



**Effects of Expatriates on Perceived  
Performance of an Organization: The Case of Tabor  
Ceramics Product Manufacturing Share Company**

**By:  
Lilay Mahmud Usman**

**Advisor:  
Abraraw Chane (PhD)**

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Effects of Expatriates on Perceived Performance of an Organization: The Case of Tabor  
Ceramic Product Manufacturing Share Company

By: Lilay Mahmud Usman

**APPROVED BY BOARD OF EXAMINERS**

_____ Advisor	_____ Signature	_____ Date
_____ Internal Examiner	_____ Signature	_____ Date
Dr. Maru Shete (Assoc. Prof.)		27 June 2020
_____ External Examiner	_____ Signature	_____ Date
_____ Department Chairperson	_____ Signature	_____ Date

## DECLARATION

I declare that this thesis project for the partial fulfillment of Masters in Business Leadership is my own work. This project titled “Effects of Expatriates on Perceived Performance of an Organization: The Case of Tabor Ceramic Product Manufacturing Share Company” has not been copied and has not been submitted in any other university.

Declared by:

Lilay Mahmud Usman

Name

\_\_\_\_\_

Signature

08 July 2020

Date

## **STATEMENT OF CERTIFICATION**

This is to certify that Lilay Mahmud has carried out this project work on the topic entitled “The Effect of Expatriates on the perceived organizational Performance: The case of Tabor Ceramics Product Manufacturing Share Company”. This work is original in nature and it is sufficient for submission for the partial fulfillment for the award of Degree of Master of Art in Business Leadership.

Abraraw Chane (PhD)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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## **ABBREVIATION**

**FDRE** Federal democratic republic of Ethiopia

**CCIIDI** Chemical and Construction Input Industry Development Institute

**MOLSA** Ministry of labor and social affairs

**SPSS** Statistics package for social science

**EXPATS** Expatriates

**MNC** Multinational company

**BSC** Balanced Score Card

**HR** Human Resource

**HRM** Human Resource management

**IHRM** International Human Resource Management

**HRIS** Human Resource Information System

**SHRM** Strategic Human Resource Management

**UN** United Nation

**ROI** Return on Investment

**ROE** Return on equity

**ROA** Return on Asset

**TCPSCo.** Tabor Ceramic Products Share Company

**VIF** Variance Inflation Factor

**ANOVA** Analysis of Variance

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## ABSTRACT

*The purpose of the study was to examine the effects of expatriates on perceived performance of an organization, in the case of Tabor Ceramic Product Manufacturing Share Company. The effects of the expatriates were measured based on the selected independent variables which was Implementing of IHRM Practice, technology transfer, and well beings of expatriates and the dependent variables was the perceived organizational performance. The target population was 44 in numbers and all were local employees of the company. The study used quantitative research approach and descriptive analysis has been also deployed. SPSS for data analysis to determine the relationship and the effect of variables. In order to achieve the researches objectives, Questionnaires were prepared and distributed to the target population in the company and were self-administered by the researcher. The findings in this study was that Implementing of IHRM Practice, technology transfer, and well beings of expatriates have a positive effect on perceived organizational performance with its significance levels, separately and as an aggregate. Out of the three variables, well beings of the expatriates have the biggest effect on perceived performance. Lastly the researcher gave a recommendations based on the results that obtained from the analysis and these recommendations was that the company should give attention and standardize the international human resource management practices to get the best fit candidates with the jobs that needs special skills, since technology transfers have an effect on the perceived organizational performance, the company should prepare tools for the technology and knowledge transfer to get sustainable benefits from the expatriates and the company should have a package to keep the wellbeing of the expatriates to get an increased benefit from them.*

**Keywords:** *Standardize, IHRM Practice, technology transfer, well beings, perceived, organizational performance*

# CHAPTER ONE

## INTRODUCTION

*This chapter explains the background of the study, background of the company, statement of the problem, research questions, and objectives of the study, significance of the study, scope of the study, definition of terms and organization of the paper.*

### 1.1.BACKGROUND OF THE STUDY

In this Globalization era, the scope of conducting business gradually changed and also changing. In international business, there are a lot of elements that bring the performance of an organization.

W. L. Hill, (2004) states that, a large and expanding body of academic research suggests that a strong fit between human resources practices and strategy is required for high profitability. The superior Performance requires not only the best strategy but also the strategy should fit with the organizational architectures of the company. D.Wade, (2001) states that the organization architectures are the architecture that is an organization's culture (prevalent values, beliefs, assumptions); the administrative policies that drive behavior; business systems (e.g., planning, Budgeting); human resource systems (everything from recruiting and rewards to succession planning); the knowledge, skills, and abilities of the workforce; and the organization's structure (job design, reporting relationships, staffing levels)

W. L. Hill, (2004), An organization to be outperformer over its rivals in the global marketplace, there should be the right people in the right postings. The expatriates should get training to use their capacity appropriately and should let them to be congruent with the working cultures of an organization. Their compensation packages must create incentives for them to take actions that are consistent with the strategy of the firm, and the performance appraisal systems the firm uses must measure the behavior that the firm wants to encourage

Currently, lots of researchers identified the source of sustained high-quality productivity and competitive advantage falls on the quality human resource management. In the world's firms there is inappropriateness on the human resource managements. Researchers also recommend that whether it is domestic or international business firm to have the improvement plan on the effectiveness of their

organizational human resource functions. So, there should be improving the effectiveness of international HRM practices and it can have substantial performance benefits.

In an organization, there are different kinds or types of people or employees who have different skills and competencies for the achievements of the mission and goals of an organization. Within the organization the employees gathered from domestics' market and/or from the international markets. Now a day the world is nearer than ever so when an organization needs a special skill from all over the world, they post the vacancies on different tools on an international market places and get the employees from it, the employees that got on this process known as Expatriates. According to Hill, (2004), an expatriate manager is a citizen of one country who is working abroad in one of the firm's subsidiaries in multinational companies. But, with this study since the case is the local manufacturing organization when the author say expatriates it means that the employees that are selected and hired in domestic organization for the sake of special excellence's, skills as well as competencies that bring the competitive advantages over the multinational companies and also domestics within the country as well as all over the international business or Expatriates can be defined as employee who go or come from the other countries for the improvements of the productivity as well as technology and knowledge transfers to bring competitive advantages but since Ethiopia is not a manufacturer of technology when writer say expatriate he mean that foreign employees flow to the country for technology and knowledge transfers.

Within many years the international human resource management process has been a crucial part of the world's organizations and also it will be continuing in the future too. To achieve organizational goals, there are number of parts and out of it the human resource management has the major share. In one organization; there are a number of elements for the success of achieving organizational goals. On this study we focus on one specific element which are the human capital out of it employees who come from other countries for work in the local manufacturing firms in other words it means that we call it expatriates.

This study focused basically on the changes on the performance of the organization by the expatriates on the perceptions of the managements, team leaders, consultants, senior engineers and senior technicians within the cases of Tabor Ceramic Manufacturing Share Company. To make an organizational performance good or bad, there are many elements.

So, the study examined the implementation of the International human resource management (IHRM), implementation of technology and knowledge transfer and the well beings of the expatriates with

respects to the perceived organizational performance in the views of the target population of the employees of the company.

## **1.2.BACKGROUND OF THE ORGANIZATION**

Tabor Ceramic Products Share Company (TCPSCo.) is the sole local supplier engaged in the production and marketing of ceramic tableware, insulators, sanitary ware and tiles. It is located in Hawassa, southern part of Ethiopia and it was established in 1992 EC. with 208,321,000.00birr.

TCPSCo. was governmental until it was sold to private sector known as Althet investment and business group in 2003 E.C. Before it was privatized, the factory capacity was, table ware and sanitary ware 5tons/day and floor and wall tiles 800m<sup>2</sup>/day.

Currently, Tabor Ceramic Products Manufacturing Share Companies increased its production capacity to 12,000 tons of ceramic tiles and 2,000 tons of sanitary ware per annum or for ceramic tiles the capacity of the factory is 6000 square meter per day and for sanitary and table ware 25tons per day. This company is the only manufacturing company that produces sanitary wares and electrical insulators with different voltage in the country. The company also fully substitutes the imports of electrical insulators by local products.

The raw materials those are used for manufacturing ceramic wall and floor tiles, insulators, sanitary and table ware collected from different region of Ethiopia. Also some raw materials imported from Europe.

This company has 547 employees, out of it 44 employees are foreign employee and the rest of employees are local employees.

## **1.3.STATEMENT OF THE PROBLEMS**

Hiltrop & Janssen, (1990), sates that the globalization of market competition and the coordination of international activities are among the most important issues facing today's multinational and domestic organization. In order to deal with these issues, companies should adjust itself by standardizing the human resource management practices to get qualified staff. Similarly, the companies should work on the Psychological and mental comfort of the expatriates to have better performances and those companies should work on capacitate the domestic employees to get better advantages.

Dolan, (2007) states that HR management refers to those activities which organizations use to effectively and efficiently manage their employees. These activities include, HR planning, recruitment and selection, training, performance appraisal and compensation, among others. The issue is that when we

consider International Management, all of these activities become more Complex. Achieving these, IHRM practices to the company has been relations with the performances of the organizations because it used to get the right candidate to the right jobs to fill the gaps that identified by the company.

Gulilat, (2011) states that the technology transfer can be achieved through manuals, orientations, etc that come along with the technologies while the knowledge transfers are achieved through different mechanisms among it the direct key transfers, tea breaks and discussion rooms by socializing the expatriates with the domestic employees. Implementing of the technology and knowledge transfers tools within the company make the company to get sustainable competitive advantages.

Gomez-Mejia, Balkin, (1987) states that there are six factors that the expatriates usually fail with the respects of their well beings. These factors are, these are: career blockage, culture shock, lack of cross-cultural training, an overemphasis on technical qualifications, a tendency to use international assignments as a way to get rid of problem employees, and family problems. Avoiding of these factors to maintain the well beings of the expatriates also has an impact on the performances of the organization.

From observation and discussions, there are a lot of foreign employees in the manufacturing sectors. Similarly, in Tabor Ceramic Manufacturing Share Company which is domestic manufacturing company also has foreign employees 44 in numbers. In facts, these foreign employees have special experiences, skills and knowledges on their jobs and have better work ethics than the local employees, their expenses are much better than the local employees. Their salaries very high and they are paid in foreign currencies.

Being a close personnel to the company and as per discussion with the members of the company, the researcher has learned as there is no clear definition on the information that showed the standards which the company used to hire the foreign employees and also during the working periods of the expatriates the procedure that the company followed to retain their knowledge by means of knowledge transfers to the domestic employees and also there was no defined procedures that company followed to keep the well beings of the expatriates to get better performance from them. Moreover; there was not responsible organ to handle the above-mentioned tasks and these makes the company behind other companies in Ceramic industries.

Thus, the researcher believes and decided to examined the effects of the three independent variables which are implementation of IHRM, implementation of technology transfers tools from the expatriates and the well beings of the expatriates on the dependent variables which are organizational performance

with the perceptions of the management teams, team leaders, senior technicians, senior engineers and consultants of the company.

#### **1.4.RESEARCH QUESTIONS**

Based on the problem statements which are explained above, the research question was answered the following research questions

- ✓ What are the gaps in the in implementation of IHRM practice with in the company?
- ✓ How does the organization control the technology transfer from the expatriates within the organization?
- ✓ How the company keeps the wellbeing of the expatriates?
- ✓ What is the Managements Perception on organizational performance from Expatriates?

#### **1.5.OBJECTIVES OF THE STUDY**

##### **1.5.1. GENERAL OBJECTIVE**

To assess the effects of the expatriates on the perceived organizational performance of Tabor ceramic product manufacturing share company

##### **1.5.2. SPECIFIC OBJECTIVES**

The specific objectives of this study are:

- i. To examine the implementation of IHRM practices within the organization
- ii. To assess trends of the company on the technology and knowledge transfer practice from the expatriates.
- iii. To determine the relationship between the perceived organizational performance with the well-being's expatriates within the company
- iv. To check the effects of the variables separately and also as an aggregate on the perceived performance and identify the variables significance level

#### **1.6. SIGNIFICANCE OF THE STUDY**

There are many more demands of foreign employee to work here; the outcomes of this research would be balance the number and quality of the foreign employee with respect to their role on organizational performance. This research was analyzing the three independent variable (implementation of the

International human resource management (IHRM), implementation of technology and knowledge transfer and the well beings of the expatriates) in what ways that have an effect on the dependent variable (the perceived organizational performance).

This research was identifying the relationship between the variables in a separate and aggregate ways and this helps the organization to have a focus on which areas related to the expatriates or foreign employees.

This study may serve as an input/ reference for future researchers who are interested to study in such related areas.

### **1.7. SCOPE OF THE STUDY**

The research was focused on the effects of foreign expatriates on perceived organizational performance with the case of ceramic industries in Ethiopia particularly Tabor Ceramics Product Manufacturing Share Company. Since the research conducted on the perception of the management team, team leaders, consultants, senior technicians and senior engineers on the effect that the organization obtained from the foreign employees or expatriates. This was conducted on the three independent variable related to these expatriate which have an effect or a change on the perceived organizational performance of the company. The three independent variables were implementation of the International human resource management (IHRM), implementation of technology and knowledge transfer and the well beings of the expatriates within the company. The dependent variable was also the perceived organizational performance.

The target population were the management teams, team leaders, consultants, senior technician and engineers of the company that were all local employees.

The research was conducted on the effects of perceived performance from expatriates so when the researcher says performance it can include the financial, marketing, quality of product, shareholder values, the innovation and learning and internal process with respect to the target populations perception and their subjective responses.

### **1.8. LIMITATION OF THE STUDY**

This research highly depended on the perception of management teams, team leader, senior technicians and engineers and consultants working for the TCPSc. The number of this target population was 44. Due

to the pandemic disease (COVID 19), some of the employees was unavailable on their office. Therefore, it was forced the researcher to use senses.

Since the universities of the country have been closed due to COVID 19, it was difficult to access recent books and articles from the physical and digital library of the university and this forced the researcher to use normal internet access to download and refer free articles and books that related to the topics of the research.

## **1.9. ORGANIZATION OF THE PAPER**

The research is organized in five chapters. The first chapter is about the introduction, the second chapter is about the literature review and the third chapter is about the research methodology. Data analysis and presentation will be explained on chapter four and chapter five will give the summary of findings, conclusion and recommendation.

## **1.10. DEFINITIONS OF TERMS**

- **Expatriate:** Someone who does not live in his own country or someone who moved from his own country to other country for the sake of jobs.
- **Perceive:** To become aware of directly through any of the senses, especially sight or hearing. To achieve understanding of; apprehend.
- **Organization:** a group of people who coordinate their activities, you have an organization. In other words, they work together towards a common goal.
- **Performance:** an organized group of people with a particular purpose, such as a business or government department.
- **Perceived Performance:** The degree to which a person believes that using technology will enhance his or her performance. Perceived Performance of the Human Resource Information Systems (HRIS) and Perceived Performance of the Management of Human Resources (HRM)
- **Knowledge:** facts, information, and skills acquired through experience or education; the theoretical or practical understanding of a subject or awareness or familiarity gained by experience of a fact or situation

- **Technology:** the application of scientific knowledge for practical purposes, especially in industry, the branch of knowledge dealing with engineering or applied sciences.
- **Knowledge Transfer:** refers to sharing or disseminating of knowledge and providing inputs to problem solving
- **Technology Transfer:** the transfer of new technology from the originator to a secondary user, especially from developed to developing countries in an attempt to boost their economies

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1. THEORETICAL REVIEW**

*This chapter reviews literature on the variables in the research.*

##### **2.1.1. INTRODUCTION**

*The main objective of this study was to determine the effect of foreign employees on the perceived organizational performance of Tabor ceramic manufacturing share company. Regarding to this study, it focused on the definition and conceptualization of the foreign employees or expatriates' and the perceived organizational performance. It also assessed the literature and previous studies which are linked between Expatriates and perceived organizational performance. The information was searched according to the scope of the project and literature was gathered to establish theoretical framework. The concepts were built to find background about Expatriates and their link to the perceived performance of an organization.*

*This chapter is based on the research questions and subtopics to further cross-examine the questions. The first section of the chapter reviewed literature surrounding Expatriates'. The second section reviewed literature on the technology and knowledge transfers, the third section is reviewed literature on the effect of perceived organizational performance. The last section explores the role of Expatriates on organizational performance using financial perspective, customer perspective, internal business perspective and innovation and learning perspective. And the last section is about empirical review about Expatriates and Perceived organizational performance.*

##### **2.1.2. WHAT IS EXPATRIATES?**

According to Hill, 2011, expatriate can be defined as an employee citizen of one country working in another. Hiring of an expatriate abroad is a long process and starts with selecting the right candidate for the job. Later on the expatriate begins training to prepare for living in another country; cultural training, language training and practical training. On the previous era, the nature of international assignments was being result oriented or only get the Job done but nowadays it changes to transfer skill's and knowledge's to the subsidiaries from the headquarters (Minbaeva & Michailova, 2004). There are so many researches

that show sending expatriates to abroad for work have been popular (MacDonald and Arthur, 2000, Hill, 2011, Kjerfve and McLean, 2012,).

Most Researchers write expatriates as a channel of technology transfer for multi-national companies as well as domestic companies. Santacreu-Vasut and Teshima, 2016 study the links between foreign employees, technology transfer and local institutions for both foreign owned and domestic manufacturing plants in Mexico. According to Santacreu-Vasut and Teshima, 2016 investigation, if technology transfer by foreign employees were being managed well manners in Mexico, there might be minimizing the machinery purchase to the domestic owned companies. With respects to the context to Ethiopia, the technology, knowledge transfers, their barriers or determinants, tools to transfer technology, etc are explained in details.

#### **2.1.2.1. INTERNATIONAL HUMAN RESOURCE MANAGEMENT PRACTICES**

As M. Bornay-Barrachina,(2019) sighted HR management refers to those activities which organizations use to effectively and efficiently manage their employees. These activities include, for example, HR planning, recruitment and selection, training, performance appraisal and compensation, among others. Among the most important processes which HR departments develop are:

- **HR Planning:** Which, setting out from the aims and the strategy that the organization has established for a specific time horizon, means determining what the need for and availability of present and future staff are.
- **The Analysis of the Job Position:** Where the aim is to know both what the job involves and what is required to correctly carry it out.
- **Recruitment and Selection:** Of staff for organizations, through which internal and external processes are set up to find candidates for jobs.
- **Training and Career Management:** By which the organization increases the human potential and develops the individual through training and the opportunity of promotion and development within the organization.
- **Performance Appraisal and Remuneration:** By which organizations measure the performance of individuals and design the most appropriate systems of compensation for motivating and retaining valuable employees.

The issue is that when we consider International Management, all of these activities become more complex (Dolan et al., 2007).

#### **2.1.2.2. TECHNOLOGY**

As Sonmez, (2013) define Technology here with a broad meaning to include product and production process technology as well as knowledge and skills including management, marketing, organization, know-how, international markets, and global production networks. Some authors need to narrow the scope of the technology and grouped it into two types, namely, “hardware” and “software” technology (Techakanont, 2002). The technology embodied in physical goods as “hard technology” (such as machinery, equipment, blue prints, and technical specifications), while the knowledge embodied in workers’ experience and skills in terms of product and production process as “soft technology”.

#### **2.1.2.2. KNOWLEDGE: Explicit and Tacit Knowledge**

To be able to understand the knowledge transfer process, a definition of knowledge must be presented. According to Mazloomi & Jolly, (2008) a company’s knowledge package is crucial for the creation of a competitive advantage. The knowledge management literature argues that a company’s knowledge package can include technological knowledge, knowledge about global markets, laws in different markets, protection of intellectual property in different countries and knowledge about how to do business in different markets and partnerships (Mazloomi & Jolly, 2008).

According to Merriem-Webster dictionary (2016), Knowledge is awareness or familiarity gained by experience of a fact or situation or it is acquaintance with or understanding of a science, art, or technique. Commonly knowledge can be classified or grouped in to two which are explicit and tacit (Bou-Llusar and Segarra-Cipre’s, 2006 Crowne, 2009;). Explicit knowledge can be defined as knowledge which can be codified, taught and transferred easily. Explicit knowledge is easier to share with other individuals and to formalize. How to spell is an example of explicit knowledge as it easily can be taught and transferred from teacher to student (Norling & Retz, 2013). The other one is Tacit knowledge which is not formalized and usually described as personal knowledge that an individual learns and cannot easily be transferred to another individual (Bou-Llusar & Segarra-Cipre’s, 2006). Crowne (2009) argues tacit knowledge has been seen as unique, providing the company with unique competitiveness. The valuable knowledge is often of the tacit kind, giving extra incentives for companies to focus efforts on transferring this type of knowledge, even if it is more complicated than with explicit knowledge (Minbaeva &

Michailova, 2004). An example of tacit knowledge is how a waiter builds up an understanding - a feeling - for timing orders and bringing the check. Personal contact is important due to the difficulty of codifying tacit knowledge (Crowne, 2009).

**Social Capital** One type of tacit knowledge in the knowledge transfer process is according to (Makela, 2007) social capital. Social capital refers to the resources available to people and entities because of their networks. The assets we possess by virtue of the social relations that we develop and maintain, and the shared values, which arise from those networks, make up social capital. Makela, (2007) refers to social capital as assets resulting from networks of relationships. When it comes to trust and sharing knowledge, Makela (2007) argues that relationships built up during a period by an expatriate are stronger than cross-border relationships. Coordination and integration between a company's different operations, domestically as well as internationally, is one of the most important parts of gaining a competitive advantage. Therefore, it is no doubt that expatriation is a possible source of improved and sustained knowledge sharing within a company, and in extension also improving a company's international strategies (Whelan & Carcary, 2011).

In sum, according to Andriessen, (2004) the term "technology" includes both explicit and tacit knowledge here. However, in his study he categorizes the term knowledge transfers to the tacit knowledge and technology transfers to the explicit knowledge's.

### **2.1.2.3. KNOWLEDGE AND TECHNOLOGY TRANSFER**

"Technology transfer" here means is the process through which technology is intentionally transmitted between countries or firms. In other words, we define "technology transfer" as the direct type of the spillovers that occurs voluntarily from technology source (such as multinationals or foreign firms) to recipient (such as local firms, affiliate of multinational or suppliers in host country) by way of embodied in the equipment supplied (such as machinery, manual, and equipment) or disembodied in the forms of software, patents, knowledge, or knowhow and skills provided by training and education activities (Eardley & Uden, 2011). The term of technology transfer in its broadest sense defines the process of creation of the knowledge, skills and experience by the recipient of the technology, as a direct result of the contributions of the sources from where the technology is provided. Understanding the transferred technology well, absorbing it, and adapting it to the local conditions, ensuring its maintenance, sustainment and effective use, by the recipient of the technology (Eardley & Uden, 2011).

“Knowledge transfer” and “technology transfer” concepts are used interchangeably in innovation and development literature. Nevertheless, while “technology transfer” involves rather the transfer of capital goods such as machinery and equipment, “knowledge transfer” includes mostly transfer of tacit Knowledge such as knowhow, management, and technical skills. Knowledge transfers seem to be more important than technology transfers since they ensure learning of new information, technical and organizational skills (Machado & Davim, 2014).

A basic and general reasoning about knowledge transfer is that it includes two parties, one transmitter - the source, and one receiver - the recipient (Kumar & Ganesh, 2009). It is also argued by Bou-Llusar & Segarra-Cipre’s (2006) that successful knowledge transfer is dependent on the intensity of the relationship between the transmitter and recipient. It is well documented in previous knowledge management literature that organizational trust is a cornerstone for knowledge transfer (Mazloomi & Jolly, 2008). Some go even further with the discussion and equalize trust with knowledge transfer (Sankowska, 2013). Trust is important for knowledge transfer since it encourages people to take risks and facilitate the exchange between the source and receiver. Trust is needed for successful cooperation and quality of communication within a company (Mazloomi and Jolly, 2008; Sankowska, 2013).

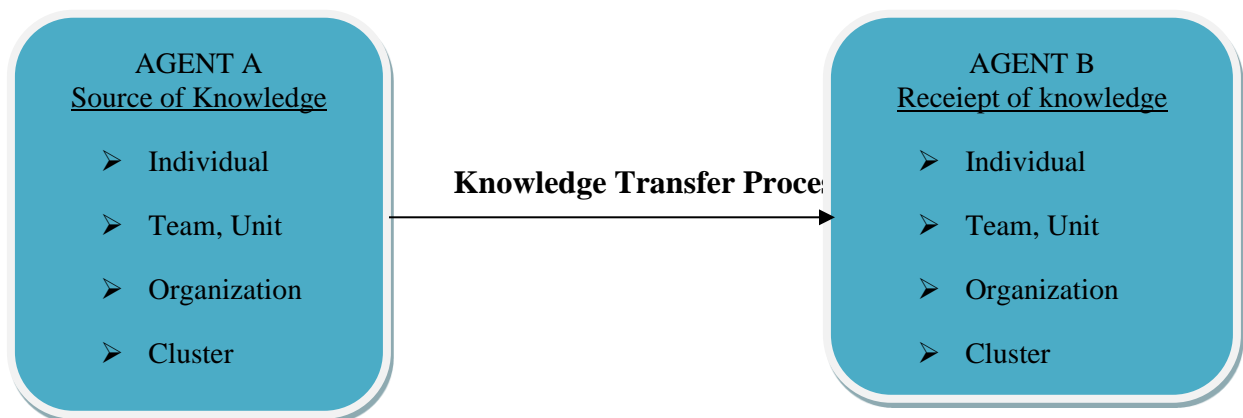


Fig.2.1. A simple model developed by Kumar and Ganesh, 2009

According to Martensson (2009) divides knowledge management in four stages.

1<sup>st</sup> stage. Acquiring

2<sup>nd</sup> Stage. Storing and organizing the knowledge

3<sup>rd</sup> Stage. Making the stored knowledge accessible for other people within the organization.

4<sup>th</sup> Stage. Takes place; the acquired, stored and distributed information is used and shared in different forms

The most important one out of the four stages within the company is the fourth one which is takes place the acquired, stored and distributed information is used and shared in different forms. It is important to bear in mind that the phase where the knowledge is physically shared has been preceded by several steps Martensson (2009).

It is important knowledge transfer to local employee from the trusted expatriate for the upgrading of company performance. When it said knowledge transfer or knowledge sharing, it means that there includes both transmitter and receivers. The information has to be sent and received; otherwise the transfer is not complete (Kumar & Ganesh, 2009). Thus, a successful knowledge transfer requires both an expatriate capable of providing knowledge, and local employee capable of acquiring it.

#### **2.1.2.4. FORMS OF TECHNOLOGY TRANSFER**

Most Literature categorizes forms of technology transfer in three ways: Operational technology, Improvement technology and Development technology (Machado & Davim, 2014).

- **Operational Technologies:** Operation Management, Maintenance, Quality control, Production management.
- **Improvement Technologies:** Technology improvement, Molding, Design, Process improvement.
- **Development Technologies:** Product development, Equipment development, new process technology, Engineering of new design, R&D of new products.

#### **2.1.2.5. DETERMINANTS OF TECHNOLOGY TRANSFER**

As per (Siegel & Wright, 2015) in the light of literature, key determinants can be categorized under four headings:

- Absorptive Capacity of the recipient Nation/Company/Individual
- Intensity of Technology Transfer Efforts of the recipient Nation/Company/Individual
- Technological Gap

- **Absorptive Capacity** Technology diffusion/transfer does not automatically occur; it requires the recipient to have a certain “knowledge base” and “technological capability” to collaborate successfully with source so that it can absorb and adopt such technologies (Marr, 2005). Absorptive capacity is defined as an ability to internalize technology created by foreign firms and modifying it to fit their own specific applications, processes, and routines.

The success of a firm to absorb and to internalize efficiently transferred technology depends also on “the institutional and organizational framework, infrastructure, and the processes that create and distribute scientific knowledge, cultural, political and financial structure of the host country (Lin, Edvinsson, Chen, & Beding, 2013).

- **Intensity of Efforts** Refers to the activities of local firms to solve technical problems encountered in production, and represents a firm’s physical energy and intellectual entrepreneurship to internalize and to convert foreign technology (Marr, 2005).
- **Technological Gap** “Technology gap” term is used to refer to the absorptive capacity and it is simply defined as the distance between source (home country or foreign firms) and recipient (host country or local firms) in terms of technological competence and development level (Kuipers, Klopčič, & Thomas, 2005)

#### 2.1.2.6. TOOLS OF TECHNOLOGY TRANSFER

After determining the obstacles or determinants of the knowledge transfer, the processes are identified and it is of importance to understand what can be done to avoid these. Chang et al. (2012) promotes three important abilities that expatriates should possess in order for the knowledge transfer to be as successful as possible:

- **Ability** - as they have to be able to perform their work in different environments
- **Motivation** - as the expatriate should be able to continue working for the transfer of knowledge even if difficulties arise
- **Opportunity seeking** - as the social relations are said to be crucial for the knowledge transfer to be successful, an expatriate that interact with other expatriates with a common background, but also with people outside this sphere, can add to the opportunities for knowledge transfer

### **2.1.2.7. PSYCHOLOGICAL WELLBEINGS OF EXPATRIATES**

X. Wang, (2001) define that Expatriate adjustment is a process in which the expatriate interacts with the social aspects of the local environment to obtain psychological well-being. In turn, an expatriate's psychological well-being at one point in time will influence the expat's next interactions in the local environment. The impact of social support on expatriate psychological well-being and their performance can be predicted as to be moderated by cultural distance, role characteristics and locus of control of expatriates. The other support type which is the immediate factor of expatriates psychological wellbeing is Spousal support.

### **2.1.3. CONCEPTS OF ORGANIZATIONAL PERFORMANCE**

According to (Allen, Dawson, Wheatley and White, 2006), Organizational performance there is great debate in the performance measurement literature regarding whether the use of objective or subjective measures provides the most valid results. Both types of measures carry with them advantages and disadvantages. Objective measures tend to be more concrete but are often limited in scope to financial data. They often limit the breadth and scope of organizations that can be included in a study since organizations from a single industry are needed for valid comparison purposes with objective measures. Subjective measures on the other hand lack concreteness or reproducibility, but often provide the researcher with a richer description of the effectiveness of an organization with respect to their competitors. Subjective measures allow a broader range of organizations to be compared within a single study. Researchers are not confined to studying comparable organizations from only a single industry. Thus, the generalizability of the findings is bolstered by using subjective measures. Subjective measures also include the perceptual component of analysis.

This research focuses the thinking of firm performances by the management teams of the company on the foreign employees or expatriates. When it said organizational performance, it is important to consider a wide variety of potential organizational performance measures. This research considers firm performance relative to the competition from multiple organizational perspectives including quality, productivity, market share, profitability, return on equity, and overall firm performance (Allen, Dawson, Wheatley and White, 2006).

**Organizational performance** involves analyzing a company's performance against its objectives and goals. In other words, organizational performance comprises real results or outputs compared with intended outputs. The analysis focuses on three main outcomes, first, shareholder value performance;

second, financial performance; and third, market performance. Many types of professionals, including strategic planners, focus on organizational performance. The term has a similar meaning to ‘**organizational effectiveness.**’ However, ‘organizational effectiveness’ covers a broader area

- ‘**Organizational**’ is the adjective of ‘organization.’ An organization is an organized group of individuals with a specific purpose.
- ‘**Performance**’ is the process or action of performing a function or task. We perceive it regarding how successfully the person carries out that function.

The three areas of Organizational performance (Surhone, Tennoe, Henssonow,2011)

- **Financial performance**

Financial performance refers to measuring a company’s operations and policies in monetary terms. In other words, in terms of value in dollars, pounds, euros, Birr, Yenn etc. A company that can be considered as good financial performer when it achieves good return on assets and return on investments as well as it can be gauged as its financial performance by measuring value added.

- **Market performance**

Market performance measures how well a company or product performs in the marketplace. In other words, whether a product’s market share has risen, if product upgrades helped boost sales, etc. When it is talking specifically about a product rather than the whole company, it can say ‘product market performance.’

- **Shareholder value**

Shareholder value performance looks at how much a company enriches its shareholders. In fact, many say it is the ultimate organizational performance measure.

**Shareholder value maximization** and **shareholder value model** mean the same as shareholder value. Shareholder value may also refer to a company’s market capitalization. Believers in the free market capitalist system say that shareholder value should be senior management’s top priority.

#### **2.1.4. PERCEIVED ORGANIZATIONAL PERFORMANCE**

According to (Camelli, Gilat and Waldman, 2007), the status and prestige of an organization is often a reflection of its achievements or performance. Their study on employee identification, adjustment and job performance, there are two forms of organizational performance which are labeled as a perceived Social responsibility and development and a perceived market and financial performance which are associated with organizational identification. When compared the two perceived organizational performance, the perceived social responsibility and development had larger effects on organizational identification rather than perceived market and financial performance.

As (Iscana, Ersarib, Naktiyokc, 2014), highlighted by comparing the two types of leadership style which are the transformational leadership and the transactional leadership, on employees thinking or perception the transformational leadership style is more effective than the transactional leadership on the perceived organizational performance.

Most of the time the time the leadership concept argued in business world and the two business functions in business enterprises are Marketing and Innovations. So, leadership will be the key for the success of the organization.

### **2.1.5. HOW DO PERFORMANCE MEASURES IN AN ORGANIZATION?**

There are five key steps to measuring organizational performance.

- A. Be clear on the direction
  - B. Set SMART goals (Specific Measurable Actionable Relevant Timely)
  - C. Determine what is critical to measure.
  - D. Implement changes and measure outcomes.
  - E. Ensure everything that is measured ties back to the overarching organizational goals. Adjust measures as needed
- A. Be clear on the direction

There are many ways to measure organizational performance and determining the appropriate tool to use for your organization or department comes from first understanding “why” your department or organization exists. An organization’s vision, mission, values, and strategic plan can be helpful in

understanding the purpose of the organization. The key to organizational performance is to first be crystal clear on where you are trying to go.

#### B. Set SMART goals

Once the goal identified, it's time to set some goals to strive to achieve in order to meet the purpose of the organization. At some point in your career, you probably learned about SMART goals, so this is a quick reminder. Goals should be set to assure they meet these five basic criteria: Specific Measurable Actionable Relevant Timely

#### C. Determine what is critical to measure.

For each of these SMART goals, be clear you have a measure available to assess performance or create a meaningful measure for this purpose. Without these critical measures, you will have no idea if you are better off this year than you were last year or whether those "improvements" you made actually improved performance.

#### D. Implement changes and measure outcomes.

Once you know where you are going, have SMART goals to get you there, and clearly know how to measure this performance, it is time to determine what you need to do to achieve these goals. When the appropriate measurement components are in place, you can move quickly with finding changes that work because you can assess the performance each step of the way (via the measurement tools) and make rapid adjustments to the changes to improve performance.

#### E. Ensure everything that is measured ties back to the overarching organizational goals. Adjust measures as needed.

A measure worked for last year, does not mean it is the right measure or goal this year. Measures should be looked at regularly and adjusted as appropriate. As the direction of the organization and the goals change, the measures should also change. As the organizational performance improves, some measures may become obsolete and others become important. Continue to use a critical eye to ensure that the goals, and therefore measures, tie to the overall purpose of the organization.

*(Source: The center for organizational effectiveness)*

## **2.2. EMPRICAL REVIEW**

In this part most of the researcher's conducted on the expatriates who are given assignment on the other countries or host countries from the parent countries for multinational companies. Most of the researches are on the expatriate's success, on Expatriates performance, on the cultural adjustments, on determinants, on Knowledge transfers and so on.

On performance, there are a number of researches that are conducted on performance measurements but there are limited number of researches that are conducted on perceived organizational performance as the same time there is no research that are conducted on the expatriates on perceived organizational performance in other countries as well as in Ethiopia.

For our consumption, on this empirical review I tried to gather articles, books, reports and so on which are comparatively related with this research topic.

### **2.2.1. EMPRICAL REVIEW ON EXPATRIATES AND PERCEIVED PERFORMANCE**

Silegren, (2014), Analysis of expatriate performance measurements criteria through the parent company point of view and he pointed out on his research, in order to evaluate whether the expatriates are performing well, an organization needs a measurement system capable of crossing borders. If you cannot measure and know exactly which expatriates succeed, perform exceptionally or just mediocre, then trying to adjust your leadership style of them is downright impossible. This same principle applies to researchers. If they are unsuccessful in their attempt to measure job performance of expatriates, the results of their empirical studies do not hold the same significance if they had been properly attained. And also he pointed out being able to accurately measure expatriate performance is a crucial and largely significant concept to both organizations and researchers.

Wilson and Dalton (1998), International success Selecting, Developing and supporting Expatriate manager pointed out two considerations which are Long term consideration(On-the-job Development) as well as short term considerations(Outbound Transition and Family Adjustment) on long term considerations they conclude that Expatriates effectiveness is the result of technical or professional or functional expertise and managerial expertise and also business expertise as well as cross cultural expertise and short term consideration they conclude that Proactively facilitating the manager's outbound transition and the family's adjustment can alleviate much of the confusing uncertainty associated with relocation and make the expatriate more productive more quickly.

Khedr, (2011), *Expatriate Adjustment Revisited: An Exploration of the Factors Explaining Expatriate Adjustment in MNCs and UN organizations in Egypt*, some her points are Results on MNCs suggest that perhaps long-term secondments work better due to the need to develop deep-level understanding of the culture, especially as data showed the significant positive relationship of time with adjustment.

Dr. Rossano V., 2018, *How Strategic International Human Resource (IHR) Strategies can manage Organizational Performance Challenges* pointed out that In his conclusion, International Human Resource (IHR) strategy that must consist of strategic HRM (SHRM) theory to determine the best HR practice(s) when conducting job analysis and also measure of employees' skill sets. And also explained how employment evaluation program should allow human resource managers to select candidates based on cultural diversity attributes. Finally, he addressed why and how competency-based training helpful to define behavior variables for specific technical requirements and the human resource Strategic Planning Practices should be used with Cultural Leadership Theory leadership dimensions to conduct International Performance Management Plan in resolving International Labor Laws challenges in any business market to achieve organizational strategies and goals.

As Michael Salegren sighted, Countless studies have examined how expatriates operate (Black 1988), deciphered why certain individuals succeed, while others fail (Caligiuri 2000, Shaffer, 2006), as well as how to measure their performance (Caligiuri 1997, Kraimer, 2001). The research of expatriates is different than the study of general or domestic employees because expatriates are particularly important individuals that venture out on international assignments and are presented with a unique set of challenges not common or as prevalent in a domestic context.

### **2.2.2. EMPERICAL REVIEW ON AN ORGANIZATIONAL PERFORMANCE**

Gosselin (2005), the results show that manufacturing firms continue to use financial performance measures. Despite the recommendations from experts and academics, the proportion of firms that implement a balanced scorecard or integrated performance measurement systems is low. Furthermore, organizations that use these approaches are not employing more extensively non-financial measures than those which are applying traditional performance measurement approaches. The project that he conducts also shows that there are some significant relationships between the types of measures and contextual factors like strategy, decentralization and environmental uncertainty. Finally, he demonstrates clearly that there is a need to develop a theory that explains how firms can use their performance measurement system to enhance their performance.

**2.3. CONCEPTUAL FRAMEWORK**

This study conducted on the effects of expatriates on the perceived organizational performance which means when a domestic company hires foreign employees there should be a difference in a company’s performance on different perspectives like financial, customers, internal process as well as learning and innovations (Kaplan and Norton, 1992)

In this study there was a link between implementing of the IHRM practice to the performances of an organization, the was also a link between implementing of the technology and knowledge transfer to the organizational performance as the same time there a relationship between the wellbeings of the expatriates with the organizational performance with respects to the views of the target population in the company.

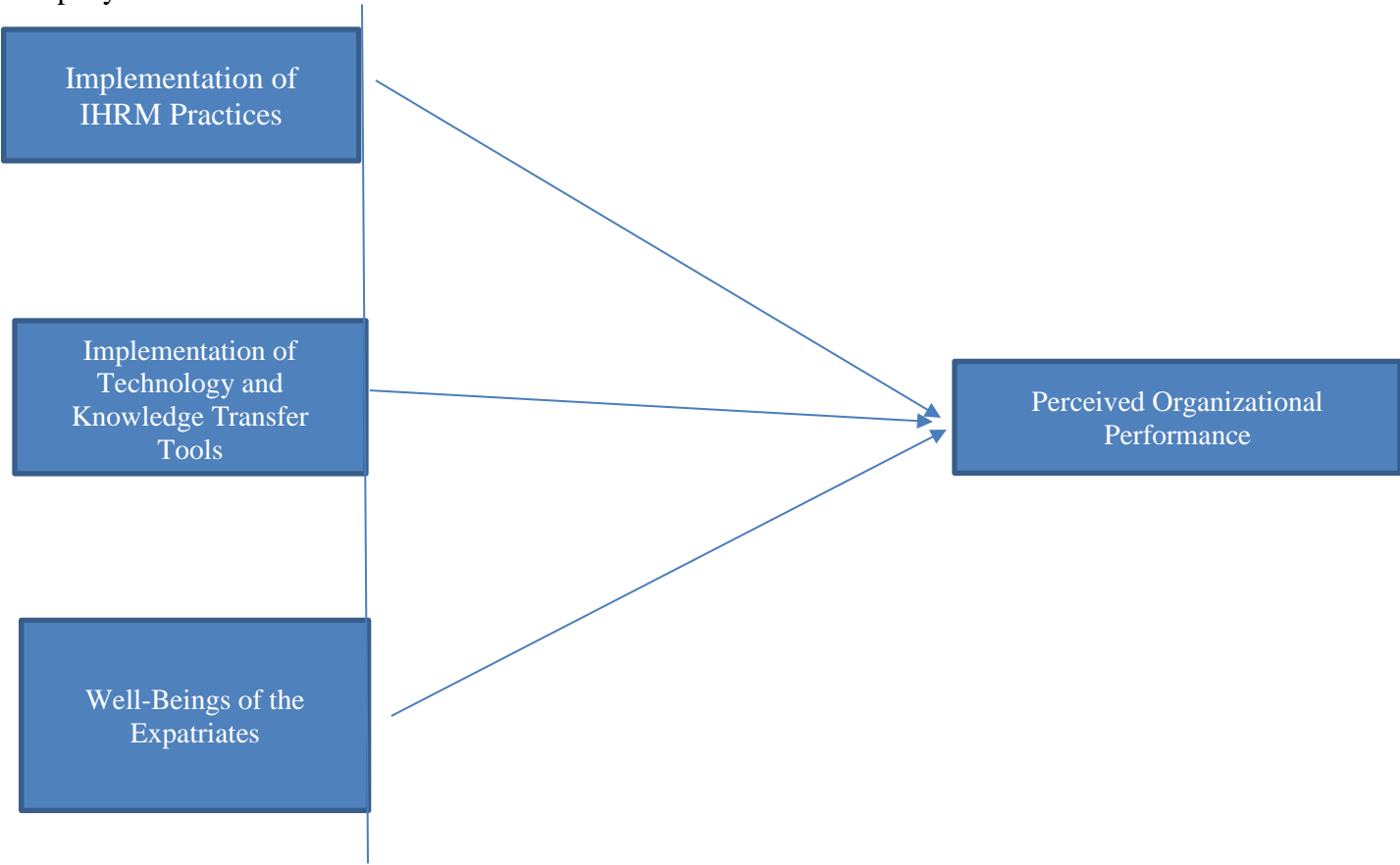


Fig 2.3. Conceptual framework developed by the researcher

## 2.4. HYPOTHESIS

In order to answer the research questions and achieve the objectives of the study, the following hypothesis was developed and tested in this research to verify the under listed hypotheses.

- ✚ **H1:** There is a positive relationship between the implementation of the International human resource management (IHRM) practice and the perceived organizational performance
- ✚ **H2:** There is a positive relationship between the implementation of technology and knowledge transfer tools and the perceived organizational performance
- ✚ **H3:** There is a positive relationship between the foreign employees and perceived organizational performance

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1. INTRODUCTION**

*Schwardt, (2007) defines, research methodology as a theory of how an inquiry should proceed. It involves analysis of the assumptions, principles and procedure in a particular approach to inquiry. This chapter describes the research design and approach; which includes the type of the research, the population and sampling techniques, used sources of data, data collection tools, and method of data analysis and presentation.*

#### **3.2. RESEARCH DESIGN AND APPROACH**

##### **3.2.1. RESEARCH APPROACH**

There are three types of research approach which are Quantitative, Qualitative and Mixed research approaches. From the three listed approaches this research used quantitative approach to gather relevant data to determine how the three independent variables associated with perceived organizational performance (dependent variable) in Tabor Ceramic Manufacturing Share Company.

##### **3.2.2. RESEARCH DESIGN**

Selection of research design depends on the objective, availability of data source, cost and availability of Time. As cooper (2006) stated the research design gives an operational frame in it, facts will be placed, processed through analyzing procedures and valuable research output is produced.

The design of this study was descriptive and also explanatory type premised to describe the finding of the issues stated above. In this study the independent variable is recruitment, selection and hiring of expatriates, Technology transfer from expatriates and Expatriates physical and mental well beings and the dependent variable will be the perceived organizational performance.

#### **3.3. SAMPLE POPULATION**

##### **3.3.1. TARGET POPULATION**

From the report of Human resource department of Tabor Ceramic Manufacturing share company. The total number of the employees is 547 and out of it the total number of foreign employee was 44 and of the total number local employee was also 503. The number of target population was 44 domestic employees of the company and since this study was concluded on perceptions and consider

only on these target populations that was management teams, team leaders, consultants and senior technicians and engineers due to the study measuring the perceived organization performance on foreign employees or expatriates. Thus, due to the above stated fact the researcher decided the population size of this study to be the total number the management teams, team leaders, consultants and senior technicians and engineers of the company.

### **3.3.2. SAMPLE SIZE**

On this study the researcher using Yamane's formula (Yamane, 1964) in order to be guided in selecting the appropriate sample size for the Tabor Ceramic Products Manufacturing Share Company employees recruited in the study the calculation of sample size was guided by Yamane's form.

$$n = \frac{N}{1 + N (e^2)}$$

Where;

n = is the sample size N= is the population 1= is a constant

e<sup>2</sup>= is the estimated standard error which is 5% for 95% confidence level

$$n = 44 / (1+44 (.05)^2)$$

$$n = 39.6, \text{ which is approximately } 40$$

Out of the 44 target population in the company, a sample size of 40 was taken.

## **3.4. TYPES AND SOURCES OF DATA**

### **3.4.1. PRIMARY SOURCE**

All the necessary data was gathered from the primary and secondary source. The primary data was collected through structured questionnaire from the management team, team leaders, consultants and senior technicians and engineers in Tabor ceramic manufacturing share company.

### **3.4.2. SECONDARY SOURCE**

The secondary sources for this study was the annual reports of the company, books related to the

issues, articles and webpage of the company for the literature review about the foreigner employees or expatriates and perceived organizational performance.

### **3.5. DATA COLLECTION METHOD AND INSTRUMENTS**

Accordingly, the data collection method is questionnaire which was developed having three parts: Part I was to collect the respondents basic/demographic information, Part II was questions to assess the respondent's level of agreement on the of Technology transfer on the company from the expatriates and Part III contains questions to assess to what extent the perceived organizational performance was achieved according to the respondent.

There was different scaling method but the final form, the Likert scale which is a five (or seven) point scale used to allow the individual to express how much they agree or disagree with a particular statement.

#### **3.5.1. DATA COLLECTION PROCEDURES**

The study proposal was developed and gets approval from the advisor. After the proposal approved a formal letter was sent to Tabor Ceramic Manufacturing Share company to request a permission to carried out the study. Once the permission was granted by Tabor ceramic manufacturing Sh. Co. The researcher develop questionnaire. Then questionnaires were printed and physically distributed to the respondents. Respondents were given three days to fill in the questionnaire, after which, the researcher collected all the questionnaires.

#### **3.5.2. DATA CONTENT**

The primary data have collected from the management teams of Tabor Ceramic Manufacturing Share Company through structured questionnaire which is a closed ended questionnaire to gather information from the management team, team leaders, consultants and senior technicians and engineers on the issues of effects of Expatriates on the perceived organizational performance. And also the researchers used the secondary data from annual report of the company, books, journals, articles, website, available on the related studies on effects of Expatriates on the perceived organizational performance.

The primary data collection instruments on this research was structured questionnaire which have been constructed in three parts. The first part was the questionnaire with the demographic data of the management team, team leaders, consultants and senior technicians and engineers within the company. The second part was to assess the respondent's level of agreement on the of Technology transfer on the company from the expatriates and the last Part was to assess to what extent the

perceived organizational performance is achieved according to the respondent from the well beings of the expatriates.

### **3.6. VALIDITY AND RELIABILITY**

Reliability and validity are concepts used to evaluate the quality of research. They indicate how well a method, technique or test measures something. Reliability is about the consistency of a measure, and validity is about the accuracy of a measure. If the same result can be consistently achieved by using the same methods under the same circumstances, the measurement is considered reliable.

Validity refers to how accurately a method measures what it is intended to measure. If research has high validity, which means it produces results that correspond to real properties, characteristics, and variations in the physical or social world. High reliability is one indicator that a measurement is valid. If a method is not reliable, it probably isn't valid.

According to Andy, (2006) Cronbach's Alpha is the most common and well known to test Reliability. So the researcher checked the reliability of the data by this Cronbach's alpha.

### **3.7. METHOD OF DATA ANALYSIS**

SPSS (Statistical package for the social sciences) is the set of software programs that are combined together in a single package. The basic application of this program is to analyze scientific data related with the social science. This data can be used for market research, surveys, data mining, etc. So, this research was analyzed by similarly by SPSS or the data on the effects of expatriates on the perceived performance on the case of Tabor Ceramic Manufacturing Share Company. It was also analyzed by regression analysis-this is because it can estimate the relationship between a dependent and independent variable.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

*This chapter described the presentation of the collected data by structured questionnaire and the analysis depending on the data that was collected as well as the interpretation of the collected data on effects of the expatriates on the perceived organizational performance which was taking Tabor Ceramic Manufacturing Share Company as a case company. The chapter consisted of different topics such as: - introduction, response rate, demographic characteristics of respondents. Finally, the chapter presented the relationship and effect of expatriate on perceived organizational performance using correlation and regression analysis.*

#### 4.1. RESPONSE RATE OF THE RESPONDENTS

The questionnaire was self-administered to the respondents and collected from the head office as well as from factory within different days. Out of 40 questionnaires distributed to the management team, team leaders, senior technicians and engineers and concerned consultants of Tabor Ceramic Product Manufacturing Share Company, all questionnaires were collected and the response rate was 100%.

*Table 4.1. Response Rate of Respondents*

<b>Target population</b>	<b>Total questionnaire Distributed</b>	<b>Questionnaire returned</b>	<b>Not Responded</b>	<b>Response Rate</b>
40	40	40	0	100%

*Source: Own Survey, 2020*

#### 4.2. DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

To find out general profile of the respondent, the respondents were asked their, age, gender, educational qualification, years of service at Tabor Ceramic Manufacturing Share Company and their job category at Tabor ceramic manufacturing share company. The results obtained from the structured questionnaires are presented on Table 4.2. Until Table 4.5.

*Table 4.2. Descriptive Frequency (Age)*

	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Below 20 years	0	0.00	0.00	0.00
21-25 years	0	0.00	0.00	0.00
26-30 years	0	0.00	0.00	0.00
31-35 years	15	37.5	37.5	37.5
36-40 years	14	35.0	35.0	72.5
41 years and above	11	27.5	27.5	100.0
<b>Total</b>	<b>40</b>	<b>100.0</b>	<b>100.0</b>	

The above table showed that the majority of respondents of the study were between 31 and 35 years old, with a percentage of 37.5. The second highest group among the respondents was between 36 and 40 years old, with a percentage of 35. The remaining 27.5 of the respondents are 41 and above, with a percentage of 27.5 of the entire respondents. This shows that most of the personnel employed at the management level in Tabor Ceramic Manufacturing are above the age of 31.

*Table 4.3. Descriptive Frequency (Gender)*

	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Female	18	45.0	45.0	45.0
Male	22	55.0	55.0	100.0

<b>Total</b>	<b>40</b>	<b>100.0</b>	<b>100.0</b>	
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The above table 4.3. Showed that the majority of the respondents were male, which consist of 55% of the sample. The remaining are female, which consist 45% of the sample. This means that the representative sample showed that there were more number of male workers in the management position. But, this didn't mean that males were preferred over females.

*Table 4.4. Descriptive Frequency (Education)*

	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Degree	17	42.5	42.5	42.5
Masters	9	22.5	22.5	65.0
PhD	4	10.0	10.0	75.0
Other (Diploma and Certificate)	10	25.0	25.0	100.0
<b>Total</b>	<b>40</b>	<b>100.0</b>	<b>100.0</b>	

The above table showed that most of the respondents have their degree, consisting of 42.5% of the sample. The second highest number of respondents have other types of education, such as TVET and Diploma, for example. It can also be seen that 22.5% of the respondents have their master's degree and the remaining 10% have their PhD. The 10% those have PhD was assigned or work there as consultant for the improvements of the company.

*Table 4.5. Descriptive Frequency (Years with the Company)*

	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Below 5 years	13	32.5	32.5	32.5
6-10 years	17	42.5	42.5	75.0
11-15 years	10	25.0	25.0	100.0
<b>Total</b>	<b>40</b>	<b>100.0</b>	<b>100.0</b>	

The above table showed that a high number of respondents have worked in Tabor Ceramic Products Manufacturing Share Company from 6-10 years, consisting 42.5% of the respondents. This means that most of the management have worked for Tabor Ceramic for 6-10 years. It also showed that those that have worked there below five years consist of 32.5% of the respondents and those who have worked there for 11-15 years consist of 25% of the sample. This means that the second highest percentage of the management have worked for Tabor Ceramic Product Share Company for less than five years. The remaining respondents in management have worked there 11-15 years.

### 4.3. ANALYSIS ON RECRUITMENT OR IMPLEMENTING IHRM, IMPLEMENTING TECHNOLOGY TRANSFER, WELLBEING OF EXPATRIATES AND PERCEIVED ORGANIZATIONAL PERFORMANCE

To find out the perception of management on the effect of expatriates and perceived organizational performance, questionnaire was distributed to the management of Tabor Ceramic Product Manufacturing Share Company. The questionnaire was prepared in Likert scale. To understand the measure of outcomes, frequency tests have been done.

#### 4.3.1. DESCRIPTIVE ANALYSIS ON IMPLEMENTING IHRM PRACTICES

To understand the perceptions of management on selecting and hiring of expatriates in Tabor Ceramic Manufacturing share company, the following 6 statements were prepared. The below table shows the percentage of agreement for all of the statements regarding implementation of IHRM practices

*Table 4.6 Descriptive Analysis on implementation of IHRM practices*

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
We have gap identifying procedures	0.0	0.0	45.0	52.5	2.5
We have selection policies for Expatriates	0.0	0.0	37.5	47.5	15.0
We have staffing policies for the expatriates and domestic employees	0.0	42.5	57.5	0.0	0.0
We have supporting policies for the expatriates	0.0	2.5	30.0	47.5	20.0
We have Development programs within the company	0.0	2.5	17.5	50.0	30.0
We have a compensation programs within the company	0.0	17.5	37.5	45.0	0.0

*Source: Own Survey, 2020*

From the above table, we can see that “We have staffing policies for the expatriates and domestic employees”, “We have compensation programs within the company”, and “We have gap identifying procedures” have the highest agreements.

This shows that they have staffing policies for expatriates in their company, that the management in Tabor Ceramic Product Manufacturing Share Company, agree that compensation programs exist in their company and that they are aware of procedural gaps with relation to the selection and hiring of expatriate in their company.

Overall, we can see that there is a low agreement between the managements on the proper selection and hiring of expatriates. This means that Tabor Ceramic Product Manufacturing Share Company follows a traditional recruitment process.

#### 4.3.2. DESCRIPTIVE ANALYSIS ON TECHNOLOGY TRANSFER

To understand the perceptions of management on technology transfer from expatriates to local employees in Tabor Ceramic Manufacturing Share company, the following 6 statements were prepared. The below table shows the percentage of agreement for all of the statements regarding technology transfer.

Table 4.7. Descriptive Analysis on Technology Transfer

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
We prepare discussion rooms for the local and expatriates	0.0	0.0	22.5	65.0	12.5
We let the local employee on the job training along with expatriates(Direct key transfer)	0.0	0.0	10.0	50.0	40.0
We Pressurize the local employee to socialize the expatriates in the tea break as well as other events	0.0	0.0	10.0	47.5	42.5
We give some works for the domestic employees which was performed by expatriates for checking up	0.0	0.0	25.0	45.0	30.0
We use transitional strategy out of the four strategy for the expatriates	2.5	2.5	12.5	50.0	32.5
Frequently the governmental stakeholders check up the process on sight	0.0	0.0	12.5	57.5	30.0

*Source: Own Survey, 2020*

From the above table, we can see that “We give some works for the domestic employees which was performed by expatriates for checking up.”, “We let the local employee on the job training along with expatriates (Direct key transfer)”, and “We prepare discussion rooms for the local and expatriates” rank the highest. The table shows that there is a low practice of local employee on the job training with expatriates and that it is given to expatriates only. It also shows that there is a low practice of preparing discussion rooms for local and expatriates.

Overall, we can see that there is a low agreement on the practice of technology transfer. This means that Tabor Ceramic Product Manufacturing Share Company, as well as governmental stakeholders are weak in controlling technology transfer to the local employees from expatriates.

#### **4.3.3. DESCRIPTIVE ANALYSIS ON EXPATRIATES**

To understand the perceptions of management on expatriates in Tabor Ceramic Manufacturing share company, the following 8 statements were prepared. The below table shows the percentage of agreement for all of the statements regarding well-being of expatriates.

*Table 4.8. Descriptive Analysis on well beings of Expatriates*

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
They face difficulty to communicate domestic employees	0.0	7.5	42.5	37.5	12.5
I help them to avoid their distance from local employees	0.0	0.0	0.0	62.5	37.5
They face language difficulty	40.0	45.0	15.0	0.0	0.0
They face cultural shock	0.0	0.0	17.5	70.0	12.5
They miss their family and it affect their performance	0.0	0.0	70.0	30.0	0.0
There is a discrepancy between performance perception by expats and HRM	7.5	42.5	50.0	0.0	0.0
We believe on the focus of the expatriates on time usage	50.0	42.5	7.5	0.0	0.0
We believe the expatriates great attention to the product quality and quantity	42.5	52.5	5.0	0.0	0.0

*Source: Own Survey, 2020*

From the above table, we can see that “We believe on the focus of the expatriates on time usage”, “We believe the expatriates great attention to the product quality and quantity”, and. “They face language difficulty” rank the highest. This shows that that the managements believe that expatriates give attention to the details ranks third and has a mean of 4.25. This shows that there is a high agreement between the management of Tabor Ceramic Product Manufacturing Share Company on expatriates’ difficulty with language. Overall, it can be seen that there is a medium agreement between the managements on expatriates.

#### 4.4. DESCRIPTIVE ANALYSIS ON PERCEIVED ORGANIZATIONAL PERFORMANCE

To understand the perceptions of management on the perceived organizational performance in Tabor Ceramic manufacturing share company, the following 8 statements were prepared. The below table shows the percentage of agreement for all of the statements regarding perceived organizational performance.

*Table 4.9. Descriptive Analysis on Perceived Performance*

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
We believe that the company's income changed after the expatriates hired	82.5	15.0	2.5	0.0	0.0
We believe that the company's image is changed after expatriates hired	17.5	65.0	10.0	7.5	0.0
We believe that they are giving good training for the local employees to substitute them	15.0	15.0	30.0	20.0	20.0
The assets of the company increased after they hired	0.0	37.5	62.5	0.0	0.0
The annual return on investment increased after they hired	5.0	25.0	60.0	10.0	0.0
The annual return of the company is increased after they hired	0.0	42.5	52.5	5.0	0.0
The volume of production is increasing after they hired	20.0	47.5	22.5	10.0	0.0
The company's competitiveness increased after they hired	0.0	30.0	70.0	0.0	0.0

*Source: Own Survey, 2020*

From the above table, "We believe that the company's income changed after the expatriates hired", "We believe that the company's image has changed after expatriates hired", and "The volume of production is increasing after they hired" rank the highest. This shows a high agreement between

the management of Tabor Ceramic Product Manufacturing Share Company, that there is an income change because of the expatriates. It also shows their agreement on the increase of volume after the expatriates were hired. Overall, there is a high agreement between the managements on perceived organizational performance.

#### **4.5. EXPATRIATE AND PERCEIVED PERFORMANCE PEARSON’S CORRELATION**

To understand expatriates and perceived performance, the Pearson Correlation analysis needs to be used. However, because the sample size taken was smaller than 100, it needed to be checked if there are any sample issue in order to perform correlation and regression. Therefore, the KMO and Bartlett tests were conducted. The below table shows the results.

*Table 4.10. KMO and Bartlett Test*

<b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</b>		<b>.625</b>
Bartlett’s test of Sphericity	Approx. Chi-Square	65.237
	df	15
	Sig.	.000

*SPSS Factor Analysis Output, 2020*

As we can see from the Kaiser-Meyer-Olkin measure of sampling adequacy, the value is .625. This is above 0.5, this means that the sample is adequate enough to perform correlation and regression analysis. As we can also see from the significance, it has a value of 0.000 which means that we accept this result. Correlation shows the association between variables and has values between +1 and -1. This analysis was chosen to understand the relationship between selecting and hiring, technology transfer, and expatriates and perceived organizational performance. Another relationship to understand is the one between selecting and hiring, and expatriates, as well as, the relationship between technology transfers and expatriates. To understand the results of the analysis, the below table will be used for reference.

Table 4.11 Correlation Coefficients

Correlation Coefficient	Interpretation
$r = -1$	Perfect Negative Relationship
$-1 < r \leq -0.70$	Strong Negative Relationship
$-0.70 < r \leq -0.30$	Moderate Negative Relationship
$-0.30 < r < 0$	Weak Negative Relationship
$r = 0$	No relationship
$0 < r \leq 0.30$	Weak Positive Relationship
$0.30 < r \leq 0.70$	Moderate Positive Relationship
$0.70 < r < 1$	Strong Positive Relationship
$r = 1$	Perfect Positive Relationship

Source: Dematteo & Festinger, 2005

The Pearson correlation analysis for the effect of expatriates on perceived organizational performance can be seen in the below table 4.11.

Table 4.12. Pearson Correlation Matrix

		Perceived Performance	Selecting and Hiring	Technology Transfer	Expatriates
<b>Perceived Performance</b>	Pearson Correlation	1	.454**	.584**	.820**
	Sig. (2-tailed)		.003	.000	.000
	N	40	40	40	40
<b>IHRM Practice</b>	Pearson Correlation	.454**	1	.361**	.452**
	Sig. (2-tailed)	.003		.022	.003
	N	40	40	40	40
<b>Technology Transfer</b>	Pearson Correlation	.584**	.361**	1	.665**
	Sig. (2-tailed)	.000	.002		.000
	N	40	40	40	40
<b>Expatriates</b>	Pearson Correlation	.820**	.452**	.665**	1
	Sig. (2-tailed)	.000	.003	.000	
	N	40	40	40	40

\*\* Correlation is significant at 0.01 level (2-tailed).

SPSS Correlation Output, 2020

The above table showed that IHRM Practice has a Pearson correlation value of .454. We can refer to this value from table 4.12. to see that this shows a moderate positive relationship. This means that implementing IHRM Practice has a moderate positive relationship to perceived organizational

performance. This shows that when implementing IHRM Practice becomes better, the perceived organizational performance will increase.

The above table also showed that technology transfer has a Pearson correlation value of .584. We can refer to this value from table 4.12. to see that this show a moderate positive relationship. This means that technology transfer has a moderate positive relationship to perceived organizational performance. This shows that when technology transfer increases, the perceived organizational performance will increase.

It also showed that expatriates have a Pearson Correlation value of .820. We can refer to this value from table 4.12. to see that this shows a high positive relationship. This means that expatriates have a high positive relationship to perceived organizational performance. This shows that when expatriates increase, the perceived organizational performance will also increase.

The relationship between implementing IHRM Practice can also be seen from the above table. Implementing IHRM Practice has a Pearson correlation value of .452. We can refer to this value from table 4.12. to see that this shows a moderate positive relationship. This means that implementing IHRM Practice has a moderate positive relationship to expatriates. This shows that when implementing IHRM Practice becomes better, expatriates' performance will become better. It can also be seen that technology transfer has a Pearson correlation value of .665. We can refer to this value from table 4.12. to see that this shows a moderate positive relationship. This means that technology transfer has a moderate positive relationship with expatriates. This shows that when technology transfers increases, benefits of expatriates will also increase.

It can also be seen that technology transfer has a Pearson correlation value of .361 to selecting and hiring. We can refer to this value from table 4.12. to see that this shows a weak positive relationship. This means that technology transfer has a weak positive relationship with expatriates. This shows that when technology increases, it doesn't mean that implementing IHRM Practice will increase or implementing IHRM Practice, technology transfer won't necessarily increase.

#### **4.6. MULTIPLE REGRESSION**

To understand the relationship between the independent and dependent variables in this study, regression analysis was used. Regression is the statistical method used to analyze the relationship between variables. The study has more than two variables which is why multiple regression analysis is used.

#### 4.6.1. MODEL SUMMARY

Table 4.13 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of Estimate
1	.820	.673	.664	.22877

- a. Predictors: (Constant), Expatriates, Selecting and Hiring, Technology Transfer
- b. Dependent variable: Perceived Organizational Performance

SPSS Regression Output, 2020

The above table shows the regression model summary. It can be seen that it has R value of .820. This means that there is a strong linear relationship between selecting and hiring, technology transfer, expatriates and perceived organizational performance. The above table also shows that the Adjusted R Square value is .664. This means that 66.4% of the difference in perceived organizational performance can be explained by selecting and hiring, technology transfer and expatriates. The rest of the difference (33.6%) can be explained by other factors.

#### 4.6.2. ANOVA

To see if the population means are significantly different, an ANOVA analysis is used. This is because means are compared across more than two groups in this study.

Table 4.14. ANOVA Table

Model		Sum of Squares	df	Mean Square	F	Sig
1	Regression	4.084	1	4.084	78.035	.000
	Residual	1.989	38	.052		
	Total	6.073	39			

- a. Dependent Variable: Perceived Organizational Performance
- b. Predictors: (Constant), Expatriates, IHRM Practices, Technology Transfer

SPSS Regression Output, 2020

The residual sum of squares shows how much of the dependent's variables the model doesn't explain. The above table shows that the residual sum of square is 1.989. Since this is low, it shows that the model is a good fit. The mean square of this analysis shows if values are dispersed closely around the mean or not. The above table shows that the mean square is 4.084. This is a low value. Therefore, this shows that the values are closely distributed.

#### 4.1.2. COEFFICIENTS SUMMARY

The coefficients summary showed that the standardized and unstandardized coefficients. To understand the effect of change of independent variable has on dependent variables, we refer to the unstandardized beta and to understand the strength of independent variable, we refer to the standardized coefficient.

Table 4.15. Coefficients Summary

<i>Model</i>	<i>Unstandardized</i>		<i>Standardized</i>	<i>T</i>	<i>Sig.</i>	
	<i>Beta</i>	<i>Std. Error</i>				
<i>1</i>	<i>(Constant)</i>	<i>2.665</i>	<i>0.735</i>		<i>3.693</i>	<i>.000</i>
	<i>implementing IHRM Practice</i>	<i>0.186</i>	<i>0.195</i>	<i>.100</i>	<i>0.951</i>	<i>.034</i>
	<i>Technology Transfer</i>	<i>0.117</i>	<i>0.246</i>	<i>.060</i>	<i>0.475</i>	<i>.064</i>
	<i>Well beings of Expatriates</i>	<i>0.759</i>	<i>0.315</i>	<i>0.735</i>	<i>5.577</i>	<i>.000</i>

a. *Dependent Variable: Perceived Organizational Performance*

b. *Predictors: (Constant), well beings of Expatriates, IHRM Practice, Technology*

*Transfer*

The above table shows that expatriates has the highest effect on perceived organizational performance. It also shows that selecting and hiring has the second highest effect on perceived organizational performance. The above tables also show the significance level of each variable. The significance levels are all lower than the standard error value of 5% (.034, .064, .000). This shows that there is a relationship between the independent and dependent variables.

#### 4.1.2. COLLINEARITY STATISTICS

To check if the variables are collinear, collinearity statistics is used.

*Table 4.16. Collinearity Summary*

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Implementing IHRM Practice	0.789	1.267
	Technology Transfer	0.554	1.806
	Well beings of Expatriates	0.507	1.974

*SPSS Regression Analysis Output, 2020*

If the VIF of the analysis is lower than 10, that means the variables are collinear. The above table shows that the VIF values for the variables are 1.267, 1.806, and 1.974. These are less than 10. Therefore, we can say that the variables are collinear.

## 4.2. RELIABILITY

To check the reliability of the study, Cronbach's Alpha is used. The Cronbach Alpha shows if the test has measured the variables correctly. To understand the results of the reliability analysis, the below table will be used as a reference.

*Table 4.17. Cronbach Alpha Values*

<b>Cronbach's Alpha</b>	<b>Internal Consistency</b>
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Good
$0.8 > \alpha \geq 0.7$	Acceptable
$0.7 > \alpha \geq 0.6$	Questionable
$0.6 > \alpha \geq 0.5$	Poor
$0.5 > \alpha$	Unacceptable

*Source: Claire et Al. (2000)*

The results of the reliability analysis for this study can be seen in the below table.

*Table 4.18. Reliability Analysis Summary*

<b>Cronbach's Alpha</b>	<b>Cronbach's Alpha Based on Standardized Items</b>
.823	.834

*SPSS Reliability Analysis Output, 2020*

The above table shows that the Cronbach's alpha value is .823. We can refer to the reference table to see that this shows a good internal consistency. This means that the test has accurately measured the variable in interest.

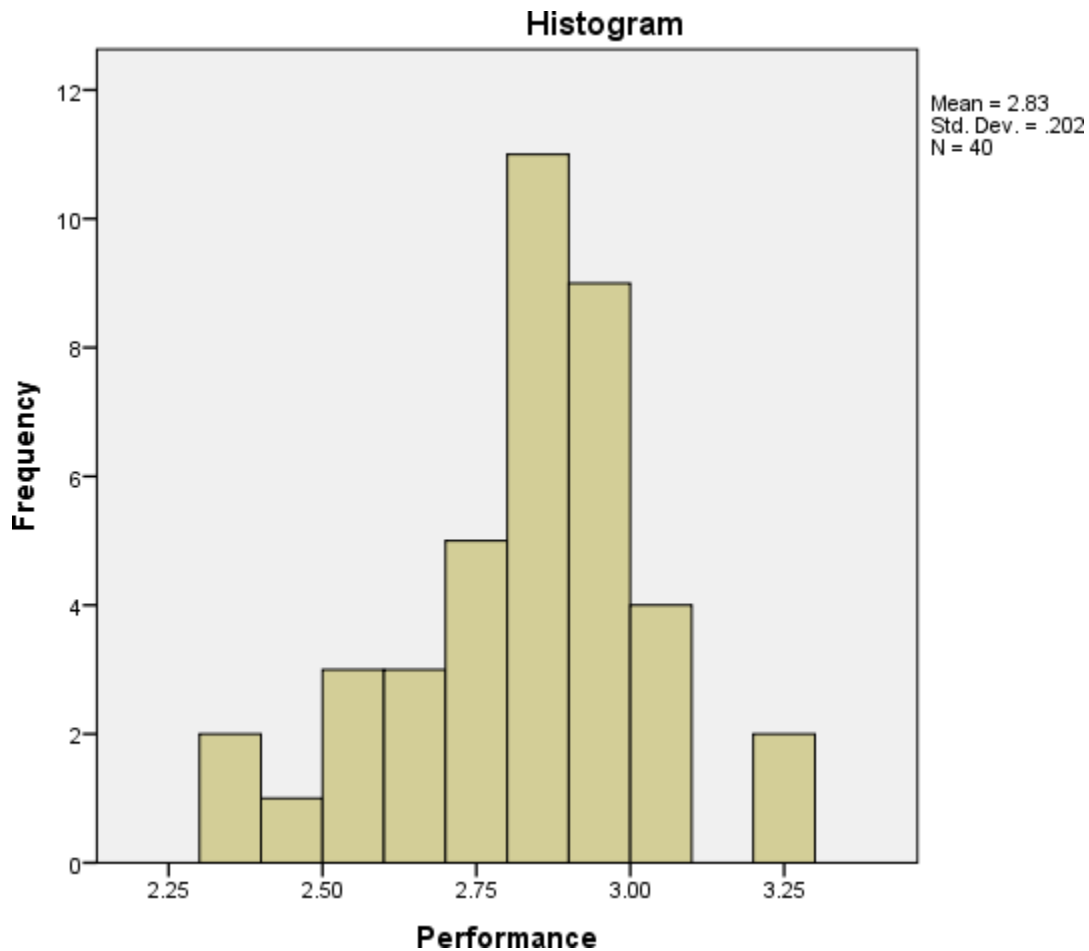
## 4.3. VALIDITY

Validity refers to the extent to which the instrument used obtains the data it was intended to gather (Gall & Borg,1999; Saunders, Thornhill & Lewis, 2012). Validity of an instrument was assessed using content, construct and criterion related validity (Landeta, 2006).

In this study, validity of the measurements was checked by exhaustively looking at the measurements of the best researches on the topic and comparing those measurements to the measurements of other studies as well. And, it showed that there was a criterion or predictive validity because the research's outcome was as predicted

#### 4.4. NORMALITY

To see if the sample data has been collected from a population that is normally distributed, a normality test was used. The result of this test can be seen in the below figure.



*Figure 4.8. Normality Distribution*

The above figure showed that the mean is 2.83 and the standard deviation is .202. This standard deviation is low, which shows that the values are dispersed around the mean. Therefore, we can

say that the distribution is normal.

#### 4.5. HYPOTHESIS TESTING

- ✚ The Recruitment and select and hire process of the organization has a significant relationship to the organizational performance
  - The results of multiple regressions, as presented in table 4.15 above, show that recruitment, selection and hiring of an expatriates have a positive relationship to organizational performance of TCPSc with Beta = Unstandardized Beta: 0.186, at 95% confidence level ( $p < 0.05$ ). As Recruitment and select and hire increases by one unit, the perceived organizational performance will increase by 18.6%
  - The above analysis showed that the organization uses **should improve the international human resource management practices** to get the best fit foreign employees for better performance of the organization.
  
- ✚ The technology transfer from the expatriates of the organization has a significant relationship to the organizational performance
  - The results of multiple regressions, as presented in table 4.15 above, show that technology transfer have a positive relationship to organizational performance of TCPSc with Beta = Unstandardized Beta: 0.117, at 95% confidence level ( $p < 0.05$ ). As technology transfer increases by one unit, the perceived organizational performance will increase by 11.7%
  - The above analysis showed that there was weak control on technology transfer to local employees in TCPSc. Therefore, this showed that if the company works to improve technology transfer tools, then the company's performance parallel increased.
  
- ✚ There is a positive relationship between the well beings of the expatriates and perceived organizational performance.
  - The results of multiple regressions, as presented in table 4.15 above, showed that wellbeing's of expatriates have a positive relationship to organizational performance of TCPSc with Beta = Unstandardized Beta: 0.759, at 95% confidence level ( $p < 0.05$ ). As the **wellbeing of expatriate** increases by one unit, the perceived organizational performance will increase by 75.9%
  - The above analysis showed that if the expatriates handle in a better way to physically and mentally they can give better performance to the organization. To get a better performance the

company should work to keep the physical and mental wellbeing's of the expatriates.

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS**

*This chapter presented the findings of the study as analyzed in Chapter Four. It also concludes the findings and it gives recommendation based on the findings.*

#### **5.1 SUMMARY OF FINDINGS**

Out of 40 questionnaires distributed to the management team of Tabor Ceramic Product Manufacturing Share Company, all questionnaires were collected and the response rate was 100%. The majority of the respondents were found to be between 31 and 35 years old, when looking at the age, are male, with respect to gender, have their degree, with respect to their education, and have worked in Tabor Ceramic Product Manufacturing Share Company from 6-10 years,

From the agreement of the management in Tabor Ceramic, it was seen that they have staffing policies for expatriates in their company, that compensation programs exist in their company, and there are procedural gaps with relation to the selection and hiring of expatriates in their company. Their biggest problems have been lack of selection policies for expatriates, lack of development programs within the company and lack of supporting policies for the expatriates. From the total mean, it was seen that there is a low agreement on the proper selection and hiring of expatriates. Overall, it was seen that there was a low agreement on the proper implementation of IHRM. When looking at the technology transfer side, there was a low agreement that there are works for the domestic employees which was performed by expatriates. This showed that there was a weak control technology transfer from the expatriates. Overall, a low agreement between on the practice of technology transfer was found.

When looking at the expatriates' side, there was focused of the expatriates on time usage, the expatriates' great attention to the product quality and quantity, and that they face language difficulty. When looking at the barriers of expatriates for using their full capacity, the top three problems seen have been language difficulty, missing their family and difficulty to communicate domestic employees. Overall, a medium agreement between the managements on well beings of the expatriates was found. The company's income changed after the expatriates were hired, that the company's image has changed after expatriates were hired, and that the volume of production is increasing after they were hired. Overall, it was found that there was a high agreement on perceived organizational performance.

It was seen that IHRM Practice, and technology transfer have a moderate positive relationship to perceived organizational performance, and that well beings of expatriates have a high positive

relationship to perceived organizational performance. This showed that when wellbeing's of expatriates, IHRM Practice, and technology transfer increase, the perceived organizational performance as increase too. It was also seen that IHRM Practice has a moderate positive relationship to expatriates, and that technology transfer has a moderate positive relationship with expatriates. This showed that when IHRM Practice implemented, quality of expatriates will also increase. A strong linear relationship was also found between the variables.

From the ANOVA table, it was seen that the model was a good fit. From the coefficients, it was seen that expatriates have the highest effect on perceived organizational performance and that that IHRM Practice has the second highest effect. The collinearity analysis showed that the variables are collinear, while the Cronbach's alpha, showed a good internal consistency and that the test has accurately measured the variable in the study. The normality test also showed that the distribution is normal. As per the above findings, all the hypotheses were accepted.

## 5.2. CONCLUSION

The study was conducted on effect of expatriates on the perceived performance, in the case of Tabor Ceramic Products Manufacturing Share Company. From the findings, the gaps of Tabor Ceramic Manufacturing Company were explained below. From the findings, it was seen that Tabor Ceramic Product Manufacturing Share Company has staffing policies for expatriates, compensation programs, procedural gaps with relation to the IHRM Practices of expatriate in their company. The biggest problems have been lack of IHRM Practices.

It was also seen that there was a low agreement for works performed by expatriates that was given to domestic employees for checkup. A low agreement was also found for letting the local employee join in on the on-the-job training along with expatriates (Direct key transfer) and practice of local employee on the job training with expatriates. This showed that there was almost no technology transfer controlling mechanism.

When looking at the expatriates' side, there was an agreement on the belief on the focus of the expatriates on time usage, the expatriates' great attention to the product quality and quantity. When looking at the barriers of expatriates for using their full capacity, the top three problems seen have been language difficulty, missing their family and difficulty to communicate domestic employees.

When looking at the perceived organizational performance side, the target population in Tabor Ceramic Product Manufacturing Share Company believed that the company's income changed after the expatriates were hired, that the company's image has changed after expatriates were hired, and that the volume of production is increasing after they were hired. It was found that expatriates have a high positive relationship to perceived organizational performance in Tabor ceramic product manufacturing share company. This showed that when wellbeing of expatriates, Implementing of IHRM practice, and technology transfer improved, the perceived organizational performance also increased as well. This showed that when the wellbeing's of the expatriates increased, the perceived organizational performance also increased.

From the Pearson Correlation analysis, it was seen that implementing IHRM Practice, and technology transfer have a moderate positive relationship to perceived organizational performance. It was found that wellbeing's of expatriates have a high positive relationship to perceived organizational performance. This showed that when expatriates, IHRM Practice, and technology transfer increased, the perceived organizational performance increased as well. It was also seen

that IHRM Practice has a moderate positive relationship to expatriates, and that technology transfer has a moderate positive relationship with expatriates. This showed that when IHRM Practice increased, quality of expatriates increased.

From the regression analysis, it was found that there was a strong linear relationship between IHRM Practice, technology transfer, wellbeing's of expatriates and perceived organizational performance. It was also seen that that 66.4% of the difference in perceived organizational performance can be explained by selecting and hiring, technology transfer and expatriates. The rest of the difference (33.6%) can be explained by other factors.

### **5.3. RECOMMENDATION**

#### **5.3.1 RECOMMENDATION FOR TABOR CERAMIC PRODUCT MANUFACTURING SHARE COMPANY**

In general, it is recommended that Tabor Ceramic Product Manufacturing Share Company gives attention to its operations and policies about expatriates. With regards to its IHRM Practice of expatriates, it should make sure the policies it has now are up-to-date/standardize and implement it. This is very important as it was seen that it is positively related to the expatriates it hires, and to the perceived organizational performance. Therefore, if Tabor Ceramic Product Manufacturing Share Company wants to improve its performance, it needs to have standardize and implement IHRM Practice to get quality expatriates from all over the world.

It is also recommended that TCPSc facilitates the technological transfer. It has to constantly follow up on this and ensure that its local employees get as much knowledge from expatriates. This will help company to get better performance from its local employees as well as reduce its costs of expatriates. This is because expatriates are paid in dollar which is very hard to acquire in this economy. The study also showed that technology transfer is positively related to organizational performance. Therefore, in order to reduce costs and achieve sustainable growth, technology transfer is very important.

It is also recommended that TCPSc follows up with expatriates closely. The research showed that wellbeing's of expatriates have a very significant positive relationship to perceived organizational performance. This means that the mental and physical well-being of its expatriates need to be good to have a good performance. Management needs to have consulting sessions with expatriates to help them cope up with the cultural shock or other problems they might have because of their

relocation from their homes.

### **5.3.2. RECOMMENDATION FOR OTHER STUDIES**

- ❖ It is recommended and open to have research further on this issues by identifying other variables.
- ❖ It is recommended other studies on this topic by considering other industry sectors. This is because it is believed that the more researches are undertaken on this topic, the more the variables will be explained.
- ❖ In addition, studies should be undertaken on the individual variables to have a complete picture of the variables.
- ❖ It is recommended that to have a research by examining objective responses on financial, customer satisfaction, internal process and learning and innovation from the expatriates rather than perception.

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**Part II**

No.		STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
1.	<b>We have gap identifying procedures</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	<b>We have selection policies for Expatriates</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	<b>We have staffing policies for the expatriates and domestic employees</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	<b>We have supporting polices for the expatriates</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	<b>We have Development programs within the company</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	<b>We have a compensation programs within the company</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	<b>We prepare discussion rooms for the local and expatriates</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8	<b>We let the local employee on the job training along with expatriates(Direct key transfer)</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	<b>We Pressurize the local employee to socialize the expatriates in the tea break as well as other events</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	<b>We give some works for the domestic employees which was performed by expatriates for checking up</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	<b>We use transitional strategy out of the four strategy for the expatriates</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	<b>Frequently the governmental stakeholders check up the process on sight</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	<b>They face difficulty to communicate domestic employees</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	<b>They face language difficulty</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

15	<b>I help them to avoid their distance from local employees</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16	<b>They face cultural shock</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17	<b>They miss their family and it affect their performance</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18	<b>There is a discrepancy between performance perception by expats and HRM</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19	<b>We belief on the focus of the expatriates on time usage</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20	<b>We belief the expatriates great attention to the product quality and quantity</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21	<b>We belief that the company's income changed after the expatriates hired</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22	<b>We belief that the company's image is changed after expatriates Hired</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23	<b>We belief that they are giving good training for the local employees to substitute them</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

24	<b>The assets of the company increased after they hired</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25	<b>The annual return on investment increased after they hired</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26	<b>The annual return of the company is increased after they hired</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27	<b>The volume of production is increasing after they hired</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28	<b>The company's competitiveness increased after they hired</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>