, we add to the nascent research of host country language proficiency on expatriate cross-cultural adjustment (Shaffer, Harrison and Gilley 1999; Takeuchi, Yun and Russell 2002; Selmer 2006; Peltokorpi 2008). Drawing on social identity theory (Tajfel 1978; Tajfel and Turner 1979), we describe how language differences can separate expatriates from host country nationals (HCNs) as out-group members in work and non-work related settings. The inductive approach adopted in this study further allows us to shift the focus from the previous, relatively simplistic language proficiency constructs to dimensions inductively built to interviews with expatriates and their HCN colleagues. In previous research, host country language proficiency has been shown to affect three interrelated facets: general adjustment, work adjustment, and interaction with HCNs (Shaffer et al. 1999; Takeuchi et al. 2002; Selmer 2006; Peltokorpi 2008). Yet, it is not clear whether these facets of adjustment adequately capture the phenomenon of expatriate cross-cultural adjustment because of the lack of inductively derived dimensions.

Second, we provide a contextual account of expatriate host country language proficiency in China, an increasingly important but linguistically challenging destination. The average score for the Test of English as a Foreign Language (TOEFL) in China is consistently below the global average (ETS 2011). In addition, the grammar and syntax of the Chinese language is different from those of Western expatriates and can thus be seen as a barrier to language learning. Despite the language differences, MNCs continue to rely on expatriates in China. In 1997, the number of expatriates in China exceeded 100,000 (Worm 1997) and was estimated to be 220,000 in 2012 (Global Economics 2012). Despite the increasing number of expatriates, little is known about the effect of language proficiency on expatriate adjustment in

China. This paper focuses on language-related expatriate adjustment in China, drawing on interviews with 70 expatriates and HCN employees.

This paper continues with a brief review of the literature on expatriate cross-cultural adjustment, the influence of language on cross-cultural adjustment, as well as language and social identity theory. The study sample and methodology are then discussed, followed by the findings. Finally, the theoretical and practical implications, limitations and suggestions for future research are discussed in the conclusion.

## **Literature review and conceptual framework**

### ***Cross-cultural adjustment***

Cross-cultural adjustment refers to the extent to which expatriates are comfortable with various aspects of a foreign environment (Black 1988). Culturally adjusted expatriates tend to be open to the host culture and able to add new behaviours, norms, and rules to the foundation provided by their home cultures (Church 1982). The expatriate adjustment process thus includes learning and exhibiting new behaviours to fit in with the host culture (Jun, Lee and Gentry 1997). In some extreme cases, it has been reported that maladjusted expatriates might experience anxiety, even to the extent that they believe that HCNs are plotting against them and making life difficult for them (Peltokorpi 2007).

In expatriate research, cross-cultural adjustment is described as a multifaceted construct with three interrelated facets including general adjustment, work adjustment, and interaction with HCNs (Bhaskar-Shrinivas et al. 2005). General adjustment refers to the degree of comfort with various aspects of the host culture environment, such as climate, food, health care, housing conditions, and shopping. Work adjustment refers to the degree of comfort with different performance standards, expectations, and work values. Adjustment to interaction with HCNs refers to the degree of comfort with the communication and interpersonal styles used in the host culture. While these three adjustment facets have been used in the bulk of research (Bhaskar-Shrinivas et al. 2005), scholars have started to make a more fundamental separation between work and non-work related adjustment, arguing interaction adjustment is a subset of general and work adjustment (Lazarova, Westman and Shaffer 2010; Haslberger, Brewster and Hippler 2013).

### ***Language and cross-cultural adjustment***

Expatriates interact with HCNs in the course of their work and various non-work related activities. Despite the importance of expatriate host country language proficiency in these interactions, there is little focused research in this area. Previous research suggests that expatriate host country language proficiency has a positive influence on cross-cultural adjustment. Indeed, language proficiency was found to have a positive influence on interaction adjustment in a study of expatriates in several host countries (Shaffer et al. 1999). Additionally, Takeuchi et al. (2002) found that English proficiency of Japanese expatriates facilitated their work adjustment in the USA. Furthermore, Selmer (2006) found that Chinese proficiency of a mixed sample of expatriates in China facilitated their general, interaction, and work adjustment. Peltokorpi (2008), in turn, found that Japanese proficiency of a mixed sample of expatriates facilitated their general and interaction adjustment in Japan. These inconsistent findings in earlier research suggest either that the used language proficiency constructs have

not captured the full complexity of language on expatriate adjustment or the three adjustment facets do not fully capture the influence of host country language proficiency on expatriate adjustment.

These inconsistent findings in part can be explained by multifaceted role of language in foreign subsidiaries. For example, language is found to influence various issues in subsidiaries, such as coordination (Marschan-Piekkari et al. 1999), communication (Peltokorpi 2007), control (Björkman and Piekkari 2009), knowledge transfer (Peltokorpi and Vaara 2014), social identity (Lauring 2008), and power and career advancement (SanAntonio 1987). Insufficient host country language proficiency may only allow expatriates to have limited control of local operations, making them dependent on HCN language nodes (i.e., bi/multilingual people), who may control information flows through language boundaries for their own advantage (Marschan-Piekkari et al. 1999; Peltokorpi 2007; SanAntonio 1987). Furthermore, studies suggest that language differences increase social categorization, creating language-based in-groups and out-groups in subsidiaries (Lauring 2008; Peltokorpi 2007, 2010). While these studies are limited to workplace interactions, they suggest that the influence of language on expatriate adjustment can be more complex than assumed in cross-cultural adjustment research.

In line with research on language in MNCs (Björkman and Piekkari 2009), we define expatriate host country language proficiency to include both grammatical and communicative competence. Grammatical competence, which refers to mastering grammar and syntax, is not enough for effective and meaningful communication because language is culturally embedded and context-specific (Peltokorpi 2010). Therefore, speakers engaging in effective and meaningful communication also need to have a high degree of communicative competence which goes beyond grammatical competence. Expatriate host country proficiency consequently includes the ability to use language in a culturally appropriate and accurate way (Hymes 1971).

### ***Language and Social Identity Theory***

In this paper we draw on social identity theory (SIT; Tajfel and Turner 1979) to explain the influence of language on expatriate cross-cultural adjustment. SIT proposes that individuals derive their sense of self through membership in social groups. At a basic level, SIT addresses individual behaviour within the context of groups and both actual and perceived group membership. In its original formulation, SIT explains intergroup behaviour and is based on the assumptions that individuals seek a positive self-concept, group memberships tend to carry with them socially defined positive or negative evaluations, and individuals evaluate their own groups by comparisons with other groups (Tajfel and Turner 1979). Through the process of differentiation between in-groups and out-groups, individuals show favouritism toward their own group and act discriminatorily against the relevant out-groups.

Language is asserted to be one of the most characteristic markers of social identity due to the functional and psychological barriers they impose on social interaction (Giles and Byrne 1982). In other words, language similarities and dissimilarities between individuals and groups provide the basis for informal connection and distance, i.e. inclusion and exclusion (Lauring 2008; Peltokorpi 2010). The separation of out-group members from information flows may occur when conversations begin in the presence of in-group members and exclude (non-verbally or verbally) out-group members who are present (Larkey 1996). If salient in-group and

out-group boundaries exist in subsidiaries, HCN employees able to speak the shared language might not be willing to speak at all with expatriates (Von Glinow, Shapiro and Brett 2004; Peltokorpi and Clausen 2010). Language is thus not only a communication tool but also constitutive of personal and collective identity (Brandes 2009).

Due to language differences, previous studies suggest that expatriates, at least initially, tend to engage in behaviours that increase in-group and out-group categorization in subsidiaries (Lauring 2008; Peltokorpi 2007, 2010). For example, two studies in Nordic subsidiaries in Japan describe how HCN employees excluded expatriates by communicating in Japanese (Peltokorpi 2007, 2010). In addition, a study in a Danish subsidiary in the United Kingdom describes how expatriates excluded HCN employees from in-group information by communicating in Danish language (Lauring 2008). The HCN employees became suspicious and experienced discomfort when confronted with incomprehensible conversations in Danish language. In this paper, we go beyond these studies by linking language and social identity theory to expatriate adjustment, investigating both work and non-work related adjustment facets.

### ***Summary and research question***

While language proficiency is found to have a positive influence on work and non-work related adjustment in host countries (Shaffer et al. 1999; Takeuchi et al. 2002; Selmer 2006; Peltokorpi 2008), it has not received adequate attention in expatriate adjustment research. To date, research in this area has used somewhat simplistic constructs, which seem insufficient for understanding expatriate language proficiency. However, research on language in MNCs has brought to the fore other important aspects of language at workplace. While limited to work-related interactions, these studies suggest that the role of language on expatriate cross-cultural adjustment can be more complicated than previously assumed and there is a need to elaborate the processes through which language influences expatriate cross-cultural adjustment. To provide a more comprehensive understanding of these effects, this study seeks to answer to the following research question: How does host country language proficiency influence expatriate work and non-work related adjustment? To answer this question, we interviewed 70 expatriates and HCN employees in China.

## **Methodology**

### ***Setting and research design***

Given the need to develop in-depth understanding of a relatively unexplored area, we conducted a qualitative interview-based study in Western MNC subsidiaries in China. In our study, we used an empirical contextualization strategy (Ketokivi and Mantere 2010) in which the research context is considered to be of interest, rather than a limitation. Research on language in MNCs also stresses the importance of context (SanAntonio 1987; Peltokorpi 2007; Lauring 2008).

We conducted this study in China for two reasons: first, the low general English proficiency among HCNs can influence expatriate adjustment in China. Second, despite the increasing foreign MNC activities and amount of expatriates, little research on language-related adjustment has been conducted in China. Foreign direct investment (FDI) has rapidly increased in China since the 1990s, making it one of the most popular countries for foreign MNC activities

and necessitating a large number of expatriates (Selmer 1998; Sergeant and Frenkel 1998). Despite the global financial crisis, China has remained as one of the top destinations in the world for corporate expansion with \$111.7 billion worth of FDI in 2012 (Reuters 2013). Furthermore, China is among the most common destinations for international assignments while still being one of the most challenging places for expatriates with an assignment failure rate of 27 % (Brookfield 2013).

### **Data collection**

Semi-structured interview data were collected from 70 expatriate and HCN employees in 13 Nordic (Finland, Denmark, Norway, and Sweden) subsidiaries in the Beijing and Shanghai areas in 2006-2007 and 2012-2013. These MNCs were in the telecommunication, manufacturing and services fields. Participants' contact details were obtained from chambers of commerce, by snowballing and with an Internet search, and were contacted and recruited by email and/or telephone. Altogether, 74 interviewees with 32 expatriate and 38 HCN employees were conducted. Among the 32 expatriates, one is female. Among the 38 HCNs, 11 are female. More details about the interviewees are provided in Tables 1 and 2.

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The average length of the digitally recorded interviews was 63 minutes. The majority of the interviews were conducted in person by the first author in Chinese, Finnish, and English. Interviews were primarily conducted at the workplace in an area where the interviews could not be overheard. All interviews with expatriates and HCN employees started with a brief collection of background information about the interviewees and continued with questions about the influence of language on expatriate work and non-work related adjustment in China. Interviews with expatriates were mostly conducted in English. The majority of the interviews with HCN employees were conducted in Mandarin Chinese. Additional information was obtained during visits to the subsidiaries.

### **Data analysis**

Our data analysis approach was inductive (Glaser and Strauss 1967; Locke 2001). We started analysing the interview transcripts in 2006 and 2007 and identified recurrent themes across all transcripts – making sense of the themes and their connections guided by inductive epistemology (Gerson and Horowitz 2002). The expatriate and HCN interview transcripts were read and interpreted to help nurture a holistic understanding of the phenomenon. The interview data were then categorized under key concepts and labels using an 'open coding' technique. Thus, we constantly compared the illustrative examples, searching for similarities and differences between the stories when we coded and categorized the transcripts. For example, an expatriate and his HCN colleague gave examples from their interacting experiences illustrating why communication was difficult without Chinese language proficiency. All these examples were grouped together and coded accordingly. We continued this process until each category was developed in accordance with the analytical principle of saturation (Glaser and Strauss 1967; Corbin and Strauss 2008).

We used a similar approach with the 2012-2013 interview data, adding codes informed

by the literature when theoretical concepts appeared relevant (Strauss and Corbin 1998). For example, an expatriate explained ‘If you cannot talk to [HCN] people on the shop floor, it is a problem.’ We categorized and coded this as ‘Insufficient host country language proficiency creates challenges to expatriate interactions with HCNs’. Other codes were also inspired by theoretical concepts reflected in the data, such as ‘language barrier’ or ‘communicative style’. Later, such first-order codes were grouped together under higher-order codes, for example, first-order codes ‘language filtering during speeches given by expatriate leaders’, ‘time-consuming and inefficient translation during group discussions’, and ‘insufficient Chinese skills cause suspicion at work’ were grouped under the higher-order code ‘dissatisfaction and frustration caused by lack of Chinese proficiency during the interaction at work’. In the final stage of data analysis, we merged the codes in the two data sets and derived three work and non-work related adjustment categories: HCN interactions, social support, and networks.

## Findings

As a result of our data analysis, we identified host country language proficiency to have HCN interaction, social support, and network-related effects on expatriate work and non-work related adjustment. Table 3 provides a summary of the main findings.

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### ***Work-related adjustment***

***Interaction with HCNs:*** The findings suggest that the expatriates with higher Chinese proficiency were relatively well adjusted to work-related interactions within subsidiaries with HCN employees as well as with HCN clients. Within subsidiaries, these expatriates were able to interact with HCNs in their mother tongue, achieving a more accurate exchange of information. An HCN explained his interactions with an expatriate proficient in Chinese: ‘I never spoke English with him. The fact that he speaks Chinese in the company has given us a very positive and cordial feeling. It is very easy to get to know him [H10b].’ This expatriate, in turn, explained: ‘Speaking Chinese decreases the distance to [HCN] employees’. Emphasizing the importance of a shared language, another HCN expressed the satisfaction towards the fact that expatriate can speak Chinese: ‘He [expatriate] can act as a bridge in meetings. For example, he might have observed that the discussion is very heated, and both sides could not fully understand each other due to Chinese staffs’ limited English skills; he might volunteer to help with interpreting to avoid misunderstandings from both sides [H7b].’ In general, the findings suggest that HCN employees had positive attitudes towards the expatriates with sufficient Chinese proficiency.

The expatriates with insufficient Chinese proficiency were less adjusted to interactions with HCNs. An HCN [H4a] explained that these expatriates had little understanding of HCN interactions in the Chinese language: ‘One day this boss sends an email, saying that there is some rumour among us. We think this is some kind of warning. I think that the boss find us chatting in Chinese strange.’ These expatriates also had to rely on language nodes and thus had a less comprehensive understanding of local operations. One expatriate complained: ‘I am totally relying on reports. It is a dangerous situation to be in because they are giving their perspectives [...] what they tell me is what they believe, but whether it is really the case or not, I do not know. It is difficult for me to find other means to find out whether it is really true or not



[E10a]'. In particular, the expatriates were concerned with the accuracy of the HCN intermediated communication. In subsidiaries, language nodes were HCNs with some proficiency in English, not professional translators. An expatriate explained the challenges related to intermediated interactions: 'We make a lot of contracts in English and Chinese. Negotiating the contract is difficult because of the language barrier and also because I am not always certain of the level of translation into Chinese of the contract [E18b].' In intermediated communication, the expatriates were frustrated with the time needed to convey messages to the HCNs.

Interactions through HCN language nodes were also frustrating because of the intentional and unintentional changes in messages. An expatriate [E13b] complained that he discovered that an HCN subordinate had intentionally translated his speeches in a way that prevented him from making changes to the Chinese hierarchical management style in his subsidiary. The Chinese communication styles and the linguistic characteristics also created misunderstandings and increased frustration in both the expat and HCN employees. Indeed, one HCN noted: 'In China you must know what the meanings [are] behind the words. This is difficult for foreigners to understand [H13a]'. For example, HCNs tend to report only positive things to expatriate supervisors. An HCN explained: 'In China, people have the habit to talk about good things, not about bad things. It is difficult for the directors to get [actual] feedback. [H14a]' The expatriates were also frustrated due to misunderstandings in English language communication. One expatriate complained: 'They just say that "Shi, shi, shi" ["yes, yes, yes"] and then they do [something]. But then they do totally something different than what I have been guiding them [to] do. In fact, they just do not tell me that [what they intended to do]. [E2b]' Because of the differences in language and communication styles, HCNs interacted less with the expatriates who lacked Chinese proficiency.

**HCN Support:** The expatriates with insufficient Chinese proficiency also experienced adjustment problems because HCNs sought to avoid translation-related extra duties. One HCN explained: 'There is a lot of translation work to be done for them [...] He [expatriate] asks us to translate for him. Most of us find it difficult to accept because it is extra work. It is not within our job descriptions. I can only give him a summary [...] just a rough translation, impossible to translate everything, as it is too time-consuming [H6b].' The lack of HCN support in terms of translation was especially salient in internal meetings with only one or few expatriates. In these meetings, HCNs often switch back to Chinese and ignore the expatriates' translation needs. The expatriates without sufficient Chinese proficiency often needed to rely on online translation tools. An expatriate explained: 'I use Google-translate when we discuss some documents. Usually it works fine at PowerPoint level, but for documents it is more difficult [E15b]'. The expatriates were also frustrated that they were not able to adequately communicate their opinions in a way that the HCNs could understand. An expatriate complained: 'It is my weakness that I cannot explain an issue [in Chinese]. I need to find somebody because my Chinese is so poor [E4b].' The lack of sufficient translation support occurred also in external interactions. One expatriate commented: 'It has been difficult because my Chinese colleagues have the personal relationship with the project owner so I do not, even though I have learnt to trust them and have done business successfully together, I do not always know how the discussion has been with the project owner [E18b].'

The findings further suggest that the expatriates with insufficient Chinese proficiency

had difficulties with managing and motivating HCN employees. One expatriate complained: 'I do not understand what they are saying. It could ease me a lot if I could understand what they are saying. I mean not necessarily every single word but the context [E2b]'. The HCNs with insufficient corporate language proficiency also used language-related reasons to separate themselves from expatriates. For example, an HCN complained: 'He [expatriate] does not speak Chinese. How can he motivate us? He might think that he has given a good speech, but we feel nothing [...] It is not like those motivating speeches in Chinese [H8a].' In particular, HCNs in lower organizational echelons stressed that communicating directly in Chinese enables expatriates to better motivate and connect with local workforce. One of these HCNs reasoned: 'Speaking the [Chinese] language is the will [to communicate with us] I think; whether you are willing to discuss issues with local low level people who cannot speak English. And listen [to] their feelings.' In addition, the findings suggest that HCN employees in general hesitated to interact with expatriates unable to communicate in Chinese, which made it challenging for expatriates to be able to receive any support from most HCNs.

**Networks:** The Chinese-proficient expatriates were able to develop work-related networks inside and outside of the subsidiaries. In particular, language determined informal networks in subsidiaries. An expatriate with low Chinese proficiency complained: 'I start something in English, but they just continue [it in Chinese]. Then I realize that they do not want me. If that happens, I just walk out [E3b]'. An HCN, in turn, reasoned: 'English is our foreign language. We like speaking in Chinese. In meetings, Chinese like to discuss their opinions in Chinese' [H24b]. Due to language barriers, the expatriates with insufficient Chinese proficiency found it challenging to network with local business partners. An expatriate explained: 'The big thing different from elsewhere is that Chinese partners here do not speak English. [...] It is very difficult to build up social relations. You cannot make a telephone call. [...] You do not build up the connections [E6a]'. HCNs spoke positively of expatriates who made efforts to speak Chinese. One HCN explained: 'Chinese clients find it surprising and interesting that he (an expatriate) can occasionally shoot out some words in Chinese jokingly [H13b].' In part due to language barriers, most expatriates are introduced to local business people by their HCN colleagues. An expatriate explained: 'I have met hundreds of people, have been introduced to many people. It [networking] has always being done by my Chinese colleagues. Without them, my network here would be pretty slim. [E18b]' In fact, some HCN employees did not expect expatriates to be able to develop networks with local business partners unless they showed sufficient Chinese proficiency. An expatriate admitted: 'The waiguoren's [foreigner's] Chinese language skills are not adequate enough to understand all the discussions. And this kind of discussions is usually held with the Chinese only [E5b]'.

### ***Non-work related adjustment***

**Interaction with HCNs:** In part due to a lack of a shared language, the expatriates with insufficient Chinese proficiency had limited non-work related interactions with HCNs. These expatriates were also limited in terms of shopping, food, restaurants, recreation, and other opportunities to make their adjustment in the host country more comfortable. An expatriate noted: 'No common language with most of the people. It is surprising that you really need to know Chinese if you want to get a taxi. [E8b]'. The limited English language interactions with HCNs tended to lack depth and richness. An HCN reasoned: 'I can have conversations with a

laowai [foreigner]. But I do not feel like talking in English all the time. [H8b]'. Partly due to language differences, another HCN noted: 'There is some unwillingness to communicate. When we have lunch together, it is difficult to explain things clearly. So it better to just eat alone or eat with Chinese colleagues. [H8a]'. In contrast, the expatriates proficient in Chinese were both able and willing to interact with HCNs. These expatriates also had more fulfilling interactions with HCNs. One expatriate explained: 'Once you have even some moderate Chinese skills, you really get a next level exposure of this country. And you can understand much more of the people [E1b]'. In general, the findings suggest that the expatriates with sufficient Chinese proficiency were more satisfied with non-work-related interactions with HCNs than their counterparts without sufficient host country language proficiency.

**HCN Support:** The expatriates with insufficient Chinese proficiency were also dependent on HCNs with certain level of English proficiency for support in a spectrum of non-work related matters, such as fixing problems at home, bank-related issues, and general purchases. In particular, HCNs noticed considerable helplessness and adjustment difficulties among the expatriates with insufficient Chinese proficiency. A HCN explained: 'He [expatriate] cannot turn to us for everything. Some laowai [foreigner], not him, including one of our direct bosses, have difficulty taking care of things such as fixing coffee machines. He called me during the weekend and asked me to explain to the maintenance staff. If they speak Chinese, they will experience more convenience for their own lives [H13b]'. The expatriates not entitled to use company HCN personnel for non-work related issues experienced frustration handling even routine tasks in the host country. Another HCN explained: 'One day he [expatriate] bought a cell phone from the shop downstairs, together with a phone card. He did not understand the instructions and broke the card. He was totally devastated and came to me asking what he could do. I told him to apply for another card in the service point across the street. However, he needed to present ID and go through all the paperwork [in Chinese] by himself; poor him [H6b]'. While some HCN employees are initially willing to help expatriates with non-work matters, they did not appreciate extensive, continuing expatriate reliance on them and sought to decrease the support they offered to expatriates.

**Networks:** In part due to their insufficient of Chinese proficiency, expatriates live in their own communities with limited interactions with HCNs. An expatriate explained: 'We come to the office where we only speak English. Then we go back home [...] I do not know anybody who has Chinese friends outside work [E5b]'. Expatriates tend to become gradually frustrated that their insufficient Chinese proficiency limited their HCN networks. An expatriate explained: 'I am here in the capital city of China, with 1.4 billion people and thousands of years' long history. It does not make any sense to me to live in an isolated compound talking and drinking beer with my foreigner friends [E1b]'. The expatriates with sufficient Chinese proficiency were willing to develop extensive HCN networks. An expatriate reasoned: 'Host country language is very important if you want to enter the Chinese circle [E17b]'. These expatriates considered it less interesting and beneficial to network with other expatriates in China. An expatriate reasoned: 'My social circle is with more of Chinese than Western [E24b]'. However, host country language proficiency did not guarantee successful networking with HCNs in China. In fact, locals often distance themselves from the expatriates with high levels of Chinese proficiency. An HCN commented: 'When laowai's [foreigner's] Chinese is good, Chinese people tend to get nervous and are not willing to speak Chinese to them [...] I think Chinese have fear for foreigners who

speak very good Chinese' [H12b]. These rejected host country language proficient expatriates tended to experience the most intensive maladjustment.

## **Discussion**

In this paper, we focused on the influence of host country language proficiency on expatriate cross-cultural adjustment. These findings suggest that host country language proficiency influences expatriate work and non-work related adjustment through interaction with HCNs, HCN support, and HCN networks (see Figure 1). By employing our inductively derived model, we seek to extend the understanding how host country language proficiency influences expatriate work and non-work related adjustment. The model and findings provide several theoretical implications to expatriate cross-cultural adjustment research.

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### ***Theoretical implications***

First, our findings emphasize the importance of host country language proficiency in expatriate work-related adjustment, which has been given relatively little attention in previous expatriate research. In general, our findings suggest that low host country language proficiency acts as a natural barrier to intercultural communication and information flows in subsidiaries, having negative effects on expatriate work-related adjustment. More specifically, our findings contribute to research on host country language proficiency in expatriate work-related adjustment (Shaffer et al. 1999; Takeuchi et al. 2002; Selmer 2006; Peltokorpi 2008) by pointing out the existence of considerable differences in HCN employee corporate language proficiency and the willingness of HCNs to communicate with expatriates in a non-native language. While HCN language nodes can be used to alleviate language barriers in subsidiaries, our findings and research on language in MNCs (SanAntonio 1987; Marschan-Piekkari et al. 1999; Peltokorpi 2007) suggest that it reduces the interaction effectiveness and the willingness to engage in more in-depth and productive conversations in both expatriates and HCN employees. Our findings also suggest that expatriates with strong host country language proficiency are able to build wider social networks with and receive more support from HCNs in subsidiaries.

Second, our findings provide details of expatriate host country language proficiency in non-work related adjustment. In general, our findings suggest that expatriates with insufficient host country language proficiency have difficulties engaging in tasks ranging from efficient and fulfilling interactions to running daily errands. The difficulties encountered by expatriates with insufficient host country language proficiency are exacerbated by the generally low level of English proficiency in China. In addition, our findings suggest that host country language proficiency allows expatriates to develop and maintain interpersonal relationships with HCNs. Interpersonal relationships and frequent interactions with HCNs facilitate expatriate adjustment through information acquisition and learning. They help expatriates to learn various aspects of their host country and obtain valuable insights and knowledge that increase their understanding of the host culture (Jun et al. 1997). Frequent and efficient interactions with HCNs also help them better to cope with the anxiety and stress related to cross-cultural adjustment. Indeed, we found that HCNs in an expatriate's network provide them with a major source of social support (Wang 2002). Given HCNs' reluctance to speak in a non-native

corporate language, expatriates without any host country language proficiency suffer from insufficient social support from HCNs.

Third, the findings add to language research, drawing on SIT (Lauring 2008; Peltokorpi 2007, 2010) by taking into account both work and non-work related adjustment and emphasizing the need to understand adjustment as a social process consisting of in-groups and out-groups distinguishable by their native languages. As one of the most salient social identity makers (Giles and Johnson 1982), our findings suggest that language creates a strong functional and identity-based boundary between expatriates and HCNs in both work and non-work related settings. Furthermore, our findings suggest that host country language proficiency may have a non-linear effect on expatriate adjustment. For example, HCNs were suspicious of expatriates with high host country language proficiency. In a related manner, social identity theory (Tajfel and Turner 1979) and negotiation studies (Francis 1991; George, Jones and Gonzalez 1998) suggest that high levels of adaptive behaviour can have undesirable effects because HCNs react negatively when out-group members threaten their group identity. These schools of thought hold that HCNs may treat expatriates as outsiders, even in cases where the expatriate adopts the language and cultural norms. Thus, attempting to behave like a native may not achieve the same effect as being a true native (Francis 1991). These findings also add to previous research that has assumed a linear effect of host country language proficiency on expatriate cross-cultural adjustment (Shaffer et al. 1999; Takeuchi et al. 2002; Selmer 2006; Peltokorpi 2008).

Fourth, our findings suggest that host-country language proficiency has complex, multi-faceted effects on expatriate work and non-work related adjustment that differ from the general, interaction, and work adjustment categories (Black 1988). For example, our findings suggest that language proficiency plays an important role in the ability of expatriates to gain access to work and non-work related networks in host countries. In a related vein, researchers have argued that social interactions with HCNs help expatriates establish social networks that then help them to cope with the anxiety and stress related to cross-cultural adjustment (Takeuchi et al. 2002). Additionally, frequent social interactions with HCNs are noted to facilitate cross-cultural adjustment through information acquisition and learning (Jun et al. 1997). Thus, language acts as a bridge between expatriates and HCNs, promoting network development and adjustment. We hope that our inductively derived adjustment dimensions (i.e., HCN interaction, social support from HCN, and networking with HCN) inform future research on language in expatriate work and non-work related adjustment.

### ***Practical implications***

The findings have practical implications. First, the findings suggest that MNCs are able to enhance expatriate adjustment in a number of different ways. For example, MNCs can emphasize host country language proficiency in expatriate selection, as well as invest in language training before the assignment and during the period of the assignment abroad. Linking language proficiency development to performance reviews can be used to motivate expatriates to improve their host country language proficiency (Peltokorpi 2007). Despite the importance of host country language proficiency for expatriate adjustment, many MNCs base their expatriate selection on technical expertise (Swaak 1995). Alternatively, HCNs with sufficient proficiency in corporate language can be recruited as language nodes in subsidiaries. Although this approach enables expatriates to interact with HCNs who have insufficient

corporate language proficiency, research suggests that this does not remove language-based in-group and out-group categorization in foreign subsidiaries and therefore might actually be harmful to the expatriate adjustment (SanAntonio 1987; Marschan- Piekkari et al. 1999; Peltokorpi 2007). Second, as our findings suggest that HCN employees tend to avoid extra duties as language nodes, HCN employees acting as such should be rewarded for their efforts. It is recommended for MNCs to formalize the translation-related duties as part of HCN employees' job description to ensure that expatriates receive sufficient language support in order to perform their duties in the host country. Third, MNCs can encourage more seasoned expatriates to help incoming expatriates overcome the adjustment-related anxiety. These more seasoned expatriates can also explain the importance of host country language proficiency in overall adjustment and help motivate incoming expatriates to start or continue language studies.

### ***Limitations and suggestions for future research***

While this study is designed to expand our current understanding of expatriate adjustment by applying inductively analysing interviews with expatriates and HCNs in China, the results herein raise additional questions. The limitations of research open interesting avenues for future research. First, the study was conducted in a linguistically unique country with a generally low level of English proficiency, which can limit the potential to apply the findings to expatriates in other countries. However, similar findings are likely to emerge in several other East Asian countries, such as in Japan (Peltokorpi 2010) and South Korea (Park, Dai Hwang and Harrison 1996). Nevertheless, future research should be expanded to other countries. Second, several additional factors, such as the organizational culture (Brannen and Salk 2000), gender (Caligiuri and Lazarova 2002) and the number and status of expatriates (Kanter 1977) could have influenced our findings. Thus, a more fine-grained analysis of language on expatriate cross-cultural adjustment is needed. Despite these weaknesses, this study takes a significant step towards and provides novel insights into host country language proficiency in expatriate cross-cultural adjustment. At the same time, it underscores the need for more empirical work in this area.

### **Conclusion**

In this study, we focused on the impact of host country language proficiency on expatriate cross-cultural adjustment. Drawing on interviews on 70 HCN and expatriate employees in China, we found that expatriate host country language proficiency has multifaceted effects on HCN interaction, social support, and HCN network-related work and non-work adjustment. While higher host country language proficiency generally facilitated work-related adjustment, the findings also suggest that higher host country language proficiency does not necessarily lead to better non-work-related adjustment, as HCNs may perceive it as a potential threat to their in-group identity.

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**Table 1: Demographics of interviewees 2006-2007**

Participant identifier	Nationality	Ethnicity	Age	Gender	Industry	MNC Tenure	Expatriation Duration	Job Function/Position
E1a	SE	SE	41-50	Male	Telecommunication	4	9	General Manager
E2a	US	US	41-50	Male	Telecommunication	2	10	Senior Product Program Manager
E3a	FI	FI	41-50	Male	Telecommunication	4	1	General Manager of Product Development
E4a	FI	CN	41-50	Male	Telecommunication	5	1	Quality Manager
E5a	FI	FI	41-50	Male	Process Manufacturing	7	2.5	Vice President, Projects and Investments
E6a	FI	FI	41-50	Male	Process Manufacturing	17	0.8	Vice President, Mergers and Acquisitions
E7a	FI	FI	51-60	Male	Process Manufacturing	27	3	Executive Vice President
E8a	SE	SE	31-40	Male	Process Manufacturing	8	2.5	Maintenance Director
E9a	FI	FI	41-50	Male	Process Manufacturing	9	6	Vice President, Strategy Planning
E10a	US	US	41-50	Male	Process Manufacturing	5	0.4	Managing Director
E11a	FI	CN	41-50	Male	Process Manufacturing	11	6	President, China
H1a	CN	CN	41-50	Male	Telecommunication	8	-	Senior Program Sourcing Manager
H2a	CN	CN	31-40	Male	Telecommunication	2	-	Program Manager
H3a	CN	CN	31-40	Female	Telecommunication	4	-	Project Manager
H4a	CN	CN	31-40	Female	Telecommunication	3	-	Project Manager
H5a	CN	CN	21-30	Male	Telecommunication	0.5	-	Product Development Manager
H6a	CN	CN	31-40	Male	Telecommunication	2	-	Product Development Manager
H7a	CN	CN	21-30	Male	Telecommunication	1	-	Product Development Manager
H8a	CN	CN	41-50	Male	Telecommunication	2	-	Product Development Manager
H9a	CN	CN	21-30	Female	Telecommunication	4	-	Project Manager
H10a	CN	CN	31-40	Female	Telecommunication	1.5	-	Program Quality Manager

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H11a	CN	CN	31-40	Male	Telecommunication	2	-	Program Sourcing Manager
H12a	CN	CN	31-40	Female	Process Manufacturing	2	-	Human Resources Manager
H13a	CN	CN	31-40	Male	Process Manufacturing	13	-	Purchasing Manager
H14a	CN	CN	41-50	Male	Process Manufacturing	15	-	Production Manager
H15a	CN	CN	31-40	Male	Process Manufacturing	14	-	Project Manager
H16a	CN	CN	31-40	Male	Process Manufacturing	13	-	Engineering Manager

Note: FI = Finnish, CN = Chinese, SE = Sweden, US = United States

**Table 2:** Demographics of interviewees 2012-2013

Participant Identifier	Nationality	Ethnicity	Age	Gender	Industry	MNC Tenure	Expatriation Duration	Job Function/Position
E1b	FI	FI	41-50	Male	Telecommunications	13	5	General Manager
E2b	FI	FI	31-40	Male	Telecommunications	14	1	Head of Supply Logistics
E3b	FI	FI	41-50	Male	Telecommunications	15	4.5	Head of Team
E4b	FI	FI	31-40	Male	Telecommunications	13.5	4	Product Development Manager
E5b	FI	FI	31-40	Male	Telecommunications	14	6.5	Product Program Manager
E6b	FI	FI	41-50	Male	Telecommunications	16	2	Senior Manager (Insurance & Risk Finance)
E7b	FI	FI	51-65	Female	Telecommunications	30	1.5	R&D Senior Manager
E8b	FI	FI	31-40	Male	Telecommunications	10	2	Software Architect
E9b	FI	FI	31-40	Male	Telecommunications	3	1.5	Hardware Manager
E10b	SE	SE	31-40	Male	Consulting	4	1	General Manager
E11b	FI	FI	41-50	Male	Pulp and Paper	14	9	Sales Manager
E12b	FI	FI	51-65	Male	Pulp and Paper	14	3	Vice President
E13b	FI	FI	41-50	Male	Pulp and Paper	20	1	President
E14b	FI	FI	51-65	Male	Minerals and Metal Processing	21	4	Factory Head
E15b	SE	SE	31-40	Male	Telecommunications	5	0.7	Product Manager (Strategic & Standardization)
E16b	FI	CN	20-30	Male	Consulting	0.5	0.5	Intern/Analyst
E17b	FI	FI	20-30	Male	Clean Technology	2	3	Project Manager
E18b	FI	FI	31-40	Male	Clean Technology	10	0.5	Managing Director
E19b	FI	FI	51-65	Male	Airline	37	20	Chief Executive (Government Relations)
E21b	FI	FI	31-40	Male	Medical Equipment	2	3.5	Project Manager
E23b	FI	FI	31-40	Male	Glass Processing	7	8	Product Manager
E24b	FI	FI	41-50	Male	Glass Processing	5	20	Vice President
H1b	CN	CN	31-40	Male	Telecommunications	2	-	Quality Head
H2b	CN	CN	31-40	Female	Telecommunications	11	-	Project Manager

H3b	CN	CN	31-40	Male	Telecommunications	12.5	-	Account Manager
H4b	CN	CN	31-40	Male	Telecommunications	8	-	Product Development Manager
H5b	CN	CN	31-40	Female	Telecommunications	3	-	Analyst
H6b	CN	CN	20-30	Female	Telecommunications	2.5	-	Manager Treasury
H7b	CN	CN	31-40	Female	Telecommunications	13	-	Head of Program Management
H8b	CN	CN	31-40	Female	Consulting	12	-	Senior Manager
H10b	CN	CN	20-30	Male	Consulting	2	-	Product Manager
H11b	CN	CN	41-50	Male	Paper and Pulp	14.5	-	Director (Power & Pulp)
H12b	CN	CN	41-50	Male	Paper and Pulp	9.5	-	Sales Director
H13b	CN	CN	41-50	Male	Paper and Pulp	12	-	Sales Manager
H14b	CN	CN	41-50	Male	Minerals and Metal Processing	19	-	Office Head & Head of Sales
H15b	CN	CN	31-40	Male	Telecommunications	8	-	Sales Support
H16b	CN	CN	31-40	Male	Telecommunications	7	-	Product Manager
H17b	CN	CN	20-30	Male	Clean Technology	2.5	-	Project Manager
H18b	CN	CN	20-30	Female	Clean Technology	1	-	Project Manager
H19b	CN	CN	31-40	Female	Airline	10	-	Account Manager (Corporate Clients)
H21b	US	CN	31-40	Male	Medical Equipment	3	-	General Manager
H23b	CN	CN	41-50	Male	Glass Processing	12	-	Project Manager
H24b	CN	CN	31-40	Male	Glass Processing	8	-	Production Manager

Note: FI = Finnish, CN = Chinese, SE = Sweden, US = United States

**Table 3a: Interview findings on work-related adjustment**

<b>Dimension</b>	<b>Interview examples</b>
<b>Interaction with HCNs</b>	<p>'[Being able to speak Chinese] is definitely useful. Otherwise important leadership related communication is being filtered all the time [by translation]. It is not only language filtering, it is the filtering also culture, meaning and everything, even the base values' (E13b)</p> <p>'They are always my colleagues who do a bit of translation. I ask something and the question is translated and the other person answers, but they may talk in Chinese back and forth for a pretty long time, sort of clarifying issue, before they get back to me. I never know if it is fully, correctly understood because I do not know what they are exactly discussing. That is very usual. I lose a lot of information' (E18b)</p> <p>'Sometimes we talk in Chinese. He [An expatriate] knows the basic vocabulary about bad things in Chinese. If we use a different expression, he would suspect that we might be saying negative things, although we were talking about positive things. Sometimes this happened during formal occasions with our clients. He behaves well regarding dining and drinking with our clients. However when it comes to language, we still need to communicate with him in English.' (H13b)</p> <p>'You might have said "bu"[no], but you would add another word which also means "bu" [no] in Chinese. The whole sentence is then positive. He [An expatriate] would suspect that you are saying negative things. He would suspect that you are cheating him or causing harm to him' (H13b)</p>
<b>Social Support</b>	<p>'His [An expatriate] Chinese skill has been very helpful for his work, as I just mentioned that you have to speak Chinese dealing with projects inside China with your Chinese colleagues. We have lots of materials in Chinese as well. You cannot possibly ask other colleague to translate the whole project for you before you start to work on the project' (H18b)</p> <p>'Language is a handicap, because you know whenever we send our expatriates out for negotiations, discussions, you always have to send interpreter or assistant [...] it is just extra kind of burden' (E11a)</p> <p>'I cannot contribute as much as I should. My supervisor [another expatriate] does not even try to learn to speak Chinese. It is a common frustration that we share in our meetings. I am not unique in our company' (E15b)</p> <p>'For example, once we begin to do a project, you might not think that there are so many detailed issues before starting it. All these detailed problems need to be solved during the system testing period. All of us become very anxious under the time pressure and want to fulfill this task. Sometimes misunderstandings would cause conflicts. On such occasions, if our Chinese employee's English is not good, or if he doesn't report internally or ask for additional support, he might not report all the necessary information and cause misunderstandings among foreigners who are working on it. Foreigners might not understand what's going on and what they need to do' (H11b)</p>
<b>Networks</b>	<p>'When I talk in Chinese with people around me, everybody finds it normal [to only speak in Chinese]. But I would try to take him [the expat] into consideration. He feels very awkward here. Nobody pays attention to him' (H1b)</p>

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'If I can learn the Chinese ways better and integrate myself and of course I would be more valuable if I could create a better personal network than I have now. I think that would make me a lot more valuable, useful for both our company and personally development.' (E18b)

'He [An expatriate] is anyway a laowai [foreigner]. We need to work on the networking and building up emotional relationships with our clients. Having the foreigners present at the social events helps, but there is still something barrier and segregation. If he can speak good Chinese one day, we would be pleased. But if he can't, we don't care that much either. In China we mostly use Chinese. He doesn't understand when you try to explain to him. But he can drink, so he is also helping [with the networking].' (H17b).

'When expatriates come to meet the clients together with us, the efficiency would be lower. Our clients all like speaking in Chinese. There is more to blame than the translation process. There are lots of subtexts. Chinese clients may have certain opinions, but they don't voice them out directly. For example, when we negotiate a deal, Swedes might get the impression that this deal is promising. However, as Chinese we can tell that our client is just coping with the discussion. He doesn't reject us directly though and he is still being polite...We need to communicate with our expatriates when we are back in the company then. However, it's beyond our control whether our expatriates would really understand it or not. They would question why what we tell them is so different from how they experienced just now.' (H16b)

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**Table 3b: Interview findings on non-work related adjustment**

<b>Dimension</b>	<b>Interview examples</b>
<b>Interaction with HCNs</b>	<p>'Chinese tend to forget about the laowai [foreigner] and always cannot help but speaking in Chinese. I do not think we have the "concept" of speaking English to foreigners. I also tend to make such mistake. [...] I start to feel that we have good relations after we have chatted for some time. Then I would want to talk in Chinese, as I find it silly to speak in English with other Chinese people present as well.' (H8b)</p> <p>'I know it would be a huge asset to be able to speak Chinese, at least to understand what people are saying' (E2b)</p> <p>'You need to be able to speak Chinese to live in China' (E14b)</p> <p>'He does not speak Chinese [...] Maybe he [An expatriate] is not used to interacting with Chinese. He often comes to work rather early, earlier than me and finish off at 4pm or 5pm. He would bite off some apples all by himself during lunch. Quite pitiful. No one eats with him.' (H6b)</p> <p>'He [An expatriate] knows Chinese, very well. He can read, speak, write, even writing is alright nowadays. He can communicate very well with local Chinese and he can know many things.'(H10b)</p> <p>'If they [expatriates] can speak Chinese one day, we are also looking forward to it. But if they can't, to be very honest, on the land of China, Chinese is more frequently used.' (H17b)</p>
<b>Social Support</b>	<p>'Most difficult part [in China] is to access the communication over there because there are only few persons in the management office of the residential building, who can speak English. Most of the service people answering questions are very limited in English skills. Once you have problems [with your apartment], it is very difficult to have it fixed' (E6b)</p> <p>'In theory, I only work for him [An expatriate] eight hours a day. However if you do not help him, he will be in a difficult situation. Our assistants are having tiring days. Of course it's not that frequent, nothing like 24 hours a day, not as frequent as during the day time. He would call you when he has some issues in the evening or during the weekend. It is unavoidable' (H11b)</p> <p>'Learning Chinese makes a lot of sense for one's social life, in a way personal life. For example, you need to get the 1 liter bottle of fresh water every day. Someone told me that you should buy this water service by calling this number [and you need Chinese skills]. It's more administrative task' (E15b)</p> <p>'Apart from not feeling adjusted language-wise, they [expatriates] do not feel adjusted in terms of living [...] if they do not take the initiative [to learn the language], they will encounter difficulties. Expatriates in China encounter maladjustment' (H11b)</p>
<b>Networks</b>	<p>'I do not know when a good friendship begins between Finns and Chinese. I have Chinese people who I think are my friends, but they are not many. And I met those at work. They have visited my house when I have a barbecue or something. But none of them has ever invited me to their home. I also understood from something that Chinese people are very hesitant to ask people to come to their home. You have to be a</p>



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good friend for that. Not a single person that I know has been invited to the Chinese home, so I have to assume that we are not considered friend. So I would say that it's not easy to become friends with the Chinese' (E5b)

'We used to go to drink in a pub on Friday night after work. He [An expatriate] enjoys it very much. I realized later that people who went there frequently are mostly Finns. So it is a relatively very small circle. There are some Chinese too, but not so many.' (H4b)

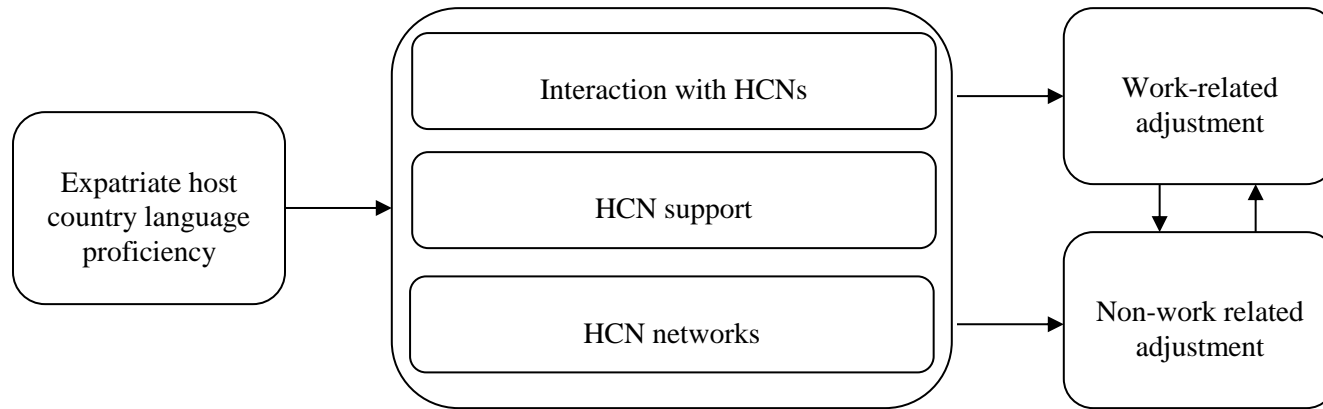
'As for the communication outside work, there is very little. Basically there is no communication. There are differences in life experiences and all kinds of other issues' (H8a)

'I think it is in fact less of an issue in China than in many other places, as no one expects the foreigners to be able to speak Chinese' (E10a)

'Once I met a foreigner who speaks very good Chinese. However I always worry whether he can fully understand what I mean in Chinese. Although I know his Chinese is very good, I still worry. I tend to communicate in English with him in order to avoid potential misunderstanding. Perhaps we Chinese always think that Chinese language is very difficult to learn.' (H7b)

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**Figure 1:** A model of host country language proficiency on expatriate work and non-work related adjustment



**Appendix A:** Guiding questions in interview protocols for expatriates, 2006-2007

1. Could you please introduce yourself: what's your background, how you joined this company and what's your current position and duties in this subsidiary? How come you work in China and how has it been?
2. Could you tell about the role that language plays in your daily work, in this subsidiary and between the headquarters and this unit?
3. Can you describe the language skills that people have in this unit? In what ways do language and language skills influence your work and the operations in general in this unit? Are there any language barriers?
4. Do you speak Chinese? How does that then influence your work and your relationship with the local staffs?
5. In what ways do language and language skills affect one's position or status in the company?

**Appendix B:** Guiding questions in interview protocols for HCNs, 2006-2007

1. Could you please introduce yourself: what's your background, how you joined this company and what's your current position and duties in this subsidiary?
2. Could you reflect on your experiences of interacting with foreign expatriates? What are the problems, challenges?
3. Can you describe the language skills that people have in this unit? Do foreign expatriates speak Chinese and how good are your and your colleagues' English?
4. In what ways do language and language skills influence your work and the operations in general in this unit? Are there any language barriers?
5. In what ways do language and language skills affect one's position or status in the company?

**Appendix C:** Guiding questions in interview protocols for expatriates, 2012-2013

1. Could you tell me about yourself, your background, position and how come you are working in China now and how has it been? How are you adjusting to working and living here?
2. Do you speak Chinese? Are you taking Chinese lessons? Do you find it comfortable speaking Chinese?
3. Do you need Chinese for daily work? Do you think it's necessary to learn Chinese since you are working in China? Can you describe the occasions when Chinese is spoken at work?
4. Think about communicating with your closest colleague at work, can you describe the role of Chinese/Finnish/English skills? How does it impact your daily work? Are there any language barriers? What are the good solutions to these language barriers in your opinion?
5. In what ways do language skills affect your position or status in the company?

**Appendix D: Guiding questions in interview protocols for HCNs, 2012-2013**

1. Could you please introduce yourself: what's your background, how you joined this company and what's your current position and duties in this subsidiary?
2. Could you reflect on your experiences of interacting with your closest expatriates? What are the problems, challenges? Do you feel that they are adjusted to working and living in China?
3. Can you describe the language skills that people have in this unit? What language do you use at work? Do foreign expatriates speak Chinese and how good are your and your colleagues' English?
4. In what ways do language and language skills influence your work? Are there any language barriers? What are the good solutions to these barriers in your opinion?
5. In what ways do language and language skills affect one's position or status in the company?