

Does international work experience pay off in terms of career success?

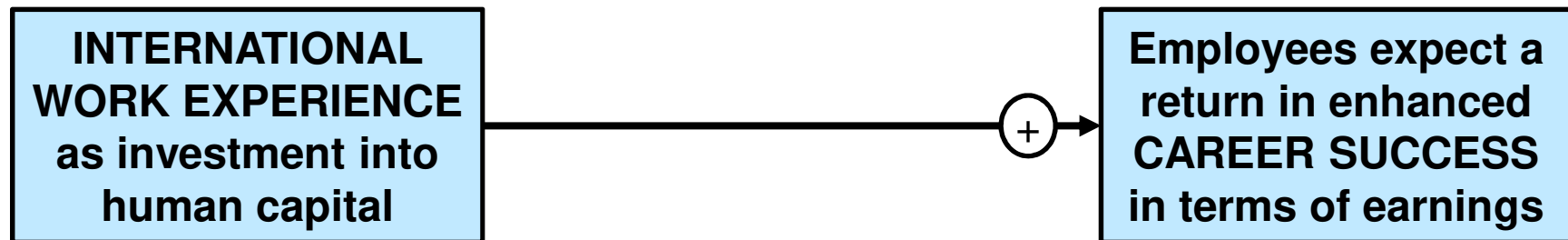
A multi-level perspective across countries



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Is international work experience a good investment in terms of career success?

Human capital theory:



(Brewster et al., 2011; Caligiuri & Tarique, 2012; Jokinen, 2010; Jokinen et al., 2008; Kraimer et al., 2009; Ng et al., 2005; Shaffer et al., 2010, 2012; Schultz, 1961)

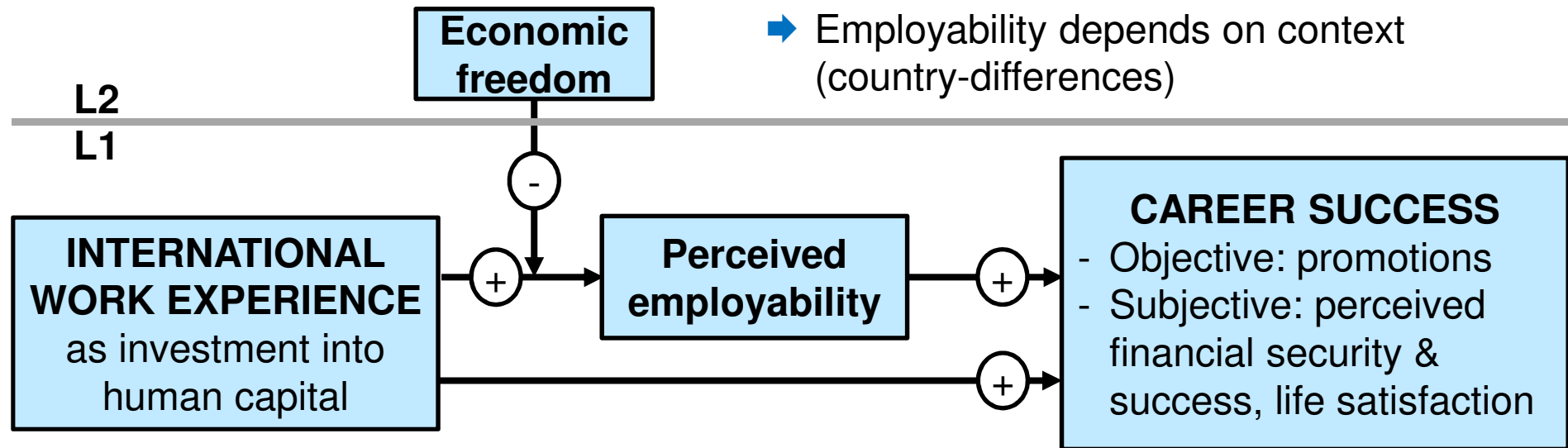
Investment decision:

direct costs (mobility-related; mental/stress) & opportunity costs (promotions foregone)
⇔ earnings

Critique:

- Too limited focus on earnings (return on *investment*)
- Need of additional consideration of “psychic” (*consumptive*) yield:
 - Enjoyment of IWE as long as it goes on and at the same time increases income expectations;
 - “Psychological gains” resulting from IWE during remainder of life span (Wiseman, 1970)

Is international work experience a good investment in terms of career success?



- ➔ IWE as (observable) objective education good turns into subjective good (disposition) via learning (Anderseck, 1988)
- ➔ Individuals' education good offered to employers needs to be valuable to increase employability (Becker, 1964; 1994)
- ➔ IWE positively relates to employability (Bücker et al., 2016; Crossmann & Clarke, 2010; Fontinha et al., 2017); **employability relates to career success** (De Cuyper et al., 2008; 2011; 2012; De Vos et al. 2001; Van der Heijden et al., 2009)

- ➔ Differences between objective and subjective career success (Ng et al., 2005)
 - Strong relationship with salary, promotions
 - No relationship with career satisfaction

Methodology



- **Sample and data collection**

- Sample: 19,421 individuals, 30 countries, representing all of GLOBE's 10 cultural regions
- Aim: to study careers across various national and cultural contexts
- Data: collected 2014-2016 - online or paper-and-pen survey

- **Variables**

- ***Individual level***

- International work experience (long-term; short-term; no experience)
- Perceived Employability: 3 items; $\alpha=0.77$; CR=0.77 (Janssens et al., 2003)
- Career success
 - Number of promotions (objective): 1 item
 - Satisfaction with financial security (subjective): 3 items; $\alpha=.75$, CR=.75 (Briscoe et al., 2014)
 - Satisfaction with financial success (subjective): 3 items; $\alpha=.77$, CR=.76 (Briscoe et al., 2014)
 - Life satisfaction (subjective): 5 items; $\alpha=.89$, CR=.88 (Diener et al., 1985)

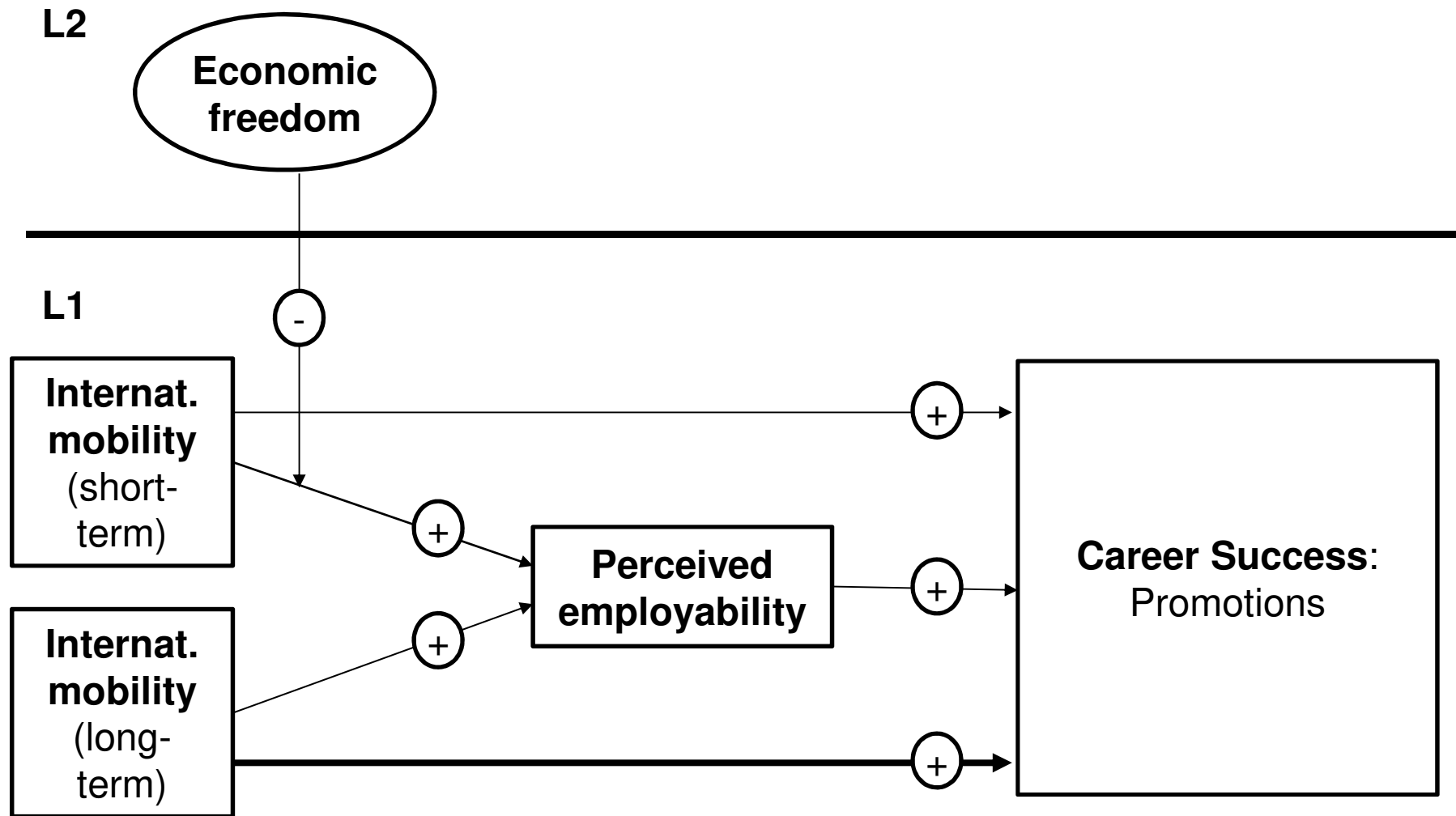
- ***Country level***

- Economic freedom (<https://www.heritage.org/index/about>)

- **Analysis**

- **Multi-level SEM – Mplus** (Muthén & Muthén, 1998-2017)

Findings: Promotions (1/4)



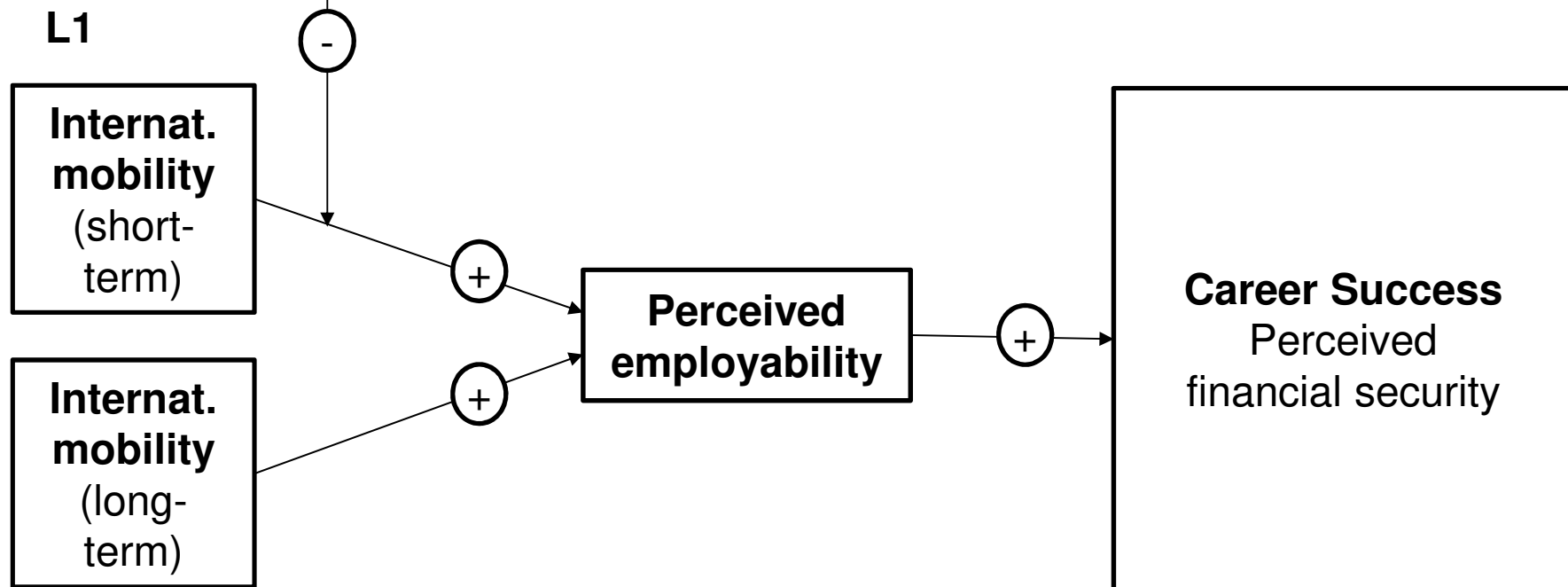
Findings: Perceived financial security (2/4)



L2



L1



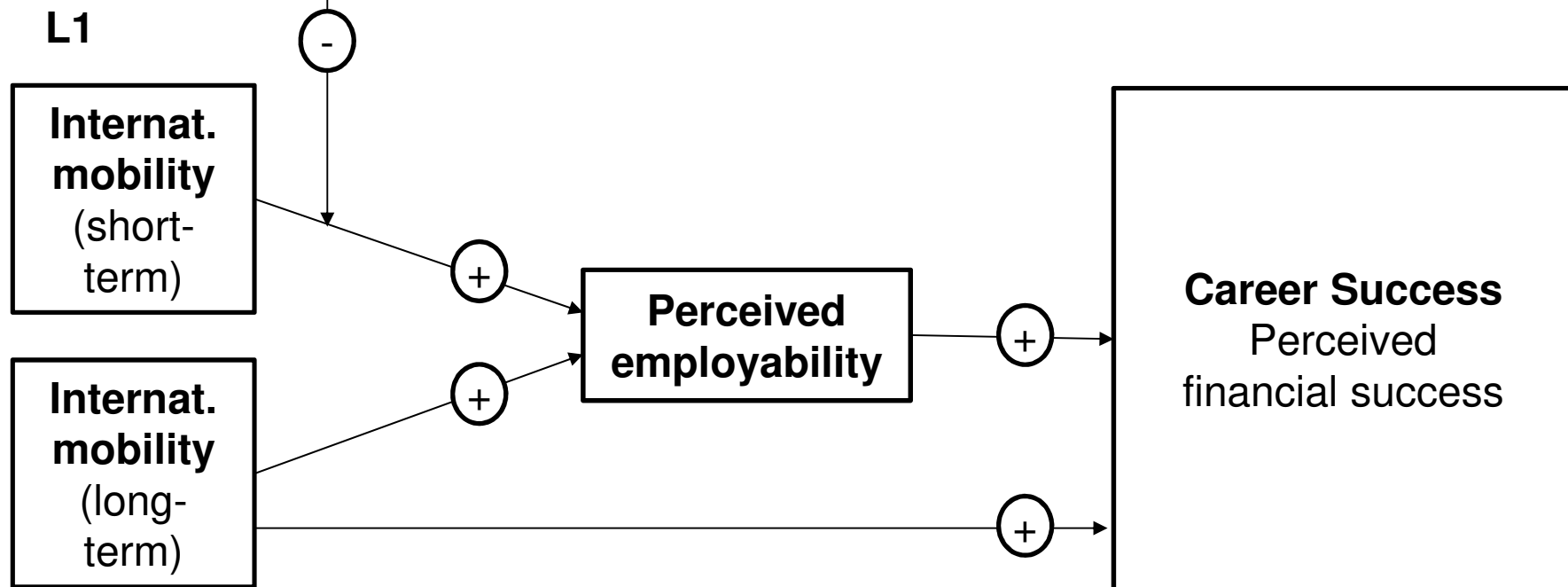
Findings: Perceived financial success (3/4)



L2



L1

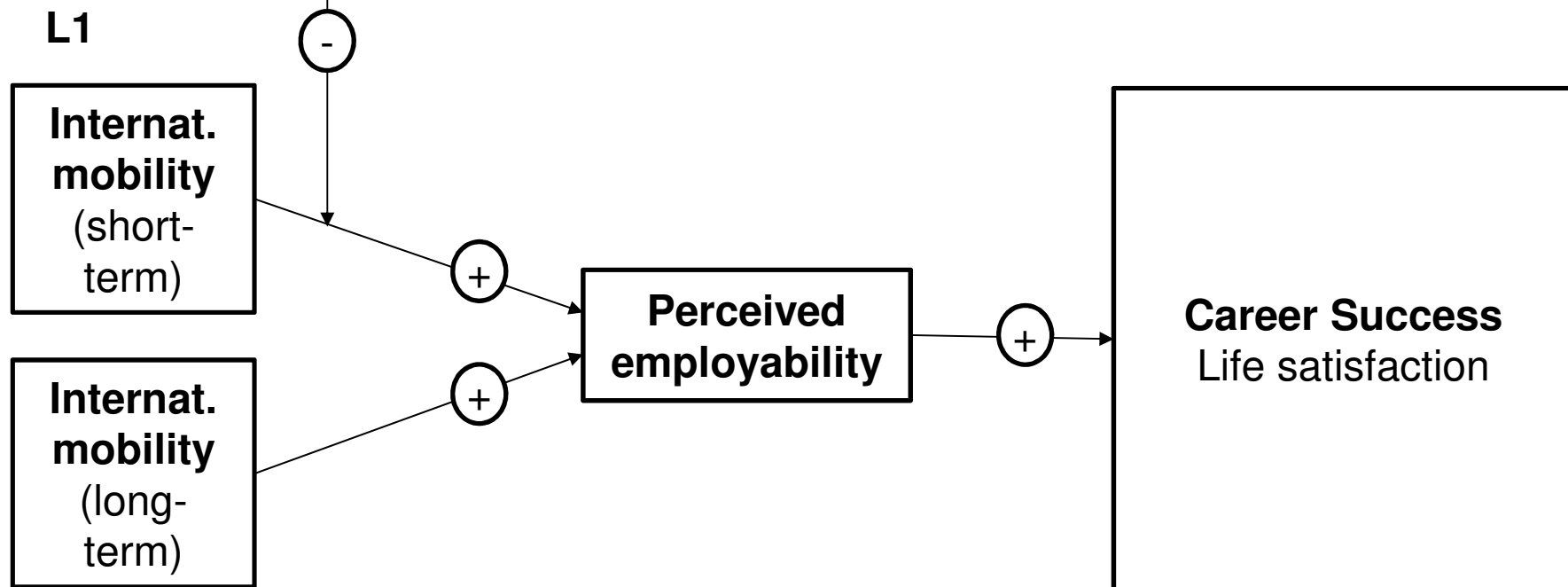


Findings: Life satisfaction (4/4)

L2



L1



Discussion



- **International work experience (IWE) as human capital or pure signal?**

In its most extreme form, the signalling literature maintains the hypothesis that IWE has no direct effect on improving an employee's skills, but rather serves as an informational device for identifying more and less talented people (Spence, 1973).

➡ Our focus is on long-term effects. Signaling is important in transitions; over time we should see the human capital effect (esp. expertise-based promotions).

- **Is IWE a good investment in terms of career success around the world?**

IWE directly relates to career success (promotions; perceived financial success)

- Longer IWE preferable in terms of promotions, perceived financial success;
- Shorter IWE positive effect on promotions only.

➡ Jobs offer different learning environments and opportunities.

Short-term IWE → more learning possibilities → lower wage; programme is implemented by a 'stepping stone' progression of positions (Rosen, 1972).

Discussion



- Internationally mobile employees predominantly benefit from their international sojourns in terms of their perceived **employability**.

Employability positively relates to both objective and subjective career success.

- ➡ Career success depends on employability perceptions. Human capital is inseparably linked to humans; more than a signal.
- Short-term mobility in low economic freedom countries is at once, more rare, more feasible and more likely to have more immediate employability impacts
 - reduced 'out of sight, out of mind' effect
 - individuals are provided with critical, differentiating experience

Limitations and Future Studies



- Broadest, largest sample existent including developed and developing countries ➡ Search for alternative explanation for universalist result
- Difficulties to calculate and interpret objective outcomes such as income in a multinational study and in view of different time spans since the IWE took place ➡ Focus on promotions and perceived financial security/success
- Sample: All repatriates ➡ Include also global careerists
- Investigate differences between short-term and long-term IWE more in depth, but with better measure
- Measure of employability focused on new employment, whereas employees' trust in keeping the present one would have been a valuable addition
- Cross-sectional design
 - hampers causal explanations of the results
 - does not allow testing long-term effects, e.g. IWE effects on subsequent career over time
- Self-report data makes the study vulnerable to CMV (but: objective data, e.g., IWE, economic freedom; applied procedural remedies, e.g. by protecting respondent anonymity)



THANK YOU
FOR
YOUR ATTENTION

Your questions and comments are welcome!