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From the Editor

Best wishes to you for 2005 from JBAM! This is our first issue of the New Year and we think you'll enjoy the quality articles and case presented. Before I describe these works, however, I would like to use a portion of my space here to update the readership.

First, I would like to say thank you to the many members of the IBAM family I was able to meet at the Providence, Rhode Island conference. It was a pleasure and I greatly appreciated the warm welcome. The constructive tone and collegiality that epitomizes IBAM was clearly evident. If you did not have the opportunity to participate in the 2004 conference, plan to join us at the beautiful Sunburst Resort in Scottsdale, Arizona (October 6-8) for the 2005 meeting. The paper deadline is April 13th, 2005 and you can register online at www.ibam.com.

Also, in a previous issue, I announced an agreement between the *Journal of Behavioral and Applied Management* and EBSCO Publishing, Inc. EBSCO project managers tell me we are slated for a new product group that is due out Fall/Winter 2005. Once this product group becomes operational, JBAM articles will appear in the EBSCO periodical database. We view this as a positive step in both enhancing the journal and providing greater distribution of the superior work of our authors.

Examples of superior scholarship are certainly evident in this issue of JBAM. We begin with an international flair as our first article comes to us from Unnikammu Moideenkutty from Sultan Qaboos University in the Sultanate of Oman. This manuscript is titled, "Organizational citizenship behavior and developmental experiences: Do role definitions moderate the relationship?" The study examined 136 supervisor-subordinate dyads and indicated organizational citizenship behavior (OCB) was positively related to developmental experiences after controlling for in-role performance (IRP). In addition, the author addresses the implications of the breadth of supervisor role definitions on followers' OCB and developmental experiences.

Continuing on the international theme, our second article is, "Repatriation adjustment problems and the successful reintegration of expatriates and their families." In this article, Aaron Andreason and Kevin Kinneer tackle the problem of expatriate dissatisfaction and attrition associated with repatriation adjustment. The authors discuss why many programs have been unsuccessful. More importantly, they offer a conceptual framework for analysis and provide recommendations for managing reintegration into the home culture and organization.

Our third article, by Harlan Spotts and Anthony Chelte, is "Evaluating the effects of team composition and performance environment on team performance." This study considered the performance, interpersonal relations, equity, and output of online and face to face groups. The authors suggest that while face to face groups may be more costly, they may lead to higher levels of performance over the longer-term.

Next, we have an article titled, “The integrative effects of flexible work arrangements and preferences for segmenting or integrating work and home roles.” MaryAnne Hyland, Ciaran Rowsome, and Erin Rowsome investigated the relationship between work flexibility, employee performance, affective commitment, and turnover intentions, while controlling for the moderating effects of employees’ preferences for segmenting or integrating their work and home lives. Involving 172 employees from eight organizations in Ireland, they found marginally significant effects for compressed work weeks.

Finally, for those case aficionados, we offer a case entitled, “Stadium Foods Company” by Stephen Skripak. This case study is quite complex and has a greater quantitative focus than many. For those of you especially adept in using the case method, we think you’ll enjoy this one. JBAM only publishes the case itself as teaching notes should be requested from the author.

We hope you enjoy this edition of the *Journal of Behavioral and Applied Management*. As always, please send us your comments as to how we can improve JBAM to better meet your needs.

John Humphreys, Editor

Organizational Citizenship Behavior and Developmental Experiences: Do Role Definitions Moderate the Relationship?

Unnikammu Moideenkutty
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ABSTRACT

Data from 136 supervisor-subordinate dyads indicated that Organizational Citizenship Behavior (OCB) was positively related to developmental experiences after controlling for In-Role Performance (IRP). Results also indicated that when supervisors had broad role definitions, the relationship between OCB and developmental experiences was non-significant. On the other hand, when supervisors had narrow role definitions, there was a significant positive relationship between OCB and developmental experiences reported by employees.

Key words: organizational citizenship behavior, developmental experiences, role definitions

Introduction

Recently there has been a dramatic increase in research on organizational citizenship behavior (OCB) (Podaskoff, MacKenzie, Paine, & Bachrach, 2000) or behavior that contributes indirectly to the organization through the maintenance of the organization's social system (Organ, 1997). This increase can be attributed to the greater use of flatter and autonomous team-based structures in organizations and the consequent emphasis on individual initiative and cooperation (Lepine, Erez, & Johnson, 2002).

Most of the early research on OCB focused on its antecedents. More recently, increasing attention has been paid to the consequences of OCB (Podaskoff, et al, 2000). Findings from this line of research indicate that OCB has important consequences for both the organization and individual employees (Podaskoff, et al, 2000).

At the organizational level, studies indicate that OCB is related to organizational effectiveness (Podsakoff, Ahearne, & MacKenzie, 1997; Podsakoff & MacKenzie, 1994; Walz & Niehoff, 1996). At the individual level, OCB has been found to affect supervisory evaluations of employee performance (Podsakoff, MacKenzie, & Hui, 1993), reward recommendations (Allen & Rush, 1998; Kiker & Motowidlo, 1999; Park & Sims, 1989), and estimates of the dollar value of standard deviation difference in performance (Orr, Sackett, & Mercer, 1989). In addition, a recent field quasi-experiment found that employees who perform higher levels of OCB are more likely to be promoted than employees who perform lower levels of OCB (Hui, Lam, & Law, 2000). In summary, these studies indicate that the effect of OCB on personnel decisions of supervisors is at least as great as that of task performance (Podsakoff, et al, 2000).

Podsakoff et al. (2000) recommend that future research should examine the impact of OCBs on other personnel decisions of supervisors, including those related to training. This study tests the relationship of OCB to developmental experiences of employees. Developmental experiences include, opportunities for training and development, challenging work assignments, and work assignments with greater responsibility (Wayne, Shore & Liden, 1997). Though Allen and Rush (1998) included opportunities for professional development as an item in their measure of reward recommendations, the effect of OCB on the developmental experiences of subordinates have not been studied so far.

The willingness of supervisors to provide developmental experiences for their subordinates based on their OCB is likely to depend on whether they consider this behavior to be an expected part of the individual's job. An individual's interpretation of what constitutes the role obligations of a specific job can be called his or her role definition of that job (Morrison, 1994). This study also tests the moderating effect of supervisor's role definition of an employee's job on the relationship between OCB and developmental experiences.

It is important for employees to understand the consequences of engaging or not engaging in OCB. Since OCB is often considered to be discretionary, a clear understanding of the consequences will help employees to make more informed choices about engaging in OCB. It is also important for employees to know the circumstances under which supervisors value OCB. If the role definitions of supervisors and employees are different, what employees may consider as extra-role behavior may be viewed as in-role by supervisors and therefore as not meriting any special consideration.

Literature Review

Social exchange theory (Blau, 1964) is the theoretical framework on which most of the research on OCB is based (Konovsky & Pugh, 1994; Organ, 1988). Social exchange theory suggests that social relationships (including employment relationships) can be classified into two types, social exchange relationships and economic exchange relationships. Social exchange relationships are relationships in which the mutual obligations of the parties are not formally specified. When one party to the relationship provides a resource to the other party, there is an expectation that a similar resource will be returned (Foa & Foa, 1980), but the exact nature and timing of the return is discretionary. These relationships are characterized by feelings of personal obligation, gratitude, and trust. Such relationships encourage spontaneous and cooperative behaviors (like OCB) that go beyond formally specified obligations. Economic exchange relationships, on the other hand, are relationships in which the conditions of the exchange are clearly specified. In such relationships, the parties are unlikely to engage in spontaneous or cooperative behaviors that go beyond specifications. Organ (1990) suggests that individuals enter an organization presuming a social exchange relationship and are willing to engage in citizenship behaviors. They will continue to

engage in citizenship behaviors until their treatment by the organization forces them to redefine the relationship as an economic exchange. Developmental experiences are consequences of OCB that could promote the belief that the relationship with the organization is a social exchange.

This view is supported by the results of experimental studies on the effects of OCB on performance evaluations and reward allocation decisions (Allen & Rush, 1998; Kiker & Motowidlo, 1999; Werner, 1994). In these studies, OCB (independent variable) was manipulated to study its effects on overall performance evaluations and reward allocation decisions. Manipulation of OCB had important influences on the dependent variables. These studies provide a stronger evidence of direction of causality than the cross-sectional field studies. Further, in all the above studies, OCB affected supervisory decisions after controlling for in-role performance. These studies clearly indicate that OCB influences performance evaluations and reward allocation decisions after controlling for task performance.

Based on the above discussion, it can be hypothesized that:

Hypothesis 1: OCB will be positively related to developmental experiences after controlling for in-role performance.

Research on role making (Graen, 1976) suggests that roles in organization are seldom fixed and that role perceptions evolve as employees and supervisors negotiate the scope of work activities. Similarly, work on psychological contracts (Rousseau, 1989) indicates that employees and employers have substantially different understandings about employment obligations. Finally, social information processing research (Salancik, & Pfeffer, 1978) suggests that jobs are cognitive constructions created when employees and employers make sense of social and behavioral cues. Work roles are therefore likely to be socially constructed with only a subjective boundary between in-role and extra-role work behavior (Morrison, 1994). This makes what constitutes these two types of behaviors subject to multiple interpretations.

Morrison's (1994) empirical results indicated that employees and supervisors differed in that which each perceived to be in-role and extra-role behavior. Morrison also found that employees were more likely to engage in behaviors that they considered to be in-role rather than extra-role.

Tepper, Lockhart and Hoobler (2001) found that employees' role definitions moderated the relationship between fairness and OCB. The relationship was stronger when employees considered the behavior to be extra-role. Allen and Rush (1988) did not find a moderating effect for the supervisors' role definitions on the relationship of OCB to supervisors' liking for the employee and perceived organizational commitment. They did not test for the moderating effect of role definitions on the relationship between OCB and reward recommendations.

It seems likely that the breadth of the supervisors' role definitions will affect the supervisory evaluations of employee behavior. If a supervisor's role definition is broad

and considers many citizenship behaviors to be an expected part of the employee's job, these behaviors are less likely to merit special attention. On the other hand, if the supervisor's role definition is narrow and considers many citizenship behaviors to be beyond what is expected from the employee, such behaviors are likely to lead to very positive evaluations and therefore to a greater willingness to provide developmental experiences for the employee.

Since OCB is generally helpful to the supervisor (MacKenzie, Podsakoff, & Fetter, 1991), good citizens will be liked by supervisors regardless of whether they consider these behaviors to be an expected part of that individual's job. Similarly, supervisors may also attribute high organizational commitment to individuals who are good citizens. Hence, it is not surprising that Allen and Rush (1998) failed to find a moderating effect for role definitions in their study. However, when allocating rewards, supervisors will tend to search for distinguishing information (DeNisi, Cafferty, & Meglino, 1984). When OCB is not an expected part of an employee's job, it will be seen as a distinguishing form of subordinate behavior and therefore merit consideration when making reward allocation decisions. Therefore, it is likely that the supervisor's role definition of the employee's job will moderate the relationship between OCB and developmental experiences. Hence, it can be hypothesized that:

Hypothesis 2: The relationship between OCB and developmental experiences will be moderated by the supervisor's role definition of the employee's job, such that, the relationship will be stronger when the supervisor's role definition is narrow.

Methods

Sample and Data Collection

The sample consisted of employed graduate and undergraduate business students from two universities in the northeastern part of United States and their supervisors or subordinates. Surveys were administered to the subjects during class with the permission of the instructor. Surveys consisted of two parts, the employee survey and the supervisor survey. One part was completed by the student and returned to the researcher. The other part was completed by the immediate supervisor of the student (when the student was the employee) or by the student's subordinate (when the student was the supervisor). The non-student respondents mailed the completed surveys directly to the researcher. Addressed and stamped envelopes were provided for this purpose. The two parts of the survey had a common serial number, which was used to match the employee and the supervisor parts of the survey.

Items measuring developmental experiences were included in the employee survey. Items measuring in-role performance, OCB and role definition were included in the supervisor survey. A total of 357 surveys were administered. The response rate was 43.98 percent, and 157, matched employee-supervisor surveys were returned. Unfortunately, missing values reduced the effective sample size for statistical analysis to 136 in some cases.

Out of the 157 employee respondents, 49.68 percent were females, 38 percent were graduate students, and 7.05 percent were union members. Most of them were employed full-time (93.59 percent) and 29.49 percent had supervisory responsibilities. The average tenure was 4.503 years ($SD = 4.921$). Almost 95 percent were between the ages of 20 and 49 years. The major industries represented in the sample were, healthcare (13.4 percent), banking/finance (14.6 percent), and other (48.4 percent). The major job categories represented in the sample were, professional (34.4 percent), office/clerical (15.3 percent), technical (12.1 percent), and management (12.1 percent).

Females constituted 46.11 percent of the supervisory sample. The average tenure of the supervisors was 6.994 years ($SD = 6.983$). More than 80 percent reported their level of formal education as an undergraduate degree or graduate school. More than 90 percent were between 20 and 49 years of age.

Measures

In this section, the measures used in the study are described. These are in-role performance, organizational citizenship behavior, role definition and developmental experiences.

In-Role Performance

In-role performance was measured with 4 items based on the scale developed by Williams and Anderson (1991). The items were, “fulfills the responsibilities specified in his/her job description,” “performs the tasks that are expected as part of the job,” “meets performance expectations,” “adequately completes responsibilities.” The responses ranged from “strongly disagree” to “strongly agree” (1-7). The reliability (Cronbach’s alpha) of the scale was .962.

Organizational Citizenship Behavior

Organizational citizenship behavior was measured with 15 items taken from various OCB scales in the literature. The items and their sources are given in Appendix A. The items were chosen to represent supervisor directed OCB, co-workers directed OCB, and organization directed OCB (Barr & Pawar, 1995; Moideenkutty, 2000). The reliability (Cronbach’s alpha) of the scale was .899. The responses were “never true” to “always true” (1-5).

Role Definition

Role definition was measured with the slightly modified versions of the 15 items used to measure OCB. For example, items reflecting undesirable behavior (reverse coded items) were worded in the reverse. The wordings of the items were changed slightly to make them correspond to the response format. For example, “conserves and protects organization’s property” was changed to “conserving and protecting organization’s

property.” Supervisors were asked to indicate whether they considered each behavior to be an expected part of the employee’s job or to be above and beyond what is expected for the employee’s job. Morrison (1994) used a similar measure of role definition. A dichotomous response format rather than a continuous one was used because Morrison (1994) found that more valid responses were obtained in the former case. Job definition was computed by summing the number of behaviors that the supervisor indicated as being part of the employee’s job and then dividing that sum by 15. The responses were scored 0-1, with values closer to 1 indicating a broader job definition.

Developmental Experiences

In this study, developmental experiences were measured with 3 items with the highest factor loadings from the four-item scale of developmental experiences reported in Wayne, Shore, and Liden (1997). The wordings of the items were changed so that all of them could have the same response format i.e. “strongly disagree” to “strongly agree” (1-7). The items used in this study were, “My supervisor is usually willing to make a substantial investment in me by providing formal training and development opportunities,” “I am usually considered for additional challenging assignments,” and “I am usually assigned to projects that would enable me to develop and strengthen new skills.” The reliability (alpha) of this scale was 0.779.

Statistical Analysis

The first hypothesis was tested using multiple regression analysis. The second hypothesis was tested using hierarchical regression analysis (Aiken & West, 1991). In the first step, the control and independent variable and the moderator variable were regressed on the dependent variable. In the second step, the interaction term was added. A significant change in the R^2 in the second step indicates the presence of a moderator effect (Stone, 1986).

Once significant interactions are discovered, the next step is to probe the nature of the interaction. This was done by calculating regression coefficients for OCB at two levels of role definition. Calculations were made at one standard deviation above the mean of role definition, which represents a broad role definition and one standard deviation below the mean of role definition, which represents a narrow role definition (Cohen & Cohen, 1983; Aiken & West, 1991).

Results

Summary Statistics and Correlations

The summary statistics and reliabilities of the major variables in the study are given in table 1.

Tests of Hypotheses

The first hypothesis proposed that OCB would have a positive relationship to developmental experiences. Developmental experiences were regressed on in-role performance and OCB. Table 2 shows the results of the regression analysis. OCB has a significant positive coefficient, indicating that developmental experiences are strongly related to OCB after controlling for in-role performance. Thus, H1 was strongly supported by the data.

The second hypothesis was tested by regressing developmental experiences first on in-role performance, OCB and role definition. The regression was rerun after adding the OCB-role definition cross product term. The results are shown in Table 3. The interaction term is significant. The interaction term explains an additional 3.9 percent of the variance in developmental experiences ($\text{Adj.}R^2 = 0.033$). Results of the analysis of the interaction are shown in Table 4. The interaction plot based on standardized betas is shown in Fig. 1. The slope for OCB is not significantly different from zero at role definition values one standard deviation above the mean. However, the slope is positive and significant for role definition values one standard deviation below the mean. Low role definition scores indicate narrow job definition. Thus, the results show that when the supervisor defined the job narrowly, OCB was related to developmental experiences. However, when the supervisor defined the job broadly, there was no effect of OCB on developmental experiences. These results provide support for H2.

Table 1. Summary Statistics and Correlations

| Variable | N | Means | SD | IRP | OCB | Role Definition | Developmental Experiences |
|------------------------------|-----|--------|--------|---------|---------|-----------------|---------------------------|
| 1. Task Performance | 179 | 23.922 | 4.834 | 0.962 | | | |
| 2. OCB | 168 | 55.316 | 10.458 | 0.612** | 0.899 | | |
| 3. Role Definition | 172 | 0.643 | 0.197 | -0.032 | 0.051 | 0.707 | |
| 4. Developmental Experiences | 156 | 16.135 | 3.387 | 0.255** | 0.316** | 0.249* | 0.775 |

Note: * $p < .05$ ** $p < .01$

Reliabilities are on the diagonal

Table 2. Results of Regression Analysis for Developmental Experiences

| Independent Variables | B |
|-----------------------|--------------|
| Intercept | 10.029** |
| Task Performance | 0.081 |
| OCB | 0.075* |
| R^2 | 0.109 |
| $Adj.R^2$ | 0.096 |
| F | 8.583** |
| N | 142 |
| Note: * $p < .05$ | ** $p < .01$ |

Table 3. Results of Moderated Regression Analysis for Role Definition: Independent Variable: OCB; Dependent Variable-Developmental Experiences

| Independent Variables | B | | ΔR^2 |
|-----------------------|---------------------|------------------|--------------|
| | Without Interaction | With Interaction | |
| Intercept | 8.197** | - 1.942 | |
| Task Performance | 0.091 | 0.092 | |
| OCB | 0.068** | 0.244** | |
| Job Definition | 3.172* | 19.422** | |
| Interaction | | -0.282* | |
| R^2 | 0.147 | 0.186 | 0.039 |
| $Adj.R^2$ | 0.128 | 0.161 | 0.033 |
| F | 7.677** | 7.573** | |
| N | 136 | 136 | |

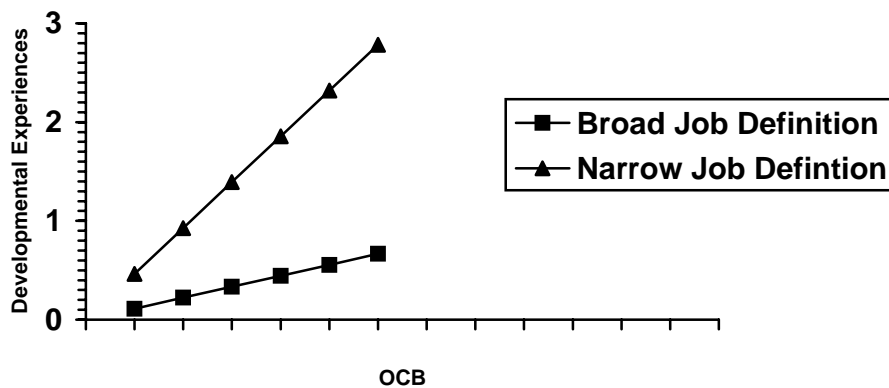
Note: * $p < .05$ ** $p < .01$

Table 4. Results of Analysis of Interactions-OCB

| | One Standard Deviation Above Mean of Role Definition | One Standard Deviation Below Mean of Role Definition |
|-------|--|--|
| Slope | 0.0346 | 0.145 |
| SE | 0.034 | 0.032 |
| t | 1.010 | 4.586** |

Note: * $p < .05$ ** $p < .01$

Fig. 1. Interaction Plot For Role Definition



Discussion

As predicted, there was a positive relationship between OCB and developmental experiences after controlling for task performance. Also as predicted, supervisory job definitions moderated the relationship between OCB and developmental experiences. This relationship was significant only when the supervisor defined the job narrowly and not when the supervisor defined the job broadly.

The relationship between OCB and developmental experiences indicate that employees who engage in citizenship behaviors are more likely to receive outcomes that have long-term benefits for them. The effect of OCB on developmental experiences has not been tested so far. The findings of the present study contribute to this line of research by showing that citizenship behavior affects managers' decisions regarding allocation of developmental experiences.

The hypothesis proposing that the relationship between citizenship behaviors and developmental experiences would be moderated by supervisors' definition of the employee's job was supported. This indicates that when supervisors consider the behaviors defined here as OCB to be above and beyond the call of duty, it may influence supervisory decisions about providing long-term developmental opportunities for employees. On the other hand, when supervisors consider these behaviors to be an expected part of employee's job, they appear to lose their salience. However, it must be noted that when employees report developmental experiences, they are likely to report outcomes already received. Since the time that each employee worked under the supervisor is not known, it is possible that employees are reporting about developmental experiences that may not have been provided by their current supervisors. The current supervisors, however, reported the job definitions. Therefore, some caution is warranted while interpreting these results.

In summary, the study found that citizenship behaviors had a positive relationship to developmental experiences. These findings contribute to the research on the outcomes of OCB. The study also showed that the relationship between OCB and developmental experiences was moderated by supervisory job definitions. This is again an extension of the research on the outcomes of OCB. While considerable research has explored the relationship between OCB and its outcomes, little research has looked at the factors that affect this relationship. An example of the latter is the study by Allen and Rush (1998). This study identified liking and perceived organizational commitment as mediators of the relationship between OCB and supervisory evaluation and reward recommendations. However, contrary to their expectations, role definitions did not moderate the relationship between OCB and liking and perceived organizational commitment. Earlier, it was suggested that this might have been because OCB is generally helpful behavior, regardless of whether it is in-role or extra-role. However, it appears that because supervisors look for distinctiveness information while evaluating employees and making reward allocation decisions (DeNisi, Cafferty, & Meglino, 1984), role definitions tend to moderate the relationship between OCB and these decisions.

Strengths and Limitations of the Study

This study has a number of strengths that increases the internal and external validity of the results. First, the independent and dependent variables were measured from different sources. Task behavior, OCB, and job definitions were measured from supervisors. Employees reported developmental experiences. This method effectively addresses a frequent alternate explanation for correlational studies, namely, common method variance (Podsakoff & Organ, 1986).

Second, the data was collected from a very diverse sample. A number of different organizations, occupations, and levels were represented in the sample. The sample consisted of union and non-union and part-time and full-time employees. This increases the generalizability of the results of the study. A third strength of the study was that the sample consisted of actual supervisor-employee dyads.

The primary limitation of the study is that it is correlational. Therefore, no causal claims can be made for the relationship between the independent and dependent variables. Another limitation of the study is that not all individuals who were given the survey responded to it. Responding to the survey can be considered as a citizenship behavior, and it is possible that the employee sample is biased in favor of good citizens.

Avenues for Future Research

There is limited research on the factors that affect the relationship between OCB and its outcomes for individuals (Allen & Rush, 1998). Apart from role definitions, there could be other moderators of the relationship between OCB and individual outcomes. One possible moderator is impression management. Allen and Rush (1998) found that attribution of altruistic motives fully mediated the relationship between OCB and performance evaluations and partially mediated the relationship between OCB and reward recommendations. Future research could explore the role of impression management in the relationship between OCB and individual outcomes.

Implications for Practice

The findings of this study provide a number of implications for practice. The significant relationship between OCB and developmental experiences indicates that employees who want to develop their skills and get ahead in the organization on a long-term basis must engage in these behaviors. The finding that this effect was stronger when supervisory job definitions were narrow indicates that employees need to be made aware of the behaviors that are valued by powers that be, even if they are not considered as an expected part of the job.

Appendix A

OCB Scale Items

| Item | Source |
|---|--------------------------------------|
| 1. Defends the organization when other employees criticize it | Moorman & Blakely, 1992 |
| 2. Shows pride when representing the organization in public | Moorman & Blakely, 1992 |
| 3. Actively promotes organization's products and services to potential users | Moorman & Blakely, 1992 |
| 4. Conserves and protects organization's property | Williams & Anderson, 1991 |
| 5. "Keeps up" with developments in the organization | MacKenzie, Podsakoff, & Fetter, 1991 |
| 6. Attends functions that are not required but that help the organization's image | MacKenzie, Podsakoff, & Fetter, 1991 |
| 7. Always goes out of the way to make newer employees welcome in the work group | Moorman & Blakely, 1992 |
| 8. Shows genuine concern and courtesy toward co-workers, even under the most trying business or personal situations | Moorman & Blakely, 1992 |
| 9. Frequently adjusts his or her work schedule to accommodate other employees' requests for time off | Moorman & Blakely, 1992 |
| 10. Avoids extra duties and responsibilities at work | Van Dyne, Graham, & Dienesch, 1994 |
| 11. Does work beyond what is required | Van Dyne, Graham, & Dienesch, 1994 |
| 12. Volunteers for overtime work when needed | Van Dyne, Graham, & Dienesch, 1994 |

- | | |
|--|---------------------------|
| 13. Assists me with my work even when not asked | Williams & Anderson, 1991 |
| 14. Adheres to informal rules devised to maintain order | Williams & Anderson, 1991 |
| 15. Does not complain about insignificant things at work | Williams & Anderson, 1991 |
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Repatriation Adjustment Problems and the Successful Reintegration of Expatriates and Their Families

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ABSTRACT

Many firms have not made special efforts for their repatriates despite growing evidence indicating high levels of dissatisfaction and high attrition rates because of problems encountered in repatriation adjustment. This paper discusses the nature of these problems and the reasons why such efforts are typically not made. It further describes a theoretical framework, combining adjustment and individual control theories, which can be used to analyze and integrate recent research. Based on this theoretical framework and recent research findings, recommendations are made for future research and for managing reintegration into the home culture and organization.

Introduction

It seems all too soon that the foreign assignment is over and that expatriates and their families are returning home. To their great surprise, however, many soon discover that they are returning neither to the home they had remembered nor to the homecoming they had anticipated (Brislin & Van Buren, 1974). Expatriate managers themselves often find that their careers have been in a holding pattern while others have been promoted ahead of them. What is more, these expatriates and their families have often changed in ways that make it difficult for them to readjust to their home and organizational culture (Black, 1992) and for home organization management to accept their returning managers. The home country and organization may have also changed in important ways during their absence (Black, 1992).

Repatriation or cross-cultural re-entry is the transition from the foreign country back into the home country and organization. Upon return repatriates often experience problems similar to those encountered in initial cross-cultural entry into the foreign environment. These involve readjusting to the home country work and nonwork environments as well as interacting again with home country nationals (Black, Gregersen, & Mendenhall, 1992). Until the 1980s, international firms had considered re-entry to be a relatively easy process and it is clear that very few firms had developed definitive *transition strategies* for their returning managers. After all, what was there to adjust to? They were returning home, weren't they? However, mounting empirical and anecdotal evidence has demonstrated that re-entry is in fact a major problem, presenting expatriates and their families with new and often unanticipated challenges, to the extent that repatriation is sometimes referred to as *reverse* or *re-entry culture shock* (Murray, 1973). Repatriation is such a problem that it keeps many returning managers and their spouses from accepting a second overseas assignment (Copeland & Griggs, 1985).

Adler (1981), for example, found that for many individuals the process of readjustment to being back home was even more difficult than the initial adjustment to living overseas. As a consequence, the average attrition rate within one year after repatriation ranges between 15 and 25 percent with subsequently nearly 40 percent leaving within three years (Grant, 1997; O' Boyle, 1989). Yet, despite a growing concern with these high attrition rates, international firms still do not appear to be paying a great deal of attention to the problems of repatriation adjustment. It seems further that many firms are either ignorant of and/or unconcerned about the growing number of reports of repatriation problems, thereby increasing the probability of making the same mistakes as their predecessors.

It is little wonder then that some studies (e.g., Gomez-Mejia & Balkin, 1987) report that a majority of repatriated employees are dissatisfied with the repatriation process. The result is a significant loss of both investment funds and international expertise for these firms. It has been further demonstrated that a firm's repatriation failures may affect its ability to attract future expatriates (Welch, 1994). These and other often-cited repatriation adjustment problems have become the drivers behind this still under-researched aspect of the expatriate experience. The purpose of this paper is to: (1) discuss the reasons why many firms do not have effective repatriation programs, (2) analyze the dynamics of repatriation problems and the study of their antecedent variables within the framework of uncertainty reduction, and (3) discuss the implications these findings have for re-entry management programs.

Why Companies Do Not Make Special Efforts for Repatriates

In a survey conducted by Harvey (1989), the most frequently mentioned reasons why firms lack repatriation training programs were: a lack of expertise in establishing such programs (47 percent), the cost of the programs (36 percent), and the belief by top management that such programs were not needed (35 percent). As an explanation for the last of these reasons, Dowling, Welch and Schuler (1999) point out that top management may not see that such programs are needed because repatriation problems are not as dramatic, visible, or readily identifiable as expensive as are expatriation problems.

An often mentioned reason for the ignorance and/or lack of concern of many firms regarding repatriation problems is the *out-of-sight, out-of-mind syndrome*, a frequently observed phenomenon in which repatriates return to organizations that appear to have forgotten who they are, do not know what they have accomplished during their overseas assignment, and do not know how to use their international knowledge appropriately (Solomon, 1995). This is obviously another manifestation of the continuing parochialism on the part of business executives who seem to believe that modern business practices are similar enough around the world that it is not necessary to engage in special efforts for their expatriates (Black & Gregersen, 1999). How much easier is it, however, to make this erroneous assumption when expatriates are merely returning home?

Another reason may be a difference of perception between international firms and expatriates regarding the motivations and expectations connected with cross-cultural transfers. Paik, Segaud and Malinowski (2002), for example, found that the expatriate accepts the assignment anticipating career advancement and adventure, whereas the firm is more likely to send the expatriate abroad to transfer the corporate culture and meet project objectives. In addition, repatriates are more likely to place greater value on reintegration into the home country culture upon return while the firm places greater value on reintegration of the expatriate into the corporate culture. The implication of these findings is that firms do not understand the contrasting expectations of their returning expatriates and are, therefore, less likely to provide the support necessary for a smooth transition.

Finally, Black et al. (1992) point out that, from a theoretical perspective, the lack of systematic investigation of repatriation adjustment by scholars may stem, in part, from an underlying assumption that repatriation adjustment is not significantly different from either adjustment after a domestic relocation transfer or from adjustment to an overseas assignment. This is similar to the erroneous assumption, previously mentioned, made by executives who do not believe that they need to make special efforts for their expatriates because they are merely returning home. An understanding of repatriation adjustment should, therefore, begin with a comparison between repatriation and other job-related geographic transfers.

Toward a Theoretical Framework

Repatriation as Compared with Other Job-Related Geographic Transfers

In proposing a theoretical framework for repatriation research, Black et al. (1992) initially compare repatriation with two other kinds of geographic transfers: domestic relocation and expatriate transfers. First, in comparison with a domestic relocation transfer (such as moving across the country), repatriation adjustment differs both in *degree* (with regard to the level of novelty on the new job) and *kind*, since repatriation involves a return to one's home country after what may often be an extended period of absence and domestic relocation merely involves an in-country transfer. The result is that these two types of adjustment are sufficiently different from each other, such that variables that play a minor role in domestic relocation adjustment may actually play a critical role in repatriation adjustment (Black et al., 1992).

Second, when comparing expatriate transfers with repatriation transfers, Black et al. (1992) argue that while both involve a movement between countries (thus, involving a similar range of *novelty*), in expatriate adjustment cognitive expectations are based primarily on vicarious experience (e.g., training or other sources of information) or on simple stereotypes in anticipation of the transfer. This more indirect experience is likely to lead to *flexible* expectations because the expatriate is unsure of what to expect. Repatriates, on the other hand, have had actual personal experience with their home countries and this more direct form of experience is more likely to lead to more *rigid* expectations (i.e., repatriates already believe that they are sufficiently knowledgeable)

and when they return home they are, therefore, unprepared for the changes that have occurred. Indeed, a major obstacle to the readjustment process is the need for such readjustment is so unexpected, by repatriates as well as by their home organizations.

Suggested Theoretical Foundations for Repatriation Adjustment

A few emerging theories explain various aspects of the problems experienced by repatriates and their families. In their review of proposed theoretical explanations regarding the overall readjustment process, Black et al. (1992) point out that adjustment theorists, studying domestic relocation adjustment, as well as researchers in the area of expatriation adjustment assert that moving into a new environment creates uncertainty and thereby a breakdown of an individual's interpretation systems. This, in turn, creates a *need to reduce that uncertainty*. A related explanation is proposed by individual control theorists who argue that individuals placed in new and unfamiliar environments have a need to reestablish a certain level of control. According to this latter model, two types of control can occur. The first is *predictive control*, which is defined as the ability to make sense of, or predict, one's environment in terms of how one is expected to behave and in terms of the rewards and punishments (i.e., negative consequences) that are associated with specific behaviors. The second is *behavioral control*, which is defined as the ability to control one's own behaviors that have an important impact on the environment, and, by extension, as an indirect attempt at environmental or outcome control (Bell & Staw, 1989).

A logical integration of adjustment and control theory as suggested by Black et al. (1992) can be stated as follows: (1) Individuals establish behavioral routines based on their perceptions of expectations, reward and punishment (i.e., negative incentive) contingencies, and preferences for preferred outcomes. (2) When confronted with new and unfamiliar situations, established routines are broken and the individual's sense of control is reduced. (3) Individuals subsequently attempt to reestablish control by reducing uncertainty in the new situation through predictive and/or behavioral control. A first step in reducing uncertainty is the formation of expectations about the new situation. (4) In consequence, those factors that reduce uncertainty would facilitate adjustment, while those factors that increase uncertainty would inhibit adjustment.

One implication of this combined theoretical model is that, not only will individuals need to make adjustments when actually placed in a new environment (*in-country adjustment*) but, unless entering the new environment is totally without warning, they can also make some *anticipatory adjustments*. Another implication is that adjustments can be effective and uncertainty can be reduced only if they are based on *accurate or met expectations*, as opposed to inaccurate or unmet expectations. Indeed, many recent studies have attributed the failure in reintegrating into the back-home organization to a discrepancy between re-entry expectations and the reality that returning expatriates encounter upon return (Hammer, Hart, & Rogan, 1998; Stroh, Gregersen, & Black, 1998).

A Multifaceted Research Approach

Since research on expatriate adjustment has been underway for a longer period of time, a focus on the commonalities as well as the differences between the expatriate experience and repatriation adjustment can serve as a guide for repatriation research. As an example, research by Shaffer, Harrison, and Gilley (1991) demonstrated that expatriate adjustment is composed of at least three related yet separate facets or dimensions, originally conceptualized by Black, Mendenhall, and Oddou (1991) as (1) adjustment to work, (2) adjustment to interacting with individuals in the foreign country (socializing with host-country nationals), and (3) adjustment to the general environment and culture (living conditions abroad). Further research (e.g., Black & Stephens, 1989; Gregersen & Black, 1990) has found that while some antecedent variables affect all three facets of expatriation adjustment, others may have a significant impact on only one facet.

Black and Gregersen (1991) have extended this model to repatriation adjustment research and have found evidence that repatriation adjustment is also multifaceted, involving the same kinds of related yet distinct facets that have been associated with expatriation adjustment. A study by Suustari and Välimaa (2002), however, suggests that, in the case of repatriation adjustment, the work adjustment facet may actually consist of two separate facets or dimensions: job adjustment and organizational adjustment. The result is a total of four different facets or dimensions of repatriation adjustment instead of the three previously suggested in the literature. One way to conceptualize repatriation adjustment, therefore, is that the general and interactions adjustment facets may be categorized as dealing with the *personal* readjustment of expatriates and their families; job and organizational adjustment facets may be categorized as dealing with the *professional* (work-related) readjustment.

Just as with expatriate research, Black et al. (1992) assert that the likelihood that repatriation adjustment is multifaceted is important because it allows for the possibility that: (1) various antecedent variables may be related to all facets of adjustment or only to specific factors, and (2) that certain facets may be more or less significantly related to the observed outcomes (or problems) of repatriation adjustment. Much of current research may, therefore, be directed toward determining (1) what these key antecedent variables are with regard to how expectations are created, (2) how these variables affect the various facets of expatriation adjustment, and (3) how these variables influence the frequently occurring outcomes or problems of repatriation adjustment.

The first step in integrating current research should be to review the frequently observed adjustment problems associated with personal and professional repatriation adjustment in light of the formation of expectations and uncertainty reduction. If it serves no other purpose, such a review can aid repatriates, their families and their home organizations in becoming aware of these problems and thus be able to make some of the necessary anticipatory adjustments. Such information is also helpful in determining how well extant models explain these problems or, alternatively, where there may be a

need for further theoretical explanations and research beyond the previously mentioned theories of overall adjustment.

Problems Encountered in Repatriation Adjustment

Personal Readjustment Problems

The causes of personal re-entry readjustment problems are to a certain extent inherent in having had to adjust to living in a foreign culture for a period of time. With regard to general adjustment, as an example, repatriates and their family members frequently report experiencing a comedown upon return because of having developed inaccurate expectations in the form of *fond memories and myths* about the general environment and culture of their home country while abroad. Adler (2002) speculates that this may occur because when expatriates are experiencing the trauma of culture shock in a foreign assignment they "... often idealize their home country, remembering only the good aspects of home — in essence creating something to hold onto and dream about." The resulting inaccurate expectations create two types of gaps: the gap between the way it was and the way it is, and the gap between idealized memories and reality. The disappointment that occurs when these unrealistic expectations are not met can be overwhelming. Most returnees, as a consequence, express surprise not only with regard to their own feelings but also with reality, and are reluctant to even talk about it because they think that something is inherently wrong with themselves.

Another source of inaccurate expectations and subsequent reality shock involves *giving up the personal and economic advantages* of the foreign assignment. As Dowling and Welch (2005, page #) point out, "Usually, at least for PCNs, the international assignment is a form of promotion. It carries greater autonomy, a broader area of responsibility (because of the smaller size of the overseas subsidiary) and, at the top management level, a prominent role in the local community. The result is higher status. Some expatriates use the term *kingpin* to describe their positions abroad. Upon return the repatriate is expected to resume his or her position within the home company, with the loss of status and autonomy." (This direct quote is quite long. Is it necessary?) Family members, too, may be reluctant to give up their special status. In some countries, for example, expatriate families have servants, and the assignment may involve interaction with the social and economic elite as well as a variety of sophisticated international managers. The return home, however, may bring with it feelings of social disappointment due to a loss of status and self-esteem. Compounding the loss of the personal advantages is a corresponding loss of many economic advantages present in the foreign assignment, including such benefits as cost of living allowances, foreign service premiums, housing subsidies, education allowances and other related benefits. Some repatriates, in addition, may no longer be able to afford to buy a home similar to the one sold a few years before (Dowling & Welch, 2005). This difficulty in giving up the economic lifestyle of the foreign assignment may result in ineffective coping strategies upon return, explaining in part why some repatriates become financially over-extended.

As previously indicated, many repatriates are surprised by *the unexpected amount of change that has occurred during the foreign assignment* (Black et al., 1992). The ability of repatriates to slip easily back into their previous lifestyles may be thwarted because during this period of absence certain aspects of the individual (e.g., attitudes, values, habits) are likely to have changed. When expatriates return, they are not really the same persons. Living in another country for an extended period of time is a major influence on personality change, and it is likely that while abroad expatriates and their family members have taken on some of the values of the host culture. This may be particularly a problem for expatriates who have “gone native”; that is, those who have adapted well to the foreign culture and have developed a high level of commitment to the foreign operation but a low commitment to the parent firm (Black & Gregersen, 1992). Subsequently, these repatriates may find it difficult to readjust to their own cultures and organizations. It is also likely that a variety of elements in the home country (e.g., technology, social norms, organizational culture, organizational communication channels, economic conditions, styles of dress, aspects of the language) have changed in ways not anticipated by returnees. “It is as if they had pressed the ‘pause’ button as they flew out of the country and expected life at home to remain in ‘freeze frame’” (Dowling & Welch, 2005). Furthermore, these changes may have occurred relatively independently of each other, and unlike the manager who has remained in the home country, the repatriating manager is less likely to have examined the interplay between his or her own personal changes and the changes in the home country. Home country organizations also may not anticipate changes in their expatriate managers. The problem is that these changes suddenly confront each other upon return; explaining why, as Black et al. (1992) point out, most repatriates report re-entry as being more difficult than the initial move overseas. The out-of-sight, out-of-mind attitude that most firms take enhances this discrepancy. According to Adler (2002), returnees, therefore, frequently describe stages of adjustment upon return which are similar to those experienced in initial culture shock abroad, including an initial high mood followed by a low period.

With regard to interactions adjustment, Copeland and Griggs (1985) report that contrary to expectations, “Virtually everyone who returns is shocked by the *lack of interest of people at home*. Friends say, ‘I’m dying to hear all about Indonesia,’ but soon they switch the subject to last weekend’s football game. Returnees need to talk about their experience – a major event in their lives – yet no one will listen... If you talk about your overseas experience, people don’t know how to relate to you – you don’t fit in.” To compound this problem, returnees find that the changes that have occurred at home have put them *out of touch* with their home culture such that they often feel like foreigners in their own country. Thus, readjustment unexpectedly takes on many aspects similar to entry into a foreign culture. “Children in particular have a hard time. They are different, more sophisticated, literally more worldly than children who have not left their home country. At the same time, they may feel odd not knowing the latest slang, rock and television stars, or ways to dress.” (Copeland and Griggs, 1985). Subsequently, they are also likely to have difficulty in gaining the acceptance of peer groups.

Similar to what may have occurred during the low period of adjustment abroad, in reverse culture shock family members may begin to create a false comparison by *glamorizing the life they left behind* in the foreign country (Dowling & Welch, 2005). They may even express a desire to return. In comparison, life back home now seems dull and unexciting. Unlike the situation in the foreign assignment, repatriates most often find a significant lack of the kinds of support networks they found overseas. As a contrast, since adjustment problems are anticipated in the foreign assignment, international firms are beginning to provide *direct support* for their expatriates in the form of organization-sponsored programs to assist in the adjustment process (e.g., predeparture training, in-country training, mentor systems) and *indirect support* in the form of organization-encouraged activities and techniques (e.g., joining international clubs, developing hobbies). These on-assignment support networks aid expatriates and their families in developing effective coping skills (Andreason, 2003). But because neither the international firm nor the employee are expecting adjustment problems upon return, comparable forms of support are conspicuously absent.

Professional Readjustment Problems

It has been reported (e.g., Black & Gregersen, 1991) that for some repatriates professional readjustment problems can be even more debilitating than personal readjustment problems. To a great extent one can argue, however, that repatriation adjustment is a global factor such that the professional facets of repatriation adjustment are not truly independent from the previously discussed facets of personal readjustment. All facets of one's life tend to interact. Brett and Stroh (1992), for example, have found that the reverse culture shock experienced by family members can interfere with the ability of returning expatriates to resume their responsibilities at the home office. Thus, models of overall adjustment need to be applicable to both personal and professional readjustment and any review of the frequently cited problems connected with professional adjustment must take this interaction into account.

In professional readjustment, repatriates must adjust or readjust to the job they will be performing. As previously indicated, a major reason why managers accept an international assignment is the expectation of beneficial effects to their career path. Upon return, however, many find that because of the out-of-sight, out-of-mind syndrome, their careers have actually been in a "*holding pattern*" and that others have been promoted ahead of them (Feldman, 1991; Harvey, 1989). This can result in significant career disappointment. Additional causes for career-advancement problems may range from organizational downsizing to poor company planning. The bottom line is that repatriates often tend to be placed, at least at first, in mediocre or makeshift jobs (Welch, 1990). Professional re-entry can also be a significant problem for the spouse in the case of dual-career families. If the career path for the trailing spouse was put on hold or altered in some way, negative experiences in job readjustment or job search may affect the partner's feelings of self-worth, compounding the readjustment process and potentially causing tension in the relationship (Dowling & Welch, 2005).

The job adjustment problem is exacerbated when, also contrary to expectations, many *repatriates receive jobs with less authority, responsibility and autonomy* than they were used to in the foreign assignment. In one study, the category of reduced responsibility and autonomy on the job was ranked second, after career advancement, as a major concern upon repatriation (Tung & Andersen, 1997). As a consequence, other studies (e.g., Barham & Antal, 1995), not surprisingly, found the re-entry position to be less than their career expectations and less satisfying than their global assignment. In addition, the sense of self-efficacy (a confidence and belief that one can gain control) achieved in the foreign assignment (Dowling & Welch, 2005) is shattered upon return. Thus, not only must repatriates and their family members make personal adjustments connected with reduced social status upon return, but they must also adjust to a situation of reduced job status and autonomy. The implicit message communicated to a firm's personnel by these kinds of problems, therefore, is that accepting an international assignment is a high-risk career strategy – one that may have a significantly negative impact both on one's career path and also on the nature of one's job (Welch, 1997). Such unmet expectations will likely affect the repatriate's adjustment, productivity, and commitment to the firm. What is more, reports of such problems may also be a general deterrent in a firm's ability to recruit high-caliber personnel for future assignments.

In addition to job readjustment problems, the transition from one organizational culture to another can be difficult and stressful. For one thing, it is likely that in their absence there have been changes in the organizational culture, so previous expectations regarding correct attitudes and behaviors may also have changed. For another, expatriates often return to organizations that do not seem to either appreciate or exploit their newly gained international expertise. This *devaluing of the expatriate experience* is reflected in the comment of an Australian repatriate: "You gain a lot of expertise, but it's dismissed here" (Welch, 1994). Consequently, repatriates often feel overqualified for their positions and become an underutilized resource for the organization. Combined with the previously mentioned perceptions of losses in social status, job status, and autonomy, these *feelings of underutilization* can also have a demoralizing effect.

The research literature also suggests that organizational readjustment problems may occur because the repatriate's *role conception may be influenced by that of the foreign assignment*; thus, the repatriate's sense-making interpretations may be flawed (Louis, 1980). Just as the foreign assignment can bring about changes in one's personal values, operating in a foreign cultural environment may also bring about significant changes in the returnees' conception of appropriate managerial role behavior (Gomez-Mejia & Galkin, 1987). Thus, role conflict may occur when the repatriate does not resume the expected managerial behavior upon return. According to Baughn (1995), while abroad expatriates may adopt cultural norms and procedures that may no longer match the home country or the home corporate culture.

This role conflict is obviously two-sided, reflecting not only changes in the repatriate, but also a lack of understanding and appreciation of these changes by the home organization. Adler (2002), for example, reports a frequently occurring *xenophobic response* on the part of many home-country executives who tend to rate those

returnees as most effective who appear to be the least foreign; that is, those who do not know or use foreign languages, do not have foreign friends, or were not born in a foreign country. Repatriates, additionally, are rated as more effective if they do not explicitly utilize the skills and learnings gained while abroad on their job back home. As a result, many repatriates, according to Selmer (1999), choose a transition strategy of (1) *resocialization*, in which they neither recognize nor use their globally acquired skills, but distance themselves from their global experience and just try to fit back in. Others, particularly those who believe they cannot fit back in, become (2) *alienated* and continue to see the foreign societal and organizational culture as better than their own. These are often those who had “gone native” during the foreign assignment and may even want to return. Both of these transition strategies make repatriation readjustment more difficult and prevent firms from utilizing globally acquired skills. A more productive strategy, in contrast is, a (3) *proactive* strategy in which repatriates reject neither their own nor the foreign culture; rather they combine the best aspects of both and contribute to their firms by creating new, synergistic ways of perceiving and working in their organizations, based on their experiences at home and abroad.

The Search for Relevant Antecedent Variables

A Preliminary Model

One of the major thrusts of current research is to discover antecedent variables that relate to repatriation adjustment. These are the factors that either enhance or inhibit the adjustment process. Many of these variables reflect the previously mentioned problems encountered in repatriation adjustment. A study of these antecedent variables can provide, among other things, insight into the nature, magnitude, and causes of the variables that are related to repatriation adjustment. Results also can be analyzed with regard to the model of uncertainty reduction, connected with how each variable contributes to the creation of accurate or inaccurate expectations. A major component of a theoretical framework presented by Black et al. (1992), for example, concerns four such suggested general categories of antecedent variables: (1) *individual variables*, variables that are a function of individual attitudes, values, needs, or characteristics; (2) *job variables*; (3) *organizational variables*; and (4) *non-work variables*. The propositions of this model are, in turn, dependent upon whether they deal with (1) *anticipatory* repatriation adjustment and are thus more a function of predictive control and accuracy of expectations; or (2) *in-country* repatriation adjustment, which emphasizes both predictive and behavioral control; thus involving a more directly experiential test of expectations.

Individual Variables

With regard to anticipatory repatriation adjustment, Black et al. (1992) propose that (1) *time overseas* immediately preceding the return home, (2) the total time away from the home country over a career, and (3) the magnitude of change in the home country will be negatively related to accurate anticipatory expectations whereas, (4) *the frequency and length of visits* back to the home country and home office will be positively related

to all facets of accurate expectations. Of the long list of individual variables that have been asserted to be important to in-country adjustment, from a control theory perspective, Black et al. (1992) propose that (1) a higher than actualized *need for control* (resulting in greater attempts to gain control), and (2) a high *self-efficacy* (a confidence and belief that one can gain control) will be positively related to all facets of repatriation adjustment.

Job Variables

In anticipatory repatriation adjustment, Black et al. (1992) propose that: *task interdependency* between the expatriate and home country operations is expected to increase the exchange of information and thus be positively related to the formation of accurate work expectations. With regard to in-country adjustment they propose that (1) *role clarity* (the extent to which an individual knows what is expected on the job), and (2) *role discretion* (the adjustment of the work role to fit the individual) would reduce the level of uncertainty, whereas (3) *role conflict* (conflicting signals about what is expected in the new work role) would inhibit predictive control and be negatively related to repatriation adjustment.

Organization Variables

In anticipatory repatriation adjustment, Black et al. (1992) propose that (1) sufficient anticipatory *repatriation training* regarding work, interacting with home nationals again, and general conditions prior to return would have a positive impact on all aspects of repatriation adjustment, (2) having a home country *sponsor* (who is responsible for keeping in touch with the expatriate) would be positively related to accurate work expectations, and (3) greater *frequency and content of communication* between the home office and the subsidiary would also positively affect the formation of accurate repatriation expectations. With regard to *in-country repatriation adjustment* they propose that the extent of (1) post-return training would have a positive impact on all facets of repatriation adjustment, and that the (2) *congruence and clarity of information* regarding individual career objectives and repatriation policies (including the likelihood of less autonomy than in the foreign assignment) would be positively related to in-country work adjustment.

Non-Work Variables

With regard to *anticipatory repatriation adjustment*, Black et al. (1992) propose a negative relation with regard to the *cultural distance* between the host and the home countries because of the amount of change that was necessary for the individual to adjust to the foreign assignment (the “going native” factor). With regard to in-country repatriation adjustment, they propose that (1) *a downward shift in social status and poorer housing conditions* will be negatively related to all facets of repatriation adjustment, but that adequate (2) *spouse repatriation adjustment* will be positively related to expatriate general and interaction repatriation adjustment.

Examples of Recent Relevant Research

Recent research has sought to verify the propositions made by the Black et al. (1992) preliminary model and has also begun to look for additional antecedent variables. In a study of Finnish repatriates, for example, Suustari and Välimaa (2002) did find support for the view that repatriation adjustment is a multifaceted phenomenon. Specific findings regarding antecedent variables demonstrate that *general adjustment* was negatively related to (1) the age of the respondent (a finding that was opposite to what was expected from other models), (2) the length of the foreign assignment, (3) the extent of expatriation adjustment problems in the foreign assignment, and (4) the amount of role conflict. On the other hand, positive correlations were found with (5) the length of time of role negotiations before ending the international assignment, and (6) keeping up on events at home. With regard to *organization adjustment*, two antecedent variables were found to be positive correlates: (7) the length of time of role negotiations before ending the international assignment and, (8) a willingness to relocate internationally, whereas (9) role conflict was a negative correlate. With regard to *job adjustment* (10) the length of time or role negotiations before ending the international assignment and (11) the amount of role discretion were positive correlates. With regard to *interaction adjustment*, (12) the extent of expatriation adjustment problems in the foreign assignment, and (13) role conflicts were negative correlates. In addition to providing support for the multifaceted view of repatriation adjustment, findings (2), (4), (6), (9), (11) and (13), of this study, support specific propositions of the Black et al. (1992) preliminary model while the other findings suggest additional antecedent variables.

Other antecedent variables have also been proposed. Black and Gregersen (1992), for example, have suggested that the type of allegiance expatriates established during the foreign assignment will have an impact, not only on their performance while abroad, but also on their ability to readapt upon return. Those who develop a *Dual Allegiance*, characterized by a high commitment to both the parent firm and the foreign operation, should have a higher probability of adjusting to their overseas stay, completing their foreign assignment, and staying with the firm upon repatriation than those characterized as Free Agents, Going Native or Hearts at Home.

As another example, O'Sullivan (2002) drawing on Career Transitions Theory and the protean perspective, proposes that some repatriates have an easier time surviving the problems of repatriation adjustment than do others. A protean (proactive) approach suggests that repatriate "survivors" (as opposed to "victims") take more responsibility in actively carving out an appropriate niche for themselves, rather than merely reacting to (making sense of) the niche in which they find themselves. Reactive (symptom-focused) strategies do nothing to change the repatriate's new environment and the stressors within it, whereas proactive strategies such as information-seeking and social networking have been associated with greater adjustment. This study also suggests that expatriates with certain personality characteristics or orientations (i.e., extraversion, conscientiousness, openness to new experience, emotional stability, and agreeableness) will be successful in the use of proactive behaviors in protean-receptive organizational climates which allow such behaviors to occur.

Suggestions for Future Research

More research is needed before a definitive model of repatriation adjustment is possible, especially in the area of organizational factors. Black et al. (1992), for example, propose studying the effect of having internationally experienced top management, a longitudinal assessment of the factors that causally impact the various facets of repatriation adjustment over time and whether some variables that are proposed to benefit the repatriation process may actually inhibit the expatriation process or vice versa. Suustari and Välimaa (2002) point out the need for replication of their findings with other national groups and also recommend a comparative study of the adjustment process with those who are more on their own abroad (as many Finns in their sample were) as opposed to those who are transferred by their company. O'Sullivan (2002) suggests further the need for studies to determine what initially triggers an individual's awareness that proactivity might be needed in a given situation. In addition it may be useful to (1) further investigate the personality characteristics of repatriation survivors and the organizational climates which facilitate proactive behaviors, (2) evaluate the effectiveness of various re-entry training programs, and (3) reconcile contradictory findings with regard to salient antecedent variables.

Managing Re-Entry

Repatriation programs must take into account repatriation adjustment problems reported by practitioners and academics as well as current research regarding their antecedent variables. As has been pointed out, since many studies have attributed failure in reintegrating into the back-home organization to a discrepancy between re-entry expectations and reality, the uncertainty reduction model can be used as a theoretical framework for application as well as research. A successful repatriation outcome can be defined as: "...one in which, upon return, the repatriate gains access to a job which recognizes any newly acquired international competencies; experiences minimal cross-cultural readjustment difficulties; and reports low turnover intentions (O'Sullivan, 2002)." Effective repatriation programs provide direct support in the form of organization-sponsored programs that assist in the readjustment and indirect support in the form of organization encouraged individual proactive strategies.

Organization-Sponsored Repatriation Programs

Predeparture Training for the Foreign Assignment

The time to begin planning for re-entry is even before leaving for the foreign assignment. Effective pre-departure recruiting and selection procedures, to begin with, can screen out employees and family members with personal characteristics or family situations, which would limit their probability of success, along with those who are unwilling to go on the foreign assignment. This can be followed by thorough predeparture training, as well as effective in-country support programs, since those who experience significant problems during the foreign assignment are also more likely to

have repatriation adjustment problems. Pre-departure training can also inform those going on the foreign assignment as to what kinds of problems to expect upon return. For repatriates and their family members, who often think that their experience is somewhat unique and that there is something fundamentally wrong with themselves, just knowing what kinds of problems to expect is a useful beginning. Proactive (protean) approaches are more likely if expatriates and repatriates can anticipate the frequently encountered problems.

Providing Assurances

In addition to informing, there are other ways firms can insure that expectations are met. As previously mentioned, adjustment and individual control theorists point out the needs of reducing uncertainty and establishing control in new environments. One transition strategy suggested for professional re-entry is the use of *repatriation agreements*, whereby firms give candidates preparing for international assignments written guarantees as to the length of the foreign assignment, expectations regarding job performance while abroad, and, upon return, that a mutually acceptable position will be available. In the absence of such agreements, repatriate professional expectations may not be met and there may be a perceived breach of the *psychological contract* believed to be implicit in the international assignment (Dowling et al., 1999).

Formal Programs

Formal repatriation programs, to begin with, deal with *anticipatory adjustments* and start several months before returning home. In addition to the use of repatriation agreements, firms can create accurate expectations and thus ameliorate the problems of professional and personal re-entry by (1) *establishing home leave policies* that allow the expatriate to maintain professional contact via occasional visits back to the home organization and family members to keep up with changes at home, (2) selecting a home office executive to be a *sponsor or mentor* who will represent the interests of the expatriate while away on assignment and assist him or her in the repatriation process, and (3) establishing policies and procedures that assess and utilize skills gained on the foreign assignment. *Post-return programs* can help repatriates and their family members meet expectations via (1) re-entry debriefings with attempt to validate the expatriate experience by learning about new skills gained while abroad, (2) personal and career counseling, (3) relocation assistance, (4) financial assistance, (5) finding schooling for the children, (5) training in workplace changes, (6) stress management, and (7) providing career counseling and job assistance for the spouse.

Organization-Encouraged Individual Proactive Strategies

There are many things repatriates and their families can and should do for themselves. One problem preventing individual proactive behaviors is that repatriates may not be aware of or prepared to use effective coping strategies; such as information seeking and social networking. Another problem is that the organizational climate may impede individual initiative in utilizing proactive coping strategies. To begin with, therefore,

O'Sullivan (2002) suggests that organizations establish a *protean-receptive organizational climate* that will facilitate proactivity by permitting individual searches for appropriate post-return positions, providing proactive training, setting up a useful organizational performance appraisal system (such as performance coaching), providing considerable job discretion, and providing support for protean approaches by senior line management.

With the availability of a proactive (protean-receptive) climate, expatriates and their family members can be made aware of and have more discretion in utilizing additional anticipatory and in-country adjustment coping strategies, which will allow them to manage their expectations. In order to ease re-entry, for example, repatriates and their family members can be encouraged to take an active role themselves in staying in contact with the home organization, keeping informed with regard to changes in technology and company structure and informing the home organization, in turn, regarding their own accomplishments and the skills they have learned while on assignment. Expats and family members also can be encouraged to keep up with changes at home by staying in touch with friends and by keeping up with national events through subscriptions to home country newspapers, magazines, and/or through online news sources. Repatriates can also be encouraged to clarify their own expectations, keeping in mind the two realities – that of the foreign assignment and that of the home organization and country. Basically, repatriates need to prepare for re-entry as extensively as they had prepared for the foreign assignment. This includes doing their homework on job assignments, living conditions, and schooling options. Repatriates can be encouraged to distil the foreign-assignment experiences to be communicated to others into a few specific areas of importance. Finally, in addition to professional networking, repatriates can be encouraged to actively seek out friends and social contacts, in contrast to the foreign assignment where the trend was for others to seek them out.

Conclusion

More and more, repatriation is being seen as the final link in an integrated, circular process that connects the initial recruitment, selection, and cross-cultural entry of expatriates (along with their family members) with adequate in-country support, and finally, with successful reintegration into the country and organization. Organization-encouraged individual proactive strategies along with organization-sponsored programs can help minimize inaccurate and unmet expectations that seem to be a key to the problems of repatriation adjustment.

With enough insight and preparation, those on foreign assignments can have an enjoyable and productive experience abroad, along with a relatively smooth transition back home. The international firm, in turn, can reap the benefits of the acquiring more global experience and developing a cadre of effective international managers.

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Evaluating the Effects of Team Composition and Performance Environment on Team Performance

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ABSTRACT

Performance, interpersonal relations, equity, and output are examined for both online and face to face team structures. As organizations make wider use of online teams to transcend geographical boundaries and maintain tight cost controls, the question remains whether these innovations are as or more effective than traditional face-to-face group structures. Hypothesized relationships are tested that include the evaluation of the team performance in online groups contrasted to face to face groups; group performance is hypothesized to be higher where membership in the group is self-selected as opposed to assigned group membership; group performance is hypothesized to be highest where its membership is self-selected and face to face. Interaction effects are tested within these hypothesized relationships. Suggestions are made that face to face groups, while a more costly alternative, may have higher levels of performance than online groups over the longer-term. Areas for future research are identified.

Introduction

Organizations have achieved improved efficiencies through technology and more effective utilization of human resources. Teams are an integral part of this new organizational landscape. As the twenty-first century continues to unfold, competitive global pressures will require on-going improvements in productivity, quality, and efficiency. To a large extent, the development and deployment of work teams will undoubtedly be a significant part of the mix (Chelte and Hess, 2000).

There is firm case evidence to suggest that performance teams in organizations are well established. Teams of employees are more productive, more creative, and better able to meet the challenges of an increasingly dynamic business environment than individuals alone (Townsend and DeMarie, 1996). Organizational structures have emerged that provide flexibility, diversity and better access to information for all organizational members. Resource availability, facilitated in part by continual improvements in technology, have established mechanisms for the broader deployment of virtual teams, which are the important element of these new structures (Nemiro, 2000). The use of virtual teams and team networks are becoming dominant structural properties of 21st century organizations.

Formally defined, virtual (or online) teams are groups of geographically dispersed organizational members who communicate and carry out their activities through information technology (Kristof, Brown, Sims & Smith, 1995; Lipnack and Stamps,

1997). The traditional organizational structure is undergoing significant change as individuals are finding themselves working in an anywhere/anytime mode, connected to co-workers through information technology (Nemiro, 2000; O'Hara-Devereaux & Johansen, 1994). The emergence of virtual teams as a "hot" topic in management circles has been widely documented (Matthews & Gladstone, 2000; Melymuka, 1997; Soloman, 1998; May, 1997). Despite this, little empirical research exists that explores the dynamics, strengths and limitations that may be inherent in the virtual work environment (Furst, Blackburn & Rosen, 1999).

There is disagreement over the efficacy of virtual teams. For example, Glacel (1998) raises the question as to whether virtual teams can "really exist." She contends that "given the strict definition of teams, virtual teams exist only with great difficulty, if at all. For virtual teams to "evolve" and develop, a "firm foundation of face-to-face relationship building is essential and serves as a prerequisite for virtual teaming" (1998:12). Others have suggested that specialized training is necessary to ensure that individuals can function effectively as virtual team members. The virtual team environment may also be lacking in critical non-verbal aspects of communication and traditional cues of social interaction such as body language and hand gestures that are lost in even the best teleconferencing and communications systems.

Anecdotal support for the value-added contributions of virtual teams stems from individual corporate experiences related in the literature. The academic literature is still developing and consensus on virtual team efficacy is still lacking. As organizations continue to globalize and simultaneously reduce costs, it appears that virtual teaming will become a permanent fixture of the organizational landscape. Organizations continue to make wide-use of performance teams to participate in decision-making. Many business decisions are now made by work teams rather than by individuals. Empirical investigation of team dynamics in the virtual environment has become more pressing. Critics of the effectiveness of virtual teams stress the need for balance between high-tech and high-touch interaction among team members

In academic environments, the widespread use of teams has been well established. As on-line education has become available to a much wider global audience, the use of "teams" is necessarily "virtual." To be sure, student teams (whether online or face-to-face) experience many problems that may have an impact on team performance. It has been well established that poorly defined goals and expectations, mismanaged conflict, team member dissatisfaction and poor communication have potential dysfunctional effects on student team performance (Cox and Bobrowski, 2000). Yet, when deployed effectively, student teams can increase productivity, raise morale and encourage innovation. Effective team management by team members is the key element in minimizing dysfunction and enhancing the likelihood of a positive performance.

Business schools have embraced the team concept as an important instructional element in the delivery of the curriculum. This has provided students with opportunities to "experience" teamwork as part of their formal academic training and career preparation. In addition to the potential for helping students develop interpersonal skills

and the understanding of different perspectives (Goldfinch, Laybourne, MacLead & Stewart, 1999; Michaelson & Razook, 1999; Chelte, 2003), team projects may also enhance student learning of course content (Tinto, 1999). However, evidence strongly suggests that assigning team projects is not sufficient. Students benefit most from a design that incorporates team-building skills and skills required to overcome barriers to effectiveness (Feichtner & Davis, 1985; Bacon, Stewart & Silver, 1999; Bolton, 1999; Ettington & Camp, 2002; Tonn & Milledge, 2002).

Business schools are responsible, in part, to respond to stakeholder needs and to facilitate the development of leaders and effective organizational members. The incorporation of virtual teams as an experiential component in online (and traditional face-to face) education, is consistent with these goals. Courses that include virtual teaming have the potential to involve students in experiences which are not available in conventionally structured courses that use teams. Virtual team experience may offer students opportunities to develop skill-sets appropriate for future organizational challenges (Chelte, 2003).

Teams are important in attaining organizational and managerial goals. Business schools and organizations clearly recognize their value. When deployed effectively, teams can increase productivity, raise morale, improve satisfaction, increase commitment, decrease turnover and absenteeism, and encourage innovation (Chelte, 2003).

The Research Framework and Design

The current paper proposes to investigate team performance in online and face to face group environments. As part of the design, we will explore the relative impact that group self-selection vs. "assigned" membership have on group performance. Thus, at its simplest level, the experimental design for the research is a 2 by 2 factorial (online vs. face to face, and, assigned vs. self-selected groups). Overall group performance will be measured through a multi-dimensional scale of evaluation discussed in previous research (cf Chelte, 2003).

At a basic level, the following hypotheses will be considered:

1. Evaluations of group performance will be higher in virtual groups than in traditional groups (group type = main effect).
2. Evaluations of group performance will be higher where membership in the group is self-selected than in groups where membership is assigned (group composition = main effect).
3. Evaluations of group performance will be higher where group membership is self-selected and "face to face" than in any of the other conditions, with assigned group membership in the face to face setting having the lowest performance evaluations (group type by group composition = interaction effect).

The hypotheses are based on the following suppositions:

Online group environments have a higher level of group performance documentation, thus allowing individual team member contributions to be monitored. This allows for tracking of those who tend toward “social loafing” and those who perform. The level of electronic accountability could act as a motivator for members to participate more frequently (group members know that their contributions are electronically tracked).

The face to face group environments have a certain level of accountability in that face-to-face interactions will keep members involved. However, once the group disperses there is no outside monitoring taking place to serve as a motivator to perform.

In the assigned membership versus the self-selected situations, members “assigned” to a particular group have potentially less “invested” personally. Self-selected groups, on the other hand, may have personal relationships that come into play to maintain group performance.

Exploratory considerations seek to determine whether virtual, self-selected membership groups are more or less efficient than traditionally structured, self-selected membership groups. Perhaps what matters most is not the environment that the group operates in but how the composition of the group is determined (self-selected vs. assigned). To what extent do personal bonds matter in group efficiency? Does the environment (online vs. face to face) have a measurable impact on the strength and cohesiveness of personal bonds? Perhaps in the virtual setting, members may be familiar with others’ work behavior but may not necessarily have developed personal bonds. These are questions that will be explored in depth in this investigation.

Method & Analysis

A survey was administered to 36 students enrolled in a graduate business course delivered in either an online or face to face format. Approximately one third of the subjects were in the online section of the course. Throughout the course, students were required to work in four different teams. Thus, in the offline class there were four teams of four or five students, with the team composition changing for each of the four assignments.

The first three team assignments revolved around extensive class exercises working with a computer-based simulation. These team assignments lasted approximately two weeks and required both a global and individual team evaluations after the assignment was completed. Each of these first three teams in which the students worked were composed by random assignment implemented by the instructor. Students had no say as to team composition. The last team assignment required student teams to compete against each other as they managed a computer-simulated company across 9 periods of play. These last teams were composed by allowing students to self-select their teams. Since students worked with most students in the class across the first three assignments, it was assumed that they had enough prior knowledge about other

students' teamwork behavior and personality style to make a reasonable decision as to with whom they would like to work.

All team assessments were collected by using an online form administered through a virtual classroom environment. The same virtual classroom platform is used at this institution for both online and face to face courses. Thus, these classrooms become a communication support vehicle for students meeting face to face. This virtual classroom environment is used extensively throughout courses in the graduate business program, so students are very familiar and comfortable using the platform.

After each team assignment students completed two assessments of team performance, a "global" assessment and "individual" assessment. The global assessment consisted of 34 items measuring perceptions of "Team as a whole" performance on a variety of activities and behaviors. A factor analysis of the 34 items resulted in a four factor structure reflecting the dimensions of Team Efficiency, Interpersonal Issues, Equity in Participation, and Outputs of Effort. These factors were not orthogonal. The individual assessment asked for each team member to evaluate the participation of individual team members. This assessment included "letter grade" and "dollar compensation" measures. So, each member could receive a letter grade from "A" to "F" and a compensation amount from "\$0" to some portion of a \$25,000 pool distributed across four or five team members.

In addition to the two team assessments, two objective measures of performance were included in the study. First, the virtual classroom has rooms that student teams can use to communicate on projects. For students enrolled in the online course, these rooms were their primary source of communications. A virtual chat routine was used on occasion, but not extensively by these students as a primary communication channel. For students enrolled in the offline course their primary means of communication were weekly, face-to-face meetings in class. The virtual team discussion room was used by these students as a "supplemental" communications channel between classes. Thus, postings to these virtual team rooms by students were used as a measure of team activity. Since each team had a different room through out the semester for each one of the assignment teams, a historical record was kept of individual team and individual team member activity.

A second objective measure of performance was abstracted from the computer simulation used in the course. Being a competitive simulation, each team managed their company in direct competition with their classmates. So, there were, in effect, winners and losers in the simulation. The results of this simulation were used to develop a score that ranged from 0 to 100 for each of the eight teams across the two courses. This was determined by creating a weighted score for company performance based on cumulative net income generated, final overall market share, and an efficiency index dividing marketing expenses by net income.

Hypotheses:

The specific hypotheses related to team performance, postulating main and interaction effects. Specifically, it was expected that there would be a main effect for online versus face to face team performance, with higher evaluations in the online teams than in offline teams. A second main effect was expected for team composition, instructor-assigned versus student self-selected. It was expected that team performance would be higher in student self-selected teams than instructor-selected teams. Finally, an interaction effect was expected, with team performance being highest in self-selected and offline teams, than in any other condition. The lowest evaluations would be in offline, instructor assigned teams.

Results:

The 34-item global measure was subjected to a factor analysis. Scale purification lead to retaining 25 items that cleanly loaded on four factors (see Exhibit 1). Principle axis factoring uses estimated communalities in the analysis, making it difficult to determine absolute variance explained; however, the four factors were estimated to explain approximately 60 percent of the variance in the data. Each factor was subjected to a reliability analysis, with resulting Cronbach's alpha scores between .88 and 1.0.

Exhibit 1 Factor Analysis Results of Global Team Assessment Measure

| | Performance | Interpersonal Issues | Equity | Output |
|--|-------------|----------------------|--------|--------|
| members are imaginative | .785 | | | |
| Understand range of skills etc. | .758 | | | |
| Diff-Sims effectively harnessed | .730 | | | |
| team agrees on goals and objectives | .689 | | | |
| members articulated a clear set of goals | .685 | | | |
| team has effective work structure | .665 | | | |
| team devised effective time tables | .623 | | | |
| Members view themselves as team | .587 | | | |
| Members participate in decision making | .583 | | | |
| Team members support each other | .534 | | | |
| Team members take turns leading | .440 | | | |
| members have resources etc. | .326 | | | |
| Members take arguments personally | | .836 | | |
| team often disagrees about ideas | | .670 | | |
| goals are not motivating to members | | .647 | | |
| Team members are not effective decision makers | | .595 | | |
| Team cannot integrate diverse | | .581 | | |
| team meetings are not productive | | .575 | | |
| not clear what members should do | | .492 | | |
| a few members do most of the work* | | | .702 | |
| Members do their fair share* | | | -.685 | |
| team has clear leader* | | | .343 | |
| Quality of team work is superior | | | | -1.004 |
| Quantity of team work is superior | | | | -.826 |
| We have met the needs of our client | | | | -.663 |
| Percent Variance Explained | 43.48 | 7.61 | 5.10 | 2.79 |
| Eigenvalue | 10.872 | 1.90 | 1.28 | .70 |
| Cronbach's alpha | .92 | .88 | 1.0 | .92 |

- One of the items loading on the equity dimension has a negative loading. While it appears that an inconsistency exists, the valence of the items is consistent with the way in which the items were scored. Item responses were scaled 1 = disagree to 5 =

agree. Thus, Members doing their fair share was scored closer to 5 (mean = 4.18) while a few members do most of the work was scored closer to 1 (mean = 1.95). The evaluation of the team not having a clear leader scored in between (mean = 3.36). If all members were doing their fair and the team was operating efficiently, then the perception of having a leader would have been low.

Values for the retained variables were summed to create four composite variables subsequently used in a 2 x 2 MANOVA. Independent factors included Course Format (online versus face to face) and Team Composition (instructor-assigned versus student self-selected). The MANOVA indicated statistically significant results for the main effects due to Course Section (Pillai's Trace = .093, F = 2.887, df = 4,113, p = .026) and Team Composition (Pillai's Trace = .093, F = 2.887, df = 4,113, p = .026). The interaction effect between Course Format and Team Composition was not statistically significant.

An examination of ANOVAs revealed a statistically significant difference for the Interpersonal Team Issues (F = 8.326, df=1, 116, p = .026) for Course Format. For Team Composition the factors related to Team Performance (F = 5.028, df = 1,116, p = .027) and Equity in Member Participation (F = 7.457, df = 1,116, p = .007) were statistically significant. The fourth factor, Team Output, was marginally statistically significant (F = 3.324, df = 1, 116, p = .071).

An examination of the means response for the summated factor of Interpersonal Team Issues indicated that the students working in virtual teams were slightly less positive about their perceptions of interpersonal team relationships than were students working in face-to-face teams (see Table 1). Not surprisingly, it was found that student perceptions of Team Effectiveness were greater for student self-selected teams than in instructor-assigned teams. Equity in Team Member Participation exhibited the same pattern as did Team Effectiveness. Finally, perceptions of Team Output were also higher for student self-selected than Instructor-assigned teams (see Table 1).

Table 1
Results of Team Composition Across Course Format on Perceptions of Effectiveness, Interpersonal Issues, Equity and Output

| | <i>Course Format</i> | | <i>Team Composition</i> | |
|-----------------------------|-----------------------|-----------------------------|----------------------------|------------------------------|
| | <i>Online Section</i> | <i>Face to Face Section</i> | <i>Instructor-Assigned</i> | <i>Student Self-Selected</i> |
| <i>Performance</i> | | | 48.58 | 52.48 |
| <i>Interpersonal Issues</i> | 9.44 | 12.303 | | |
| <i>Equity</i> | | | 9.35 | 10.22 |
| <i>Output</i> | | | 12.33 | 13.26 |

**Statistical significance of simple main effects based on ANOVA results reported above

Although the interaction between Course Format and Team Composition was not statistically significant, the pattern of mean responses was in the expected direction. Students working in face to face, self-selected teams had the highest self-perceptions of team performance (54.375), followed by Online, student self-selected teams (50.583). Face to Face, Instructor-assigned teams had the lowest mean level self-perceived performance (48.06).

Student self perceptions of team performance, interpersonal issues, equity and output always provide interesting perspectives on the participants feelings about team performance. Interestingly enough, all teams felt that they were producing relatively high quality output, high quantity and delivered what the client wanted. However, in looking at team performance there were statistically significant differences between the virtual and face-to-face teams in the level of team activity throughout the semester. A MANOVA of team activity as measured by message activity in the virtual classroom revealed a simple main effect for Course Format (Pillai's Trace = .224, F = 20.068, df = 2, 139, p < .001), with face to face teams generating a much higher level of team activity than Online teams. There was also a simple main effect for Team Composition (Pillai's Trace = .598, F = 103.290, df = 2, 139, P < .001), with student self-selected teams generating more activity than instructor-assigned teams. As for the interaction, it was significant (Pillai's Trace = .184, F = 15.722, df = 2, 139, p < .001), where face to face, student self-selected teams had the highest level of both team and individual contributions to team activity. The lowest level of activity occurred among Online, instructor-assigned teams (see Table 2).

Table 2
Team Activity Assessed via Virtual Classroom Across Course Format and Team Composition

| | <i>Course Format</i> | | <i>Team Composition</i> | |
|--|-----------------------|-----------------------------|----------------------------|------------------------------|
| | <i>Online Section</i> | <i>Face to Face Section</i> | <i>Instructor-Assigned</i> | <i>Student Self-Selected</i> |
| Overall Team Activity | 51.64(b,d) | 195.73(a,d) | 46.39(b,c) | 109.62(a,c) |
| Individual Team Member activity | 11.00(c) | 40.78(a,c) | 10.00(b) | 23.77(a,b) |

Significant differences labeled a, b, c, d

Discussion and Conclusions

The global team assessment measure yielded four distinct factors. Each factor relates to an important aspect of overall team performance. The elements that emerged include team performance, interpersonal issues, equity, and output. The importance of

these elements have been demonstrated in previous research. Sixty percent of the variance was explained by the four factors. For social science research, this is a robust finding. Future research will demonstrate whether these four factors have applicability across larger sample sizes and for a variety of different groups.

As predicted, there was a significant main effect for online team evaluations performance. This indicates that online teams perceive themselves as more cohesive with greater levels of contribution from all. This could be due, in large measure, to the high degree of accountability present in the online environment. Documentation of group performance (ie individual contributions) can and are monitored. In the electronic classroom platform, all formal interaction among team members is “recorded” providing a transcript for later review. This can be accessed directly by the team members as well as by the instructor. Other studies have observed a direct correlation between accountability and perceived team performance (Bowes-Sperry, Kidder, Foley, & Chelte, 2004). In the face to face condition, there is no formal documentation of contribution.

Whether teams self-select members or were assigned members by the instructor also yielded significant effects. Self selected teams have membership that may be more fully and personally vested by the participants. That is, individuals may align their psychic selves and their personal investment in the overall performance of the team. When the instructor “assigns” team membership, individuals may have less personal investment, little or no history with other members, and a less direct personal stake in the outcomes of group performance. This may lead to lower levels of team performance. In the current study, however, the interaction effects between team format (online vs. face to face) and team composition (self selected vs. instructor assigned) were not significant. Future research needs to examine this interaction effect across more observations to determine whether there is a potential salient effect of these interactions.

It must be acknowledged that these results are preliminary in nature due to the sample size restrictions on the experimental design. The low sample size may have played a role in rendering some relationships statistically insignificant. It must be noted, however, that mean levels of performance evaluation were in the expected direction even though there was a lack of statistical significance. Sample size may also have an impact on the factor structure, which should be verified in future research. In a very recent study, similar constructs were examined including team empowerment, customer satisfaction, process improvement, and task interdependence. A major focus of this study was directed to the impact of the frequency of face-to-face meetings on team effectiveness (measured by customer satisfaction). Interestingly, the frequency of face to face meetings had some measurable impact on team empowerment (an internal perceptual construct) but no effect on team performance indicated by customer satisfaction (Kirkman, Rosen, Tesluk, and Gibson, 2004). It is clear that more focused research needs to be oriented toward interaction effects and moderating effects of a broad set of team-based variables.

The exploratory question in this study was whether online and self-selected teams have higher levels of performance than face to face, instructor assigned counterparts. The impact of the environment (online vs. face to face) did have an effect. Students working in virtual teams were less positive about their perceptions of interpersonal team relationships. It appears that face to face, self-selected teams have the highest degree of satisfaction and perceived efficiency.

This last finding is consistent with previous studies that have shown that students have a tendency to reject virtual teams when provided the opportunity. That is, there is a marked preference for working in a face-to-face, off-line environment, when provided the opportunity (Chelte, 2003).

This raises an interesting and challenging question for the wide use of online teams across organizations. Do online teams, while more cost-effective in the short-run, have a higher level of performance? Do virtual teams take full advantage of all the human resources available to them? Even where there is increased accountability, it appears that the overall perception of performance and satisfaction is lowest where team membership is online and “assigned.”

Future research should critically examine the role of online teams in achieving organizational goals. While globalization may motivate organizations to take advantage of technology and short-term cost reductions in deploying teams across virtual geographical boundaries, they may do so at the longer-term expense associated with lower levels of performance and satisfaction.

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The Integrative Effects of Flexible Work Arrangements and Preferences for Segmenting or Integrating Work and Home Roles

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ABSTRACT

Flexible work arrangements are being offered by an increasing number of organizations for recruitment and retention purposes. However, Person-Environment Fit theory (Edwards, 1996) suggests that flexible work arrangements may not be beneficial for all employees. This study examined the relationship of flexible work arrangement use with employee performance, affective commitment, and turnover intentions, while taking into consideration the moderating effects of employees' preferences for segmenting or integrating their work and home lives. The sample consisted of 172 employees from eight organizations in Ireland. Marginally significant effects for compressed workweeks were found. Implications for future practitioners and future research are discussed.

Introduction

Flexible work arrangements are intended to serve as a strategic tool to attract, retain, and motivate employees in the current business environment of increased competition and high demands on workers (Kropf, 1996; Olmsted & Smith, 1997). Such arrangements have also been advocated as a means of aligning individual and organizational objectives (Apgar, 1998; Ronen, 1984). Anecdotal evidence suggests that there are work-related benefits of flexible work arrangements, such as increased productivity (e.g., Catalyst, 1997; Di Martino & Wirth, 1990). However, although research dating back to the 1970s has examined the work-related benefits of flexible work arrangements (e.g., Hicks & Klimoski, 1981; Schein, Maurer, & Novak, 1977), a clear body of evidence of such benefits has not emerged.

Recent theoretical development on the boundaries between work and family roles (e.g., Ashforth, Kreiner, & Fugate, 2000; Clark, 2000, Nippert-Eng, 1996) may shed light upon the relationship between flexible work arrangements and work-related outcomes, such as employee performance, affective organizational commitment, and turnover intentions. Nippert-Eng's (1996) qualitative study explains what she refers to as "boundary theory" in the context of home and work. Based on extensive interviews and analysis, Nippert-Eng explains how individuals keep separate (segment) or intertwine (integrate) their work and home lives. For example, she provides examples of highly segmenting individuals who keep separate calendars for their work and home activities

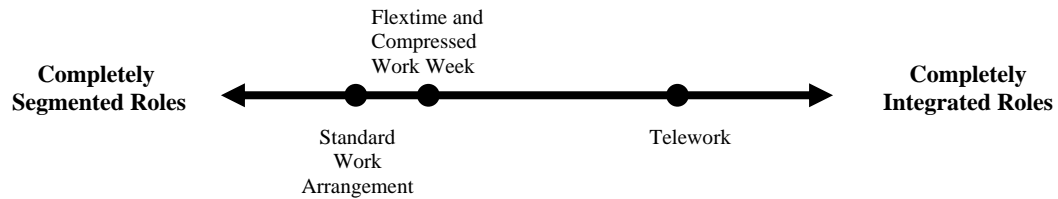
and who wear different clothes for their work and home roles. In contrast, she provides examples of individuals who combine work and home activities on one calendar and who wear the same type of clothes at home and work. Nippert-Eng (1996) proposes that segmentation and integration are opposite ends of a continuum. However, she suggests that most individuals combine segmenting and integrating practices, resulting in a more or less integrating/segmenting approach to work, rather than achieving the ideal type of segmentor or integrator (Nippert-Eng, 1996, p. 6). All types of flexible work arrangements allow for greater integration of work and home roles than the standard Monday through Friday "nine to five" forty hour work week. However, some flexible work arrangements allow for more integration than others. For example, when using flextime, an individual still may keep separate calendars for work and home activities, whereas a teleworker may benefit more from combining calendars since he/she may enter and exit the work and home roles several times each day. The present study examines whether preferences for integration or segmentation of work and home roles interact with the use of flexible work arrangements to affect work-related outcomes.

Flexible Work Arrangements

Flexible work arrangements allow for work to be accomplished outside of the traditional time and/or space boundaries of the standard workday. Although there is no truly "standard" day, in that hours and the location of work differ based on such categorizations as job type and organizational norms, a traditional work schedule is defined as a forty hour week, from 9:00 a.m. to 5:00 p.m., Monday through Friday (Catalyst, 1997). Flexible work arrangements allow work to be performed before or after standard working hours, as well as from alternative locations, such as an employee's home. Flextime, compressed work weeks, job sharing, and telework, are commonly accepted forms of flexible work arrangements (Duxbury & Haines; 1991; Friedman, 1990; Morgan and Milliken, 1992).

The degree of flexibility to coordinate work and nonwork demands has been conceptualized as the key element in defining flexible work arrangements when relating flexible working arrangements to employee attitudes and behaviors (Pierce, Newstrom, Dunham, and Barber, 1989). This implies that the study of flexible work arrangements is more complex than simply examining whether or not an employee uses a flexible work arrangement. Rather, there may be varying degrees of flexibility that meet employee preferences or needs, which may ultimately affect outcomes of the arrangement for both the employer and the employee. Thus, unlike previous studies, the present research conceptualizes flexible work arrangements on a continuum, rather than as isolated dichotomous constructs that are either "used" or "not used".

Figure 1. Work Arrangements on the Role Segmentation-Role Integration Continuum (adapted from Rau and Hyland, 2002).



Flextime

The concept of flextime allows employees to vary their work schedules, within certain ranges and dimensions, according to their differing needs (Ronen, 1981). It focuses exclusively on the work schedule. Flextime does not affect the total number of working hours required or the location at which work is done. According to Rau and Hyland (2002), who compared flextime and telework to a standard work arrangement on a segmentation-integration continuum, flextime allows for slightly more integration of work and home life than does a standard work arrangement due to increased temporal flexibility in the boundaries between work and home. (See Figure 1.) For example, if a parent wanted to be home at 3:30 p.m. to meet his child after school, a standard work arrangement would not enable him to do so. However, using flextime, the parent could begin work at 7 a.m. and finish work at 3 p.m. in time to meet his child.

Research on the work-related outcomes of flextime has not found flextime to be unequivocally beneficial to organizations; however, most research suggests positive effects on business outcomes. A meta-analysis of flextime studies found that productivity increased when flextime was used; however, it did not find a significant main effect of flextime on self-rated employee performance (Baltes, Briggs, Huff, Wright, & Neuman, 1999). Organizational commitment has been found to be positively related to the availability of flextime (Scandura & Lankau, 1997) and turnover intentions have been found to be negatively related to the use of flextime (Golembiewski & Proehl, 1978). Thus, some evidence for a positive effect of flextime on performance has been found.

Compressed Work Week

The compressed work week condenses the hours in the standard work week into fewer days (Ronen & Primps, 1981). The total number of hours required per week or month usually remains the same. The rationale is similar to flextime in that it does not affect

the number of hours required or the work location. However, with the compressed work week, there is no core time, which enables employees to work a greater number of hours on certain days and then not work at all on other days. For example, on a four day/40 hour schedule, an employee would work 10 hours per day for four days, and then not have to work on the fifth day of that week. Although Rau and Hyland (2002) did not include compressed work week arrangements on their proposed continuum, such arrangements are similar to flextime in that they only increase the temporal flexibility and do not affect the location of where the work is conducted. Therefore, like flextime, they should be slightly closer to the integration end of the segmentation-integration continuum than the standard work arrangement. (See Figure 1.)

Like the research for flextime, studies on compressed work weeks have found mixed results. Ronen and Primps' (1981) literature review found improvements in productivity and/or service for four of seven studies in which compressed workweeks were implemented, while the remaining studies reported no change. A more recent study also reported an increase in productivity (Vega & Gilbert, 1997). Pierce and Dunham (1992) found no effect for compressed workweeks on organizational commitment; however, a research review did find positive effects of compressed work weeks on job-related attitudes like organizational commitment (Ronen & Primps, 1981). Although I am unaware of a study that specifically examined the effects of compressed workweeks on turnover, Latack and Foster (1985) did find reductions in sick time and personal leave time as a result of implementing a compressed workweek schedule. Therefore, as with flextime, there is some evidence of work-related benefits associated with compressed workweeks.

Telework

Telework includes employees who work from home or another remote site, such as a satellite office. The term is similar to "telecommuting", which is working from home, but it also includes working from such off-site locations as a hotel room or the local library. Rau and Hyland (2002) place telework furthest towards the integration end of the segmentation-integration continuum when compared to the standard work arrangement and flextime. (See Figure 1.) This is due to the likelihood of both temporal flexibility (determining when work is conducted) and spatial flexibility (conducting work from various remote locations) being permitted under a teleworking arrangement.

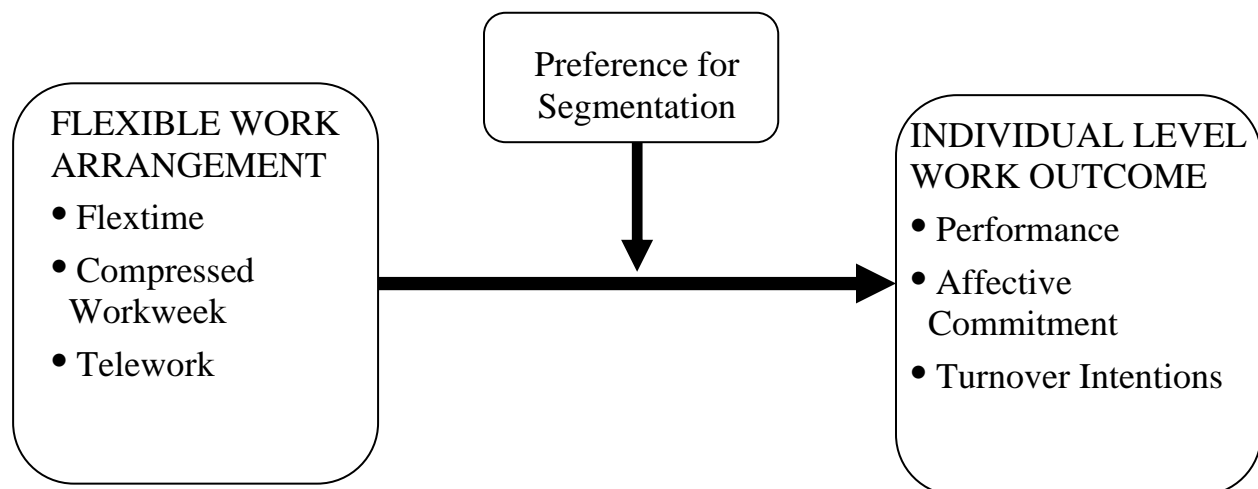
Increases in productivity were reported in a review of telecommuting studies (Pitt-Catsouphes & Marchetta, 1991) and in a recent natural experiment (Hill, Miller, Weiner, & Colihan, 1998). However, using experimental design, Ramsower (1985) did not find effects of telecommuting on productivity. I was unable to find a study that examined the effect of telework on affective commitment; however, there are studies on turnover. One such survey found improved retention of professional staff was a significant benefit for firms offering telecommuting programs (Tomaskovic-Devey & Risman, 1993). However, a statistically significant effect on turnover was not found by Ramsower (1985) in an experimental study. Thus, there is some evidence of reduced turnover being associated with telework.

Segmentation-Integration Preferences and Flexible Work Arrangements

The notion of preferring to segment work and home roles, rather than integrating them has been proposed as an area for future research (e.g., Ashforth, et al., 2000). Such preferences can be related to the use of flexible work arrangements, as individuals who prefer integrating their work and home roles may benefit most from a work arrangement that allows them a greater degree of integration. Kreiner (2002) uses a person-environment (P-E) fit perspective to examine the effects of individual preferences for segmentation and integration and what he refers to as “workplace supplies” on work-family conflict, stress, and job satisfaction. The concept of P-E fit suggests that attitudes, behavior, and other individual-level outcomes result from the relationship between the person and his/her environment, rather than from either of the two separately (Edwards, 1996). Although Kreiner’s workplace supplies are a general aspect of the environment, rather than relating specifically to flexible work arrangements, they tap into concepts related to segmentation that are associated with flexible work arrangements (e.g., “My workplace lets people forget about work when they’re at home”).

The present study uses a P-E fit perspective similar to that proposed by Kreiner (2002). However, this research examines the fit between segmentation-integration preferences and flexible work arrangements. Based on the P-E fit perspective, preferences for segmenting work and home life (a personal characteristic) combine with the environmental feature of being able to use a flexible work arrangement to affect individual-level work outcomes. A model of the proposed relationships is depicted in Figure 2.

Figure 2. Proposed Model



Of all the flexible work arrangements previously listed, flextime is the most similar to a standard work arrangement in the level of segmentation that it permits. Work and home life are kept separate while an individual is fulfilling one of these roles, yet the timing under which an individual can enact the role is flexible. Thus, an individual whose needs are met with merely a schedule change is likely to be attracted to a flextime arrangement. Likewise, P-E fit theory suggests that individuals who prefer segmentation will “fit” well with using a flextime arrangement. This should result in positive effects on performance and affective commitment, and negative effects on turnover when individuals with a high preference for segmentation use flextime.

Given that most of the research on flextime suggests beneficial effects on work-related outcomes, the hypotheses propose a positive main effect, and then a moderated relationship of flexible work arrangements and preference for segmentation on these work-related outcomes:

Hypothesis 1a: The relationship between flextime and individual performance will be positive, with a strong positive effect for individuals with a high preference for segmentation (low preference for integration) and with a weak positive effect for individuals with a low preference for segmentation.

Hypothesis 1b: The relationship between flextime and affective commitment will be positive, with a strong positive effect for individuals with a high preference for segmentation (low preference for integration) and with a weak positive effect for individuals with a low preference for segmentation.

Hypothesis 1c: The relationship between flextime and turnover intentions will be negative, with a strong negative effect for individuals with a high preference for segmentation (low preference for integration) and with a weak negative effect for individuals with a low preference for segmentation.

A compressed work week allows for flexibility in the timing of work, much like flextime, except that compressed workweeks vary the hours worked each day in order to reduce the number of days worked per week. Still, when an individual is working, his work life is kept separate from his personal life. Thus, an individual whose needs are met with a schedule change that reduces the number of days worked each week is likely to be attracted to and effective working under a compressed work week arrangement. As with flextime, P-E fit theory suggests that individuals who prefer segmentation will “fit” well with using a compressed workweek arrangement.

Hypothesis 2a: The relationship between compressed workweek and individual performance will be positive, with a strong positive effect for individuals with a high preference for segmentation (low preference for integration) and with a weak positive effect for individuals with a low preference for segmentation.

Hypothesis 2b: The relationship between compressed workweek and affective commitment will be positive, with a strong positive effect for individuals with a high

preference for segmentation (low preference for integration) and with a weak positive effect for individuals with a low preference for segmentation.

Hypothesis 2c: The relationship between compressed workweeks and turnover intentions will be negative, with a strong negative effect for individuals with a high preference for segmentation (low preference for integration) and with a weak negative effect for individuals with a low preference for segmentation.

Unlike flextime and the compressed work week, telework allows for deviations from the standard work arrangement in terms of both the timing and the location of work. Thus, telework falls closer to the integration end of the continuum. Following the P-E fit perspective, individuals with a low preference for segmentation (high preference for integration) will be most attracted to and most effective working under a telework arrangement.

Hypothesis 3a: The relationship between telework and performance will be positive, with a weak positive effect for individuals with a high preference for segmentation (low preference for integration) and with a strong positive effect for individuals with a low preference for segmentation.

Hypothesis 3b: The relationship between telework and affective commitment will be positive, with a weak positive effect for individuals with a high preference for segmentation (low preference for integration) and with a strong positive effect for individuals with a low preference for segmentation.

Hypothesis 3c: The relationship between telework and turnover intentions will be negative, with a weak negative effect for individuals with a high preference for segmentation (low preference for integration) and with a strong negative effect for individuals with a low preference for segmentation.

Method

Sample

Participants were 172 employees from eight organizations in Ireland. The organizations were both public and private. Most were small organizations or a division of a larger organization, such as a university. Of the participants, 76% were female, 35% arrange for the care of at least one child, and 53% had a spouse or partner who works outside of the home. The average age of the participants was 38 years. Forty-seven percent of the participants classified their job level as clerical or support; eight percent as semi-professionals; 26% as professionals or supervisors; and 16% as mid-level to upper management (three percent gave no response to this question).

Procedures

The participating organizations were contacted by one of the researchers regarding the study. The researcher explained that the study would consist of an anonymous questionnaire that would be distributed to the employees at their work address and would be returned directly to the researcher. Each participant received a packet containing a letter from the principal researchers, a consent form, and a questionnaire. One of the researchers went to each site to collect the completed questionnaires.

Measures

Employee Performance. Individual employee performance was measured with a scale developed by Tsui, Pearce, Porter, & Tripoli (1997), with items added from Greenhaus, Parasuraman, and Wormley (1990). This scale was chosen due to its focus on core tasks, rather than citizenship behavior that may fall beyond basic task performance. For the current study, the 5-point response scale for the first five items ranged from 1=strongly disagree to 5=strongly agree. The four items from Greenhaus et al. (1990) used a response format ranging from 1=unsatisfactory to 5=excellent. The overall eleven item scale was found to have an inter-item reliability of .89.

Turnover Intentions. Four items used by Wayne, Shore, and Liden (1997) measured turnover intentions. Responses to each item were made on a 5-point Likert type scale (1=strongly disagree, 5=strongly agree). The inter-item reliability for this scale was .91.

Affective organizational commitment. Affective organizational commitment was measured using Meyer, Allen, & Smith's (1993) six item scale. For the current study, responses to each item were made on a 5-point Likert type scale (1=strongly disagree, 5=strongly agree). The inter-item reliability for this scale was .82.

Flexitime. Use of flexitime was measured with a single item which read, "Are you currently using flexitime? (an arrangement by which you can come to work and leave at times other than the official start and end of the work day, without changing the total number of hours worked from that of a standard work day)". Responses were made on a 6-point Likert scale (1= not at all, 2=occasionally, 3=less than 50% of the time, 4=more than 50% of the time, 5=most of the time, 6=all of the time).

Compressed work week. Use of a compressed work week was measured by a single item which read, "Are you currently using a compressed work week? (an arrangement by which you come to work fewer than five days per week, without reducing the total number of hours worked from that of a standard five day work week)". Responses were made on a 6-point Likert scale (1= not at all, 2=occasionally, 3=less than 50% of the time, 4=more than 50% of the time, 5=most of the time, 6=all of the time).

Telework. Use of telework was measured using a single item which read, "Are you currently using teleworking? (an arrangement by which you work from a location other than the standard work location. For example working from home or the local library)". Responses were made on a 6-point Likert scale (1= not at all, 2=occasionally, 3=less

than 50% of the time, 4=more than 50% of the time, 5=most of the time, 6=all of the time).

Segmentation Preferences. Segmentation preferences were measured using Kreiner's (2002) four item scale ("I don't like to have to think about work while I'm at home"; "I prefer to keep work life at work"; "I don't like work issues creeping into my home life"; "I like to be able to leave work behind when I go home"). Responses were indicated on a 5-point Likert scale (1=strongly disagree, 5=strongly agree). The inter-item reliability for this scale was .78.

Analysis

Three sets of hierarchical ordinary least squares regression was used to test the hypotheses. Gender, making childcare arrangements, and having a working spouse all were considered as control variables. Preliminary analyses showed that only working spouse had an association with any of the dependent variables. Therefore, working spouse was the only control variable included in the regression models. The three regression models were the same except for the dependent variable. In the first regression model, employee performance was the dependent variable. In the second model, turnover intentions were the dependent variable. In the third model, affective commitment was the dependent variable. For all three models, in the first step of the hierarchical regression analysis, the dependent variable was regressed on the control variable and the three flexible work arrangements. In the second step, the main effect for segmentation preferences was added. In the third step, the interactions between segmentation preferences and the various flexible work arrangements were added.

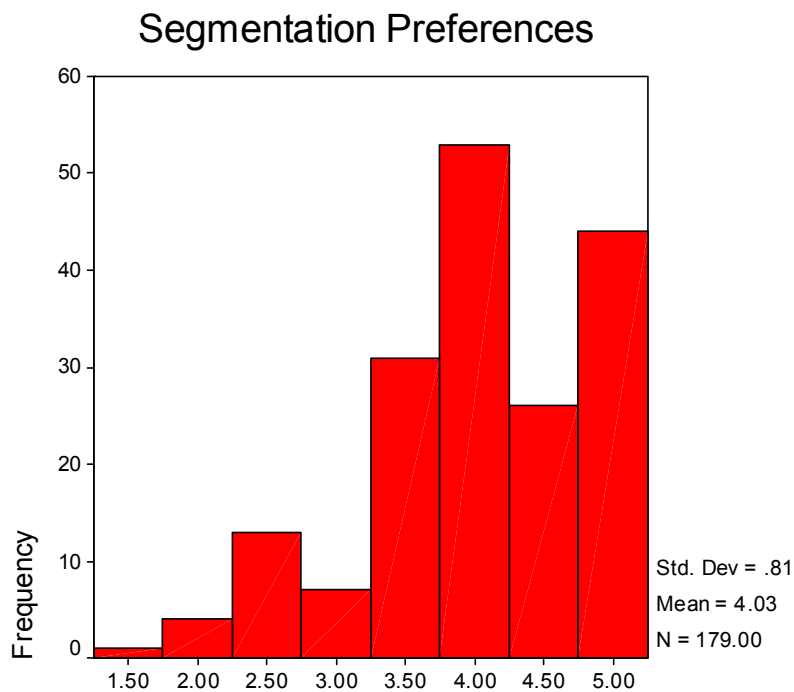
Results

Descriptive statistics and intercorrelations for the primary variables in the study are presented in Table 1. Flextime was the only flexible work arrangement to show a significant relationship with any of the work-related outcomes. Interestingly, the effects were not beneficial, as flextime was positively correlated with turnover intentions and negatively correlated with affective commitment. Figure 3 shows a frequency distribution for segmentation preferences. Although the responses are positively skewed, there is variance, which suggests that individuals do indeed differ in their preferences for segmenting and integrating work and family roles.

Table 1. Descriptive Statistics and Intercorrelations Among Variables (n=153)

| Variable | M | SD | 1. | 2. | 3. | 4. | 5. | 6. | 7. |
|-------------------------|------|------|-------|--------|-------|-------|------|------|-------|
| 1. Employee Performance | 3.88 | .53 | (.89) | | | | | | |
| 2. Turnover Intentions | 2.33 | 1.05 | -.07 | (.91) | | | | | |
| 3. Affective Commitment | 3.44 | .77 | .08 | -.63** | (.82) | | | | |
| 4. Flextime | 3.08 | 1.82 | -.05 | .17* | -.18* | | | | |
| 5. Com. Workweek | 1.20 | .78 | .07 | .08 | -.02 | .16 | | | |
| 6. Telework | 1.11 | .48 | .11 | -.04 | .07 | -.19* | .05 | | |
| 7. Seg. Preferences | 4.04 | .81 | -.01 | .17* | -.17* | .16* | -.01 | -.07 | (.78) |
| 7. Working Spouse | .53 | | .14 | -.27** | .17* | -.05 | -.01 | -.01 | -.04 |

Figure 3. Histogram of Responses to Segmentation Preferences



Results of the hypothesis tests are presented in tables 2 through 4. The first set of hypotheses related to flextime. Hypothesis 1a predicted that for individuals with a high preference for segmentation, individual performance would be higher when the individual uses a high level of flextime. For individuals with a low preference for segmentation (high preference for integration), individual performance was predicted to be lower when the individual uses a high level of flextime. As can be seen in step 3 of Table 2, this hypothesis was not supported. Hypothesis 1b predicted that for individuals with a high preference for segmentation, affective organizational commitment would be higher when the individual uses a high level of flextime. For individuals with a low preference for segmentation (high preference for integration), affective organizational commitment would be lower when the individual uses a high level of flextime. As shown in Table 3, there were no significant interactions in this model; therefore, no support was found for hypothesis 1b. Hypothesis 1c proposed that for individuals with a high preference for segmentation, turnover intentions would be lower when the individual uses a high level of flextime. For individuals with a low preference for segmentation (high preference for integration), turnover intentions would be higher when the individual uses a high level of flextime. As shown in Table 4, this interaction was not statistically significant, thus no support was found for hypothesis 1c.

Table 2. Regression Predicting Employee Performance with Segmentation Preferences as a Moderator (n = 156)

| | Step 1 | | Step 2 | | Step 3 | |
|---|---------------|-------------|---------------|-------|---------------|-------------------|
| | b (1) | β (2) | b (1) | B (2) | b (1) | β (2) |
| Working Spouse | .13 (.08) | .13 | .13 (.08) | .13 | .14 (.08) | .13 |
| Flextime | -.02 (.02) | -.06 | -.02 (.02) | -.06 | -.01 (.13) | -.04 |
| Compressed Work Week | .05 (.06) | .07 | .05 (.06) | .07 | -.60 (.35) | -.84 [†] |
| Telework | .10 (.08) | .10 | .10 (.08) | .10 | .00 (.48) | -.00 |
| Segmentation Preference | | | .01 (.05) | .01 | -.20 (.19) | -.31 |
| Flextime x Segmentation Pref. | | | | | .00 (.03) | -.01 |
| Compressed Work Week x Segmentation Pref. | | | | | .16 (.09) | .96 [†] |
| Telework x Segmentation Pref. | | | | | .02 (.11) | .10 |
| Constant | 3.69 | | 3.65 | | 4.50 | |
| R ² | | .04 | | .04 | | .06 |
| Adjusted R ² | | .01 | | .01 | | .01 |
| Change in R ² | | | | .00 | | .02 |

Notes: Standard errors are in parentheses.

[†]p < .10, *p < .05, **p < .01.

Table 3. Regression Predicting Affective Organizational Commitment with Segmentation Preferences as a Moderator (n = 159)

| | Step 1 | | Step 2 | | Step 3 | |
|---|---------------|------------------|---------------|------------------|---------------|------------------|
| | b (1) | β (2) | b (1) | B (2) | b (1) | β (2) |
| Working Spouse | .23 (.12) | .15 [†] | .23 (.12) | .12 [†] | .24 (.12) | .15 [†] |
| Flextime | -.07 (.03) | -.16* | -.06 (.03) | .03 [†] | .04 (.18) | .08 |
| Compressed Work Week | -.01 (.08) | -.01 | -.01 (.08) | .08 | -.24 (.51) | -.23 |
| Telework | .06 (.12) | .04 | .05 (.12) | .12 | .71 (.69) | .46 |
| Segmentation Preference | | | -.16 (.07) | .07* | .02 (.27) | .02 |
| Flextime x Segmentation Pref. | | | | | -.02 (.04) | -.25 |
| Compressed Work Week x Segmentation Pref. | | | | | .06 (.13) | .23 |
| Telework x Segmentation Pref. | | | | | -.16 (.16) | -.47 |
| Constant | 3.47 | | 4.11 | | 3.34 | |
| R ² | | .06 [†] | | .08* | | .09 [†] |
| Adjusted R ² | | .03 [†] | | .05* | | .04 [†] |
| Change in R ² | | | | .02* | | .01 [†] |

Notes: Standard errors are in parentheses.

[†]p < .10, *p < .05, **p < .01.

Table 4. Regression Predicting Turnover Intentions with Segmentation Preferences as a Moderator (n = 157)

| | Step 1 | | Step 2 | | Step 3 | |
|---|---------------|------------------|---------------|--------|---------------|------------------|
| | b (1) | β (2) | b (1) | B (2) | b (1) | β (2) |
| Working Spouse | -.52 (.16) | - .26** | -.52 (.16) | -.25** | -.53 (.16) | .16** |
| Flextime | .08 (.05) | .15 [†] | .07 (.05) | .12 | .11 (.23) | .23 |
| Compressed Work Week | .08 (.11) | .06 | .09 (.11) | .07 | 1.25 (.65) | .65 [†] |
| Telework | -.01 (.16) | -.01 | -.01 (.16) | -.00 | -.02 (.89) | .89 |
| Segmentation Preference | | | .22 (.10) | .17* | .56 (.35) | .35 |
| Flextime x Segmentation Pref. | | | | | -.01 (.06) | .06 |
| Compressed Work Week x Segmentation Pref. | | | | | -.29 (.16) | .16 [†] |
| Telework x Segmentation Pref. | | | | | .01 (.21) | .21 |
| Constant | 2.28 | | 1.42 | | .04 | |
| R ² | | .10** | | .13** | | .15** |
| Adjusted R ² | | .08** | | .10** | | .10** |
| Change in R ² | | | | .03** | | .02** |

Notes: Standard errors are in parentheses.

[†] $p < .10$, * $p < .05$, ** $p < .01$.

The next set of hypotheses examined the compressed work week. Hypothesis 2b proposed that for individuals with a high preference for segmentation, individual performance will be higher when the individual frequently uses a compressed work week, whereas for individuals with a low preference for segmentation, individual performance will be lower when the individual frequently uses a compressed work week. Table 2 shows the results for this hypothesis. There was a marginally significant interaction of segmentation preferences with use of a compressed work week, which suggests preliminary support for this hypothesis. Figure 4 depicts the nature of the interaction, showing that indeed employee performance is highest when a compressed work week is combined with high preferences for segmentation. Likewise, performance decreases for individuals with low segmentation preferences when combined with high use of a compressed work week. Thus, hypothesis 2a was marginally supported. Hypothesis 2b proposed that for individuals with a high preference for segmentation, affective organizational commitment would be higher when the individual frequently uses a compressed work week, whereas for individuals with a low preference for segmentation, affective organizational commitment would be lower when the individual frequently uses a compressed workweek. Table 3 shows that there was no significant interaction between compressed work week and segmentation preferences. Thus, hypothesis 2b was not supported. Hypothesis 2c proposed that for individuals with a

high preference for segmentation, turnover intentions would be lower when the individual frequently uses a compressed work week. For individuals with a low preference for segmentation (high preference for integration), turnover intentions will be higher when the individual frequently uses a compressed work week. Table 4 shows that there was a marginally significant interaction in step 3, which suggests preliminary support for this hypothesis. Figure 4 depicts the nature of the interaction. It shows that for individuals with high segmentation preferences, turnover intentions go down when a compressed work week is used. Likewise, for individuals with low segmentation preferences, turnover intentions increase when a compressed work week is used. This supports hypothesis 2c at a marginally significant level.

Figure 4.

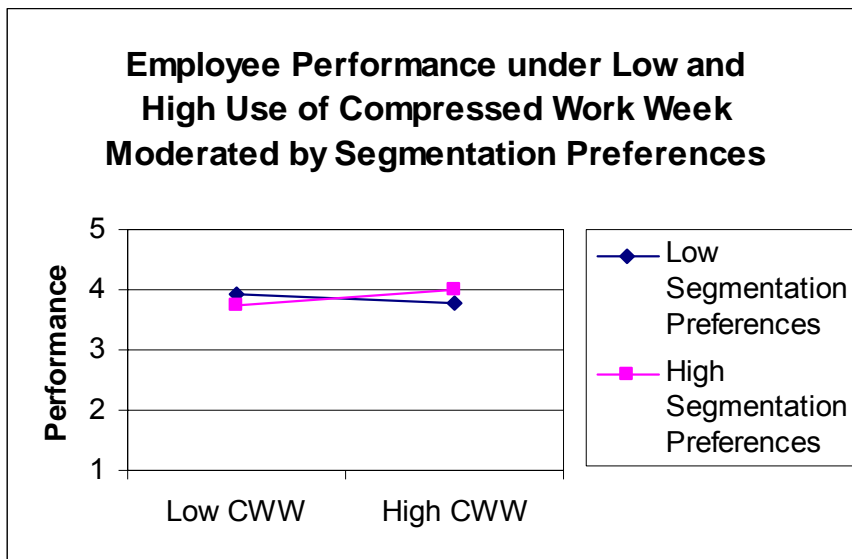
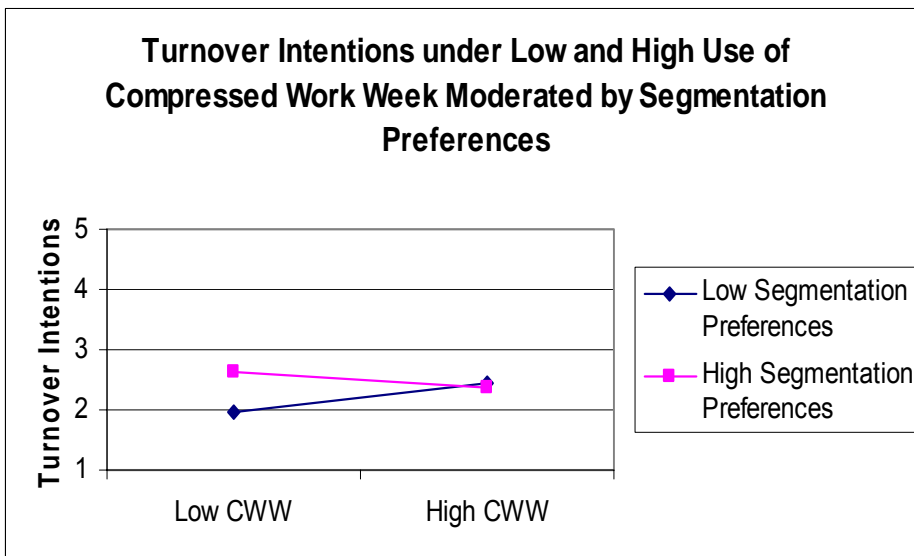


Figure 5.



The final set of analyses examined telework. Hypothesis 3a proposed that for individuals with a high preference for segmentation, individual performance would be lower when the individual frequently uses telework. For individuals with a low preference for segmentation, individual performance would be higher when the individual frequently uses telework. Step 3 in Table 2 shows that there was not a significant interaction of telework and segmentation preferences; therefore hypothesis 3a was not supported. Hypothesis 3b proposed that for individuals with a high preference for segmentation, affective organizational commitment would be lower when the individual frequently uses telework. For individuals with a low preference for segmentation, affective organizational commitment would be higher when the individual frequently uses telework. Step 3 of Table 3 shows that there was not a significant interaction of telework and affective commitment. Thus, hypothesis 3b was not supported. Hypothesis 3c predicted that for individuals with a high preference for segmentation, turnover intentions would be higher when the individual frequently uses telework. For individuals with a low preference for segmentation, turnover intentions would be lower when the individual frequently uses telework. Step 3 of Table 4 shows that there was not a significant interaction between telework and segmentation preferences. Thus, this hypothesis was not supported.

Discussion

This study examined the relationship between use of flexible work arrangements and the work-related outcomes of employee performance, affective organizational commitment, and turnover intentions while taking into consideration employees' preferences for segmenting their work life and home life. Boundary theory (Ashforth, et al., 2000; Clark, 2000, Nippert-Eng, 1996) and P-E fit theory (Edwards, 1996) served as a basis for hypothesizing that preferences for segmenting home and work life would interact with individuals' use of flextime, compressed work weeks, and telework to affect employee performance, affective organizational commitment, and turnover intentions. Following the approach advocated by Kreiner (2002), we proposed that a high degree of fit between employee preferences and the type of work arrangement used would result in employees with high affective organizational commitment and performance, as well as low turnover intentions.

Empirical analysis using hierarchical OLS regression did not find support for most of the hypotheses. The only two hypotheses to receive marginal support were hypothesis 2a and 2c, both of which examined compressed work weeks. One possible reason for this lack of findings is that fit between individuals' use of a flexible work arrangement and their preferences for segmenting work and home are not a major contributor to work-related outcomes such as performance, affective commitment, and turnover intentions. Work and home roles may have "asymmetrically permeable boundaries" (Pleck, 1977: 423), such that the home boundary is more easily disturbed than the work boundary. This suggests that the outcomes most closely related to segmentation preferences and flexible work arrangements may be in the home realm, such as work-family conflict.

Employees' work lives may not be as affected as much as their home lives by having a good fit between their segmentation preferences and their flexible work arrangements. Another possibility may be the measure of segmentation preferences. The items used were those of Kreiner (2002) in a study of general segmentation preferences and supplies. Given the more specific nature of the flexible work arrangements as a "supply" provided by the organization to enable employees to better segment or integrate their lives, perhaps the measure of preferences also should have focused more specifically on issues directly related to flexible work arrangements. Another potential limitation of this study is the fact that all of the data are self-reported. Although one might have expected self-report bias to falsely inflate the relationship between flexible work arrangements, segmentation preferences, and the various work-related outcomes, this does not seem to be the case, as only two of the hypotheses were marginally supported. Nonetheless, the fact that all of the data came from the employees themselves should be taken into consideration when interpreting the results. Finally, the relatively small sample size and a lack of variance may have limited the ability to detect effects for the variables of interest. The measures for compressed workweek and telework showed that most respondents used such arrangements occasionally or not at all. Wider variance in these measures would increase the power to detect effects.

Organizations have been encouraged by practitioners and academics to foster more integrative workplace policies such as flexible work arrangements (Kreiner, 2002). This research, by illustrating that individuals differ in their preferences to integrate or segment their work and non-work lives, suggests that when considering the implementation of flexible work arrangements, organizations should not assume that all such arrangements will be attractive and effective for all employees. With the exception of compressed workweeks, this study did not find that a match in work arrangement and preference for segmentation affected work-related outcomes. Given the previously mentioned limitations to this study, further research is recommended to determine whether the fit of an employee with his or her work arrangement should be taken into account by an organization for performance purposes.

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Stadium Foods Company

Stephen J. Skripak

Introduction

Stadium Foods Company (SFC) is a manufacturer of processed meat products located in Pittsburgh. SFC was launched in 1962 by the Booth family, who purchased a bankrupt company to gain access to existing manufacturing scale. SFC used the wide appeal of sports and the clear consumer tie-in of hot dogs to sporting events to build its Stadium frankfurter brand into one of the best known packaged meat products of the 1970's. A large consumer products company, Diversified Foods, had purchased SFC in 1986, after which the performance had steadily declined to the point where Diversified had decided to fold the division into a sister company and eliminate the management overhead. Diversified reversed course the day before the announcement was to have become public, and brought in a new management team in the hopes of turning around the performance of SFC.

Diversified Foods and the Processed Meats Industry

Diversified Foods competed in a variety of food product categories including frozen dinners, bakery products such as bagels and frozen pies, and processed meats products such as sliced and deli lunch meat, smoked and breakfast sausage, and frankfurters. The processed meats segment of Diversified's business consisted of ten companies, most of which had been family businesses or had grown out of other small startup companies. Several of their larger divisions competed across the full product spectrum in processed meats, while others like SFC were specialized in a particular product category, such as hot dogs or breakfast sausage. The divisions were managed largely as autonomous companies, though Diversified did have executives at the top level who worked with the divisions to coordinate strategies.

The processed meats industry consisted of Diversified Foods, a similarly sized competitor called Roman Foods Company, and many smaller companies that concentrated on a particular product category or a certain regional market. Roman Foods produced and marketed the 4 Kids brand, which was the most dominant player in the hot dog category. Like Diversified, Roman Foods had other products which were strong players in the other processed meats categories. The industry was considered mature, since with the exception of a few small new categories such as snack lunch meat, sales growth ranged from 0% to 2% annually.

The processed meats industry was fairly price-sensitive, though the establishment of a strong brand identification combined with excellent product quality allowed certain products, such as the Stadium and 4 Kids brands in hot dogs, to achieve premium status and command a correspondingly higher price. Brand advertising was a key in many product categories. Hot dogs in particular were often an "impulse" purchase –

consumers were observed to buy more hot dogs after seeing advertising for the product, even if it item was not on their original shopping list.

Many of the products in the processed meats category were very seasonal in their sales patterns. For example, breakfast sausage sold particularly well in the winter months when people were more likely to prepare a hot breakfast for their families. Similarly, hot dogs sold best during the warmer weather months, with exaggerated sales spikes around the three summer holidays – Memorial Day, Independence Day and Labor Day.

The hot dog market was relatively fragmented, with Stadium and 4 Kids brands being the only two products with true national distribution. Other brands were largely regional players, though some were expanding towards a more national presence. Many competitors of SFC offered a more complete line of processed meats products including packaged and deli counter lunch meats, bacon, smoked sausage. Until recently Diversified Foods had relied on SFC's sister divisions to compete in those categories.

The Stadium Foods Situation

For many years, Stadium Foods Company had competed exclusively in the hot dog category. Its flagship Stadium brand products had enjoyed a rapid period of expansion, supported by a national media campaign. In addition to the Stadium brand, SFC also produced and sold hot dog products under the Grillers and Hi-Top brands. Grillers was the company's first poultry frank, and Hi-Top was positioned as a low to mid-market brand. Both brands had achieved market shares in the top ten within the hot dog category.

As the Stadium brand became more prominent and the family had aged, the company had become a prime acquisition target and was purchased by Diversified Foods in 1986. Diversified was one of the fastest growing companies in the food industry, and its stock was a strong performer in the market. The company was well known for its rigorous management processes that held executives strictly accountable for delivering targeted profit performance.

Since the acquisition by Diversified, the performance of SFC had trailed off. Several key executives left the company after receiving large bonuses when the company was sold, and two new management teams had failed to achieve their targets and were fired. In fact, since the acquisition, profits had steadily declined from their historical highs. Recently, several new products had been introduced in an attempt to compete more broadly across the packaged meats spectrum. New products included Stadium lunch meats, Grandpa's hams and Quicke Weenies, a microwavable frank in a bun targeted at children. The new product launches had been reviewed with the top executives at Diversified, but had met with a lukewarm reaction. Diversified was concerned that SFC's brands would not extend well into these categories, and also that the corporation already had sufficient presence in these markets from its other processed meats divisions. However, in the spirit of autonomy, SFC had been allowed to proceed with these introductions.

In 1996, profits reached a five-year low, and with a few months left in the year, Diversified had decided to fold SFC into another division to realize the savings of eliminating SFC headquarters personnel. For the past three years, Diversified had set a pre-tax profit target of \$15 million for SFC, although it was their desire to achieve annual profit growth of 10-15%.

Just before the press release announcing the headquarters closure was to have gone public, Diversified decided instead to try one more executive change to revive the company. Brad Witherspoon was appointed division president, and shortly thereafter, he dismissed the chief financial officer Sara Betz, choosing Ronnie Ortiz, the CFO of a smaller Diversified division, as her replacement. Ortiz had been credited with orchestrating a turnaround at his previous division. In Ortiz' second month on the job, he discovered several problems with the company's accounting practices. Ortiz informed Witherspoon that the corrections would require a catch-up in overhead and maintenance expenses of approximately \$2 million, and that with only three months to go in the year, it was clear that SFC would once again fall short of its corporate profit target. Witherspoon smiled and said, "Well Ronnie, you're going to have to tackle this one without me. I just accepted the CEO job at a big bread company. Pittsburgh is just too darn cold for me and my family."

Diversified's CEO and corporate CFO called Ortiz a few days later. The CEO told Ortiz, "Look, we're going to get a new president in there as soon as we can, but the search process could take months. None of the obvious internal candidates want to come to Pittsburgh, or frankly to take the career risk of coming to SFC. We can absorb the accounting issues you've found so far and still make this year's corporate targets, but you've GOT to get this thing figured out in time for us to get back on track for next year. We're looking to you to be in charge, but we can't announce it that way or the rest of the team may start leaving. Let us know how we can help."

Ortiz had already begun a detailed analysis of the company's declining profitability, and he quickly accelerated the completion of this effort. He realized that coming up with a successful turnaround strategy before the arrival of the new president could greatly accelerate his career at Diversified, but he also knew that several management teams had tried before and failed. SFC's other vice-presidents were resentful that Ortiz had been made the de-facto president and were only politely cooperative in responding to his questions.

Ortiz believed that the solution to the company's problems lay in the market and financial data he had compiled. A complete summary of the facts he gathered is shown on pages 3 and 4 (1996 reflects the latest division estimate before correction of the identified accounting issues). Ortiz decided it was up to him to deliver a new SFC strategic plan to the corporation in two months, before the arrival of a new division president.

Table 1. Historical P&L Data for Stadium Foods

| SFC Income Statement (\$ millions) | <u>1994</u> | <u>1995</u> | <u>1996</u> |
|--|-------------|-------------|-------------|
| Sales | \$134.5 | \$141.0 | \$154.0 |
| Product Costs | 89.2 | 94.6 | 105.8 |
| Promotional Expenses | 16.0 | 17.0 | 19.4 |
| Media Advertising | 11.0 | 10.0 | 7.2 |
| Major Plant Repair Exp | 3.0 | 4.0 | 6.0 |
| Administrative Overhead | 6.2 | 7.2 | 8.0 |
| Net Income Before Tax | \$9.1 | \$8.2 | \$7.6 |

Table 2. 1996 Hot Dog Market Share, Pricing and Perception Statistics

| | Avg Price/Lb at Retail (Nationally) | Market Share Dollar Basis | Brand Recognition (1) | Quality Perception (2) | % Sold on Promotion |
|---|---|---------------------------------|-----------------------------|------------------------------|------------------------|
| <i><u>Brands of Diversified Co.</u></i> | | | | | |
| Stadium Brand | 1.88 | 6.8% | 34% | 88 | 49% |
| Hi-Top | 1.26 | 2.1% | 8% | 41 | 68% |
| Grillers | 1.03 | 1.3% | 6% | 39 | 68% |
| Big South | 1.52 | 3.6% | 10% | 69 | 61% |
| <i><u>Other Key Brands</u></i> | | | | | |
| 4 Kids | 2.14 | 21.2% | 35% | 73 | 38% |
| Dude Ranch | 1.49 | 5.1% | 11% | 54 | 59% |
| Star Of David | 2.99 | 2.7% | 13% | 96 | 24% |

(1) % of consumers who recall product when mentioned

(2) Rated 1-100 by consumers recognizing the product

Table 3. SFC Product Cost Information (last 12 Month average)

| | Direct Product Cost/lb | Manufacturing Overhead/lb | Total Cost/lb |
|---------------------|------------------------------|------------------------------|---------------|
| Stadium Franks | 0.60 | 0.20 | 0.80 |
| Stadium Lunch Meats | 1.22 | 0.40 | 1.62 |
| Hi-Top | 0.45 | 0.13 | 0.58 |
| Grillers | 0.31 | 0.09 | 0.40 |
| Grandpa's Hams | 1.62 | 0.52 | 2.14 |
| Quickee Weenies | 1.01 | 0.44 | 1.45 |

Note - Overhead rates are not equal since some products are manufactured at SFC's sister division plants and carry the rates of those facilities

Table 4. 1996 Product Sales Information

| Annual Sales | In Lbs (mm) | In Dollars (mm) |
|---------------------|-------------|-----------------|
| Stadium Franks | 65.0 | \$87.4 |
| Stadium Lunch Meats | 2.5 | \$4.7 |
| Hi-Top | 40.0 | \$30.4 |
| Grillers | 35.0 | \$17.0 |
| Grandpa's Hams | 5.0 | \$12.5 |
| Quicke Weenies | 1.3 | \$2.0 |

Table 5. 1996 SFC Hot Dog Manufacturing Capacity Utilization

| | Winter | Spring | Summer | Fall |
|---------------------------|--------|--------|--------|------|
| Plant One (120 mm lbs/yr) | 48% | 94% | 91% | 46% |
| Plant Two (80 mm/lbs/yr) | 46% | 92% | 93% | 48% |

Note: 10 million pounds of product can be produced in advance using a "deep chill" process. SFC has chosen not to utilize this approach because of a slight degradation in product quality that results.

Other Diversified Foods plants have the capacity to produce up to 10 million pounds of additional hot dog products for SFC, but not during the peak selling seasons.

Table 6. 1996 Promotional Rebates to Retailers (\$mm)

| | |
|---------------------|-------|
| Stadium Franks | \$8.0 |
| Stadium Lunch Meats | \$0.9 |
| Hi-Top | \$6.0 |
| Grillers | \$2.9 |
| Grandpa's Hams | \$1.2 |
| Quicke Weenies | \$0.4 |

Note: New products incurred unusually high promotional costs due to "slotting" fees paid to retailers in order to get the products into the stores. Whether a product continued to be carried depended on its performance at retail.

Note: 1996 P&L reflects needed accounting adjustments and can be assumed to be an accurate forecast of the final results for the year.