

Emerging Market versus Western Expatriates in Japan during the Covid-19 Pandemic

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Abstract. *In this paper, the term “EMex” is coined to refer to emerging market expatriates who had to adjust to working and living in Japan during the Covid-19 pandemic. The Social Identity Theory is applied together with the Grounded Theory to develop a more nuanced picture of how EMex coped with the adjustment process. We found that EMex were confronted with various challenges, some of which were somewhat similar, while others were quite different compared to those experienced by the Western expatriates. All the interviewees in this study spent most of their assignment duration in Japan at their home office. Occasionally, when EMex were allowed to go to their office, they were assigned to special projects with international teams, and so they did not have any contact with non-English speaking local (Japanese) managers. Like Western expatriates, they also missed in-person meetings with their workmates at the office; in spite of their IT literacy, they also faced challenges conducting online meetings from their home office. EMex were not given housing allowance, and this added to the difficulty in adjusting to living in Japan compared to Western expatriates. Moreover, their motivations and perspectives of the future differed from those of Western managers, who had a more secure future with their company. Also EMex faced out-group categorization issues by host-country nationals (HCNs) even if some of them planned to extend their stay in Japan after their assignment ended.*

Keywords: *emerging market expatriates (EMex); Bangladeshi; German; Japan; Social Identity Theory; Grounded Theory.*

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1. Introduction

The bulk of expatriation literature focuses on highly skilled managers (Pate & Scullion, 2018) sent abroad from Western countries or from Japan (Nicholson & Imaizumi, 1993; Takeuchi et al., 2002; Mahadevan et al., 2021). Recently, host country nationals (HCNs) (Langinier & Froehlicher, 2018; Shen et al. 2021; van Bakel, 2019) and non-traditional assignments such as self-initiated expatriates have begun to receive more scholarly attention (Arseneault, 2020; Chen & Shaffer, 2017; Guo et al. 2021; Hutchings, 2021; Hussain & Deery, 2018; Suutari & Brewster, 2000). However, relatively little is known on the adjustment processes of expatriates from emerging market countries who are sent to developed market countries. Studies predominantly focus on emerging market countries as receivers of expatriates (Ismail et al. 2016; AlQershi et al. 2019). While expatriate studies on emerging market countries increase in popularity (Zhu et al. 2018; Kong et al. 2018), they are limited to Indian (Gupta et al., 2013) and Chinese expatriates (Wang et al., 2013; Zhong et al., 2015).

In this study, our focus is on expatriates from emerging market countries (as exemplified by Bangladesh) sent to developed market countries (Japan). We coin the term “EMex” for such expatriates. We are interested in how they identify themselves in the new working environment and how their identity influences their adjustment. Our investigation is akin to research on knowledge flow from emerging market countries to developed markets (Michailova & Sidorova, 2010). To the knowledge of the authors, substantial research has yet to be conducted to investigate how the identity of emerging market expatriates (EMex) affects their work and living adjustment in a developed market country like Japan. We believe that this study would advance expatriation literature in two broad areas. First, we investigate how the identity of EMex influences their work and living adjustment. For management research and also for practical purposes, it is important to have a better understanding of the working and living conditions of EMex in developed market countries (Guo et al., 2021) so as to characterize their identity more accurately. An imprecise view of EMex limits our ability to elucidate critical factors and conditions that influence their adjustment. Furthermore, an understanding of how EMex adjust to working and living abroad in a developed market economy is a theoretically intriguing and practically appealing subject of study. Finally, in the near future, the population of EMex is expected to increase and, with emerging market firms recently increasing in size and power worldwide (Xie et al., 2021), it is important to have a better understanding of the identity of EMex.

The second broad area covers a comparison between the identity and work/living adjustment of two groups of expatriate managers in Japan, viz. EMex (Bangladeshi managers) and Western expatriates (German managers). A comparison with Japan as a destination offers an interesting context for this study. There is a long-standing research tradition on (at least) Western expatriates in Japan (Nicholson & Imaizumi, 1993; Takeuchi et al., 2002). For instance, working adjustment conditions of American

expatriates in Japan were examined by Black (1988) but research is lacking with regard to work and living adjustments of EMex. Therefore, in this study, we intend to contrast “high-context and low-context cultures” (Hall, 1976). Drawing upon a Bangladeshi high-context culture and a German low-context culture in a high-context culture such as the Japanese culture should provide intriguing new insights into adjustment of work and living conditions of the two groups of expatriates. Finally, as Japan is ethnically a very homogeneous country, it is difficult for foreigners to adjust to the socio-cultural environment (Fearon, 2003; Yamashiro, 2011; Froese 2010). Having said that, the selection of Japan is, nevertheless, appropriate for the study of identity and adjustment issues of EMex.

Our two main research questions are:

RQ1: *How does the identity of EMex (Bangladeshi managers) influence their work and living adjustment in Japan?*

RQ2: *How do the identity and adjustment of EMex in Japan differ compared to those of Western expatriates (German managers) during the current Covid-19 pandemic?*

To address these two questions, a narrative case study approach was adopted within the framework of the Social Identity Theory (SIT). We also used a template analysis approach based on the Grounded Theory of Glaser and Strauss (1967); an inductive approach was used to collect data, which were coded into different themes.

Our findings contribute to the literature on identity and expatriate adjustment in MNCs in several ways. First, using SIT (Guo et al., 2021), we develop a systematic overview of how identity influences work and living adjustment. Second, by conducting an in-depth examination of EMex, we corroborate the idea that identity and adjustment to work and living conditions for expatriates are not uniform in nature (Arp et al., 2013). Copious literature states that Western expatriates feel that they are in an out-group at their assignments; this is often an adverse situation and a reason for early return (Bhaskar-Shrinivas et al., 2005; Bader et al., 2017). We find that EMex also struggle to adjust to work and living conditions in Japan, albeit in a different way compared to Western expatriates. Both German and Bangladeshi managers face out-group categorization issues by host-country nationals (HCNs). Even when both groups mainly work online at their home office during the current pandemic situation, the identities of both groups are not the same, and this affects their work and living adjustment differently. EMex face different issues of categorization in contrast to expatriates from Western countries.

This paper is outlined as follows: After discussing issues on cross-cultural adjustment in Japan and the Covid-19 pandemic situation, the methodology of the Grounded Theory and the data are described. Next, we provide the results of this study together with selected comments (in relation to the issues raised during the interviews) by EMex and Western expatriates. This is followed by a discussion and summary. Finally, suggestions for further research and practice are put forward.

2. Cross-cultural Adjustment and the Covid-19 Pandemic Situation in Japan

Cross-cultural adjustment stems from acculturation literature (Searle & Ward, 1990) and rests on the subjective well-being and satisfaction with a new cultural setting (Ward et al., 1998). Adjustment is psychologically understood as the ability to cope with stress factors, especially being able to handle negative psychological factors that might influence one's well-being (He et al., 2019). A different cultural setting may cause stress, and unexpected circumstances can lead to a decline in mental health (Berry, 2006). Early research has indicated that expatriates experience cultural adjustment in various phases, resembling the so-called U-shaped trajectory. For example, starting with a cultural shock at arrival, it is assumed that expatriates get from there into a "honeymoon stage", where they feel optimistic for a specific time period before becoming pragmatic (or realistic) about their situation abroad (Lysgaard, 1955).

This study on cross-cultural adjustment goes back to the initial framework developed by Black et al. (1991) as we contrast work and living adjustments of Bangladeshi and German expatriates in Japan during the Covid-19 pandemic. Unfortunately, the small sample size of interviews did not allow us to investigate adjustment issues in various phases. The Black et al. (1991) module includes three specific areas of cross-cultural adjustment. The first module is work adjustment, defined as the degree of adjustment to the job as well as working conditions and responsibilities in the host country. The second module is interaction adjustment, defined as interactions of expatriates with the host and the home country environment. The third module is general adjustment, defined as the degree of comfort and familiarity with living conditions in the host country. We applied all the three modules in this paper, with the Social Identity Theory underpinning our investigation.

Social Identity is integral to social categorization (Shen et al., 2021), and in this study, it covers the identity of individuals who were expatriated to Japan. Social categorization is a psychological process distinguishing "us" from "them" (Dovidio & Gaertner, 2010). This phenomenon is expressed in the Social Identity Theory (SIT), originally formulated by Tajfel and Turner (1979). SIT assumes that individuals classify themselves and others into social categories, e. g., by gender or nationalities (Tajfel, 1982; Turner et al, 1987). On the tenets of SIT, individuals consider themselves either as insiders (members of the in-group) or as outsiders (members of the out-group). There are three mental processes in evaluating group membership. The first is social identification, when individuals understand and value themselves as a part of a particular group. For Western expatriates, socializing with other expatriates in the host country falls into this group. The second mental process is social categorization when individuals attempt to categorize other people as part of a group based on nationality, personal beliefs, etc. The third mental process is social comparison, when individuals compare their group to other groups. This comparison can be associated with a sort of hostili-

ty. Self-group esteem and pride in one's own group (in-group) drive hostility against other groups, or any other outsider, leading to discrimination and out-group behavior (Bonache et al., 2016). According to this theory and backed by several studies on expatriates from Western countries, HCNs categorize expatriates as out-group, based on salient attributes such as national identity, cultural background or language spoken (Bonache et al., 2016).

In addition, at the time of writing, we have a very unique situation at hand. The Covid-19 pandemic has triggered many disastrous effects on the Japanese economy (Watanabe, 2020). At the outset of the pandemic (around April 2020), unlike other countries, the Japanese government did not impose strict lockdown measures. Instead, the lockdown in Japan was referred to as a "state of emergency", where a reduction rate in contact frequency of 80% was deemed necessary to stop the pandemic (Kuniya, 2020). The first lockdown period was between April 7th and May 25th 2020. However, even during this time period, restaurants were just advised to close at 18.00 in the evenings. Only when the pandemic situation worsened, did the government enforce a new law on Jan. 21st 2021 in an attempt to control further outbreak.

Compared to the measures taken by many Western countries to mitigate the pandemic, measures taken by the Japanese authorities were relatively less harsh. Moreover, Japanese citizens understood the rules and generally followed them. The Japanese are used to social distancing and wearing face masks in public to avoid coming down with influenza (Iwasaki & Grubaugh, 2020). However, despite the relaxed measures taken by the government, the depression rate of Japanese employees increased significantly during the pandemic (Yamamoto et al., 2020). It must be noted that during the interview period, employees spent most of their time at their home office.

3. Methodology

3.1 Method and Data Analysis

Owing to the lack of research on how identity influences work and living adjustment of EMex, this study adopted an explorative approach through the use of a qualitative methodology (Eisenhard, 1989). The method used in this study was generally based on the Grounded Theory (Glaser & Straus, 1967). We then proceeded according to a refined version of the Grounded Theory by Charmaz (2014), who contends the following: "We *construct* our grounded theories through our past and present involvements and interactions with people, perspectives, and research practices" (2014, p. 17).

The interviews undertaken in this study were aimed at comparing and contrasting the attitudes of EMex to those of Western expatriates' vis-a-vis their identity, and how their identity affected their adjustment to work and living conditions in Japan. Three different areas were investigated, viz. work-related issues such as online meetings and home-office work, living conditions, and finally motivations and future perspectives. For example, interviewees were asked about their future assignment expectations upon

expiry of their contracts. We were also keen to know the extent to which EMex and Western expatriates wished to learn about the Japanese culture and language.

The data collected during the interviews were our primary sources of detailed content. The interviews were recorded and transcribed; memos were written by the researchers when the interviewees did not allow recording.

Using the technique of the Grounded Theory, we started by sorting existing and potentially relevant themes in a flexible way to code themes as they arose. By moving between the levels, we refined and reanalyzed previous theoretical concepts (see findings in Table 1). Thus, we followed the typical template approach (Charmaz, 2014) by initially coding information from 12 managers (six German and six Bangladeshi) on different facets. As a second step, we categorized the data into micro themes. Following this process, we transferred first order (micro) themes into higher order (macro) themes. In this procedure, micro themes are summaries of statements directly from the transcripts identified in the memos. Subsequently, these templates were iteratively revised between the authors until solutions were found. The final template summarized all the micro and macro themes, as shown in Table 1.

3.2 Data Collection and Sample

Long, in-depth interviews provided us detailed information about expatriates' identity and adjustment conditions. McCracken (1988) contends: "The long interview gives us the opportunity to step into the mind of another person, to see and experience the world as they do themselves" (1988, p. 9). Our emphasis was on in-depth information rather than its breadth. We were able to gain access to key informants, i. e., the expatriates themselves. The interviews with Bangladeshi managers were conducted from August 2021 to October 2021, while the Germans were interviewed from December 2020 to March 2021, both times during the Covid-19 pandemic.

We conducted semi-structured interviews via skype with six Bangladeshi and six German expatriates during their assignment in Japan (see Appendix). The interviews with Bangladeshi managers were conducted in Bengali and translated and transcribed verbatim. The interviews with German expatriates were conducted in the German language as it was the mother tongue of both the interviewer and interviewees. All their statements were translated as adequately as possible to reflect the true feelings of the interviewees. The data coding of all 12 interviews was performed manually.

During the interview process, the authors verified that all the expatriates/managers were based in Japan, holding management level positions, and had several years of management experience. The Bangladeshi managers were contacted by the second author's network. Three of the German expatriates were recruited via social network and the other three managers were contacted via the author's personal network. In line with previous research on expatriates, the interviews took between one and two hours; several interviewees were asked twice to respond to additional questions.

Four of the Bangladeshi managers moved to Japan before the COVID-19 outbreak. The other two interviewees went to Japan during the COVID-19 pandemic when the border was open to new entries (after October, 2020). On the German side, three of the interviewees arrived in Japan shortly before the Covid-19 situation was declared a pandemic. Two others were already several months in Japan before the outbreak of the Covid-19 pandemic. One of the interviewees (No. 2, German certification subsidiary) was a self-initiated expatriate with about 20 years of experience in Japan. All the interviewees were male, with degrees ranging from Bachelor's degree from German or Bangladeshi universities to one with a PhD. They were working in various industries, viz. IT, automotive, engineering certification, and tobacco industries. The German interviewees were heads of their firms or departments. The Bangladeshi interviewees had been assigned to special projects with international teams in HR, marketing or branding departments.

The number of interviews for this research was consistent with Sinkovics et al. (2008), who based their in-depth research on 9 interviews, and Saunders (2012) who suggests that 4 to 12 participants is sufficient for qualitative studies. Guo et al. (2021) based their findings on the identity of expatriates and self-initiated expatriates in China solely on nine interviews to extend the Social Identity Theory.

4. Findings

Table 1

Overview of Findings Based on the Final Template

Macro themes of circumstances caused by the Covid-19 pandemic	Micro themes of Bangladeshi expatriates	Micro themes of German expatriates
• Working conditions		
Home office	Worked with laptop from home in special assigned projects	Worked from home office, to implement policy for locals
Team work (when in office)	Mostly worked with foreign teams. Japanese co-workers were educated at US or European universities. No contact with "real" Japanese "salaried men"	Leading the top management team, or departments, including both foreigners and local Japanese
Working hours	Working until 9 pm (from home)	Almost any time had to be available because of time zone differences
Colleagues	Missed companionship of colleagues at home office and going out for drinks	Missed leading teams face to face

Macro themes of circumstances caused by the Covid-19 pandemic	Micro themes of Bangladeshi expatriates	Micro themes of German expatriates
Online problem solving	Difficult to solve problems of projects online	Difficult to implement completely the headquarters' policy
• Living conditions		
Lifestyle support	Small apartments, rental paid by own self, only support by friends	Elite lifestyle, rental of big houses paid by headquarters
Location of housing	Apartment located in suburbs around Tokyo	House /Mansion/ apartment located in central Tokyo
Commuting	Several hours commute to office, therefore, some managers preferred home office	No commuting or short commute
• Motivation and language issues		
Japanese language issues	No preparation before departure and no effort made to learn Japanese on assignment	Only basics in the Japanese language as preparation before arrival
Motivation to go to Japan	High salary compared to home pay; however, relatively low compared to German expatriates' pay	Career progress, personal experience, high fringe benefits
Own future	Career future not secure. Hoped to stay on in Japan to "pay off" home in Bangladesh	Secure career prospects; assurance from headquarters
Benefits from assignment in Japan	Hoped that firm at home would value Japanese experience. Also gained richer personal experience	Increased experience and "pay off" for future career at home (Germany)
Assignments through headquarters	Believed that most activities at home office in Japan could also be done from Bangladesh. Decrease of assignments expected	Owing to Covid-19-pandemic, fewer future global assignments expected. HQ cost saving. Fears of higher localization of foreign subsidiaries

Source: Data gathered by the authors from interviews

4.1. Working Conditions

4.1.1. Home Office, Team Work and Working Hours

Expatriation research documents show that expatriates often feel socially isolated (Jonasson et al., 2017). While Western expatriates (such as German managers) represent

their headquarters' policy in the Japanese subsidiary (Bruning et al., 2011), EMex (such as Bangladeshi managers) are only assigned to international teams to conduct special projects in HR, marketing or branding. Literature on social isolation cites cases such as teleworkers exhibiting lack of social interaction with co-workers, thus reinforcing a lack of belongingness and identifying with the organizational culture (Wicks, 2002). There was a similar situation in our study period during the Covid-19 pandemic in Japan. All of our interviewees worked most of the time at their home office. Bangladeshi interviewee No. 1 described it in the following way:

"My office needs me to do almost everything from my laptop. So yes, I can work from my office or home whatever is alright and the situation permits."

The German managers faced somewhat similar issues, but also complained about not being allowed to go physically to their office to implement necessary changes in the firms. Even Japanese local managers were said to be dissatisfied working from the home office. German Interviewee No. 4 mentioned:

"It is to say that also Japanese friends dislike home office, but corona forces them to do (it)."

The Bangladeshi managers, assigned to special projects with international teams, also faced difficulty as they were not able to discuss problems on the spot at the firm. While the German managers faced problems such as eliciting opinions of all leading managers at the (German) subsidiaries, Bangladeshi managers could not physically meet members of their (international) teams as they were working from their home office. Even on rare occasions when the Bangladeshi managers were allowed to work at the offices, they usually worked with non-Japanese; if they had to communicate with Japanese locals, they needed to have translators at hand. According to Bangladeshi interviewee No. 6:

"... some departments have absolute core Japanese employees, for example, trade and legal department. Japanese salary men. But in brand, marketing, HR these have Japanese employees who came to Japan after finishing higher studies, from UK, USA ... they are dynamic, they can communicate in English. So when I communicate with this bunch of either foreigners or foreign educated Japanese, the experience is different from the meetings with Japanese salarymen."

Working hours were long for both groups in our study. One reason for long working hours was the time zone differences during online communication with headquarters. Both the German and Bangladeshi managers faced problems of time zone differences due to the locations of headquarters and international firms in various parts of the world. Interviewee No. 2 (a German manager) commented:

"Early in the mornings, my headquarters would call me up all the time – and then in the evenings, the Americans."

A Bangladeshi manager, Interviewee No. 5, reported similar issues:

"It's quite common to work till 7-8 pm every day. And as we are MNC, we have to have meetings with colleagues from different time zones. For that everyone tries to adjust."

4.1.2. Colleagues and Online Problem-solving

It is understandable that expatriates from Western countries are expected to implement changes, at least to financially control foreign subsidiary activities (Bruning et al., 2011). The German expatriates felt the need to talk with colleagues and subordinates in the local office in person and to be physically present. However, not only did the German expatriates miss talking and consulting with other managers in person, but Bangladeshi managers also missed the office atmosphere as they had to work in isolation at home. EMex felt that it was beneficial to be physically present at the office, especially with regard to socializing with their Japanese office colleagues. Interviewee No. 2 commented:

"I wish I could create social bonding with my Japanese colleagues."

Moreover, being physically at the office is considered important for sorting out minor issues that might easily evolve into major big problems if not handled early and directly with the parties concerned. Difficulties were also hard to solve for Bangladeshi managers when they were isolated at their home office. Bangladeshi Interviewee No. 6 described the situation as follows:

"What we used to do is to walk to the colleague's desk and sort out any simple issue that we were having. A small talk for may be two minutes could solve the problem. Now, that is not possible online. So I have to see the time of my colleague, his calendar, see my calendar, find a suitable time for both, book a meeting to get this simple solution done... I have to book meetings, set minutes and do all these. So yes, this is a problem."

4.2. Living Conditions

4.2.1. Lifestyle Support

There is extensive expatriate literature confirming that expatriates enjoy high lifestyles. Expatriates are described in the literature as having elite status and belonging to special communities or so-called "expatriate clubs" (e. g., Beaverstock, 2011). EMex, however, receive a quite different treatment from their firms. We found that this difference in treatment started upon language and cultural preparation at home. While Western expatriates received the full benefits provided by their firm, EMex had to rely on personal friends or colleagues from the same country to get by upon arrival in Japan. EMex treatment was described by Interviewee No. 2 as follows:

“... the Bangladeshi colleagues that I have here helped me out also in terms of what to do, where to register, where to go for shopping, do this, do that, and so many things.”

4.2.2. Housing Location and Commuting

German managers who were interviewed in this study lived in big houses or at least at comfortable apartments, paid for by their company. Their residences in Tokyo were centrally located, not far from the subsidiary firm offices and to the existing German expatriate community. In contrast, Bangladeshi managers (EMex) not only lived in small apartments outside of Tokyo, but also had to bear the cost of housing themselves. There was only one exception. Interviewee No. 5, a Bangladeshi manager, explained:

“... I chose an apartment which is near my work place, even though the rent is high, (laughs) very high for me. But as I am single, I can manage.”

Full IT literacy gave the EMex some advantages. Several of the Bangladeshi managers preferred to work from home office to avoid commuting. Interviewee No. 4 declared:

“I save a good chunk of my time avoiding being in the train. Which I can use for watching football, calling home of friends or doing household chores. I usually finish my work by 8 in the evening unless we have something else going on”.

Japanese offices in Tokyo are often easily accessed by public transport, especially by trains (Bramson et al., 2020). Fear of being infected by the Covid-19 virus was another reason for Bangladeshi managers not commuting to offices at Tokyo downtown, preferring to stay at their home office. Interviewee No. 4 confirmed this fear:

“I do not like to go to gatherings, it scares me. Even in office. In most cases, I try to complete my work from home unless the work requires me to go to office...” I lost my father in Covid in June 2020...”

4.3. Motivation and Language

4.3.1. Japanese Language Issues

Literature is replete with Western expatriates receiving cultural and language training before they take on a position abroad (Lawson & Shepherd, 2019). The German expatriates in this study received preparation lectures before commencing their overseas assignments. As the German managers are normally assigned for a specific period in Japan, their inclination to learn the Japanese language was (understandably) low. In contrast, none of the EMex (Bangladeshi managers) were seriously prepared by their local headquarters before taking on their assignments in Japan. Surprisingly, none of the EMex made any effort to learn the Japanese language – even while on assignment. According to Interviewee No. 6:

"My office arranged 40 hours training on Japanese language. I took three classes and decided that it's not going to be possible for me to learn this language."

Perhaps there was no incentive to learn the Japanese language because the Bangladeshi managers were confident of using English as the means for general communication in the office; they could speak with all the managers at the office, including international managers from other countries. They also stated that Japanese co-workers preferred email communication if they lacked oral English proficiency. Email was preferable as Japanese managers were able to better prepare the expression of their thoughts and ideas to non-Japanese managers. Interviewee No. 5 indicated it the following way:

"I have to say email is much preferred by many Japanese as writing gives us more time to think and prepare our words than we have in talking."

4.3.2 Motivation to go to Japan

Both groups of managers in this study had, broadly speaking, a somewhat similar motivation to come to Japan. First, they had a chance to have a lifetime experience and spend some years in another country (Japan). Second, they were able to earn higher salaries. Third, they viewed the overseas stint as an important step upwards for their career. However, while Western expatriates (specifically German managers) were clear on their future career paths after their assignments, the Bangladeshi managers had only something like mere hope that their stint in Japan would be an asset on their return to their home country.

According to the literature, Western expatriates receive high fringe benefits and often even additional salaries (Chiu et al., 2021). Even if the Bangladeshi managers did not receive fringe benefits in terms of housing etc., their incomes were still much higher compared to the standard salaries back in their home country. Hence, it was not surprising that some Bangladeshi managers even planned to continue to stay in Japan when their assignments were over. Interviewee No. 5 stated:

"I am lucky... I am here for the long-term. I do not have a specific time period of assignment and hope that I will work here for a long time. I love it over here... ... the salary is also better as we are foreign employees... I think when I return, I will have a good work opportunity and better financial package at home. It is only natural that Bangladesh will try to use the learning from Japan (laughs)."

4.3.3. Own Future and Benefits from Assignment in Japan

As Western expatriates, the German managers would assume various positions at their headquarters after their assignments ended. Only one of the German interviewees who had been in Japan for many years had a clear intention to continue his job at the (German) firm in Japan. In contrast, the Bangladeshi managers were not sure about their

own future at the firm in their home country or if they could even continue their future career at all in Japan. Bangladeshi Interviewee No. 3 mentioned:

"I don't know for how long I will be working in Japan, but I hope it's for many years to come (laugh)... so I am not thinking about what should I do when I return...."

The wish of EMex to continue to stay in Japan for as long as possible was expressed by several other Bangladeshi managers. This tendency is reflected in the literature on knowledge management (Michailova & Sidorova, 2010). Interviewee No. 6 commented:

"In our office, many of the expatriates are turned into localized employees permanently shifting to Japan."

In regard to the Covid-19 pandemic situation, the Bangladeshi managers felt that they were fortunate enough to enter Japan prior to or during the pandemic. The interviewees were aware of cases of other already assigned Bangladeshi managers who were denied entry to Japan. Several interviewees informed us that many Bangladeshi managers were waiting at home (in Bangladesh) to move to the Japanese office. Interviewee No. 6 explained:

"I was lucky in a sense that I got my assignment prior to Covid. But many employees who were supposed to be on foreign assignments from Bangladesh are suffering."

4.3.4. Assignments through Headquarters

Both the German and Bangladeshi managers were of the view that their headquarters would reduce the number of overseas assignments in the near future. The German managers attributed the decline in assignments to lockdown measures imposed during the Covid-19 pandemic and high financial costs involved in overseas assignments. Headquarters could save financial resources by reducing the number of expatriates to be sent out to foreign-based subsidiaries. German Interviewee No. 1 pointed out that this development would lead subsidiaries of MNCs to be more autonomous from headquarters. However, the same interviewee was pessimistic with this development and shared his fear that subsidiaries would no longer align future strategic movements to headquarters. The Bangladeshi managers also expressed concerns about strategic changes because of the Covid-19 pandemic. A Bangladeshi manager, Interviewee No. 3, commented:

"Given that as most of the work can be done from home, so why would they (the firm) focus of wasting money in movement that can be spent efficiently in other sectors for development".

It must be mentioned that not all the interviewees were pessimistic about future assignments. One of the Bangladeshi managers felt the worldwide turmoil in regard to the Covid-19 pandemic was only temporary, and that international assignments would resume as soon as the pandemic ended. According to Interviewee No. 2:

“Temporarily things might get dull but I am sure things will bounce back as soon as world becomes a little bit healed. Vaccination is going on. And after that I believe everything will go back to normal... integration which is one of the major aims of foreign assignment can't happen if we keep telecommuting.”

5. Discussion

This study provides empirical evidence for two broad areas under investigation. First, we examine how the identity of EMex influenced their adjustment to work and living in Japan. Our main argument in this paper is that not only are Western expatriates perceived as being categorized as an out-group (Bhaskar-Shrinivas et al., 2005; Bader et al., 2017), but EMex are in the same situation. The second broad area of our research is on contrasting the experiences of EMex (Bangladeshi managers) with those of Western expatriates (German managers) in Japan during the Covid-19 pandemic. We provide a comparison of multiple perspectives and a nuanced picture of the identity and adjustment issues between EMex and Western expatriates during their tenure in Japan.

We advance SIT by conducting research on expatriates' social categorization (Shen, 2021; Singh et al. 2021; van Bakel, 2019), and show that both German and Bangladeshi expatriates face out-group categorization issues. Our findings are in line with Toh and DeNisi (2007), who also found that locals provide more social support to expatriates with whom they share social values. We extend this idea to EMex, showing that in this study, the Bangladeshi managers, who have a set of different cultural values, are not only considered as an out-group by the locals but also at the firm's office in Japan.

We fill a research gap by focusing on a neglected, but important group of expatriates for whom we coin the term “EMex”. Other studies have investigated issues on emerging market countries, but very seldom on expatriates from these countries. Interestingly, Arp et al. (2013) focused on Western managers assigned to Malaysia, an emerging market country, and found that some (Western) managers did not receive classical expatriation packages. They were referred to as FELOs or “foreign executives in local organizations”.

We complement studies on Chinese expatriates (Wang et al., 2013; Zhong et al., 2015), whom we assume to be different in their unique characteristics, not fitting those from other emerging market countries (He et al., 2019).

We further advance the link to expatriates' cross cultural adjustment and career development. Recent literature examines cross-cultural adjustment on non-traditionally assigned expatriates (Guo et al., 2021). We further extend this discussion to EMex. The findings suggest that expectations regarding longer-term outcomes of EMex differ from those of Western expatriates. While future assignments seem to be stable for Western expatriates, EMex face much uncertainty. For EMex, the assignment in Japan is more of an opportunity to demonstrate their expertise, giving them the hope that the assignment might positively impact their career in the future.

This research has not only theoretical but also practical implications to the body of expatriate research. We elucidated adjustments of work conditions of EMex and found that Bangladeshi managers felt isolated during their assignment in Japan, too. This isolation was naturally felt when working from their home office, but also during emergency situations when managers had to be physically present at the company office. All EMex reported that they experienced a difference of atmosphere whenever HCNs were part of teams other than international team members (or the Japanese educated abroad). They saw themselves as an out-group. Physical isolation at home office, however, was perceived differently by the two groups of expatriates. While German managers complained about an overflow of online meetings at their home office and not being able to introduce changes at the Japanese firm, Bangladeshi managers felt restrained about physical limitations working in a small home office. The latter also felt that small issues could have been more easily resolved with colleagues being physically present in the company office rather than trying to solve the problem online from the home office.

In regard to living conditions, Bangladeshi managers did not receive housing allowance. Therefore, EMex (with only one exception) could not afford accommodation close to the office. They predominantly stayed in affordable apartments in the suburbs of Tokyo. Occasionally, when their physical presence at office was needed, EMex would commute. They then became more aware of the benefits of working from the home office such as saving commuting time and staying safe from being infected with the Covid-19 virus. Even though housing and other fringe benefits were not available to the Bangladeshi managers, they were quite content with staying in Japan, taking the assignment as a life-time experience and hoping that the expatriation stint would help them career-wise in the future.

Lastly, EMex clearly differed from the Western expatriates in terms of motivation and future perspectives. In our study, the Bangladeshi managers were relatively less clear about their future when their assignments ended. Several interviewees hoped that they would be an asset to their Bangladeshi firm after their expatriation assignment in Japan. They further hoped that their working experience in Japan would help them get a better position on their return to Bangladesh. Some of them even hoped to continue their career in Japan, to be contracted as locally hired foreigners. However, like the German expatriates, Bangladeshi managers worked mainly with Non-Japanese or Japanese colleagues who had been educated abroad and were fluent in English. None of the EMex felt they were considered as in-group members by the locals. Interestingly, no Bangladeshi manager made serious efforts to learn the Japanese language, not even the managers who intended to continue their stay in Japan after their assignment ended.

This research is not without its limitations. Even if our study provides a picture of how the identity of EMex influences adjustment in Japan during Covid-19 pandemic, the sample size was small and covered only Bangladeshi managers as EMex. We contend, however, that our country sample is more appropriate to investigate EMex issues than samples from other emerging market countries such as China (Zhu et al., 2018; Kong et al., 2018). Also, as pointed out by Lu et al. (2018), benevolence of paternalism affects cul-

turally diverse teams. Further, economic and social development of expatriate managers' home countries may affect subsidiary top management team national diversity (Dahms et al., 2021). These effects should be studied in future using bigger samples of EMex.

Furthermore, all the EMex in our sample had high digital literacy. Findings might be different with EMex from other emerging market countries. Although EMex were all assigned to special projects working with international teams, e. g., in HR, branding or marketing, they were all sent by the firm in Bangladesh to the same firm in Japan (but to different departments). Furthermore, unlike EMex team members, the German managers led their firms or at least were heads of departments. The EMex in this regard were homogeneous as a group but somehow different from the Germans in the sample. In spite of these limitations, the new term "EMex" coined in this study provides a nuanced picture of how their identity influenced their adjustment in a country such as Japan at the time of the Covid-19 pandemic.

Appendix Interviews

German expatriates interviewed between Dec. 2020 and March 2021

Interviewee No. 1: Automotive company, Kawasaki, project manager, male. Interview: Jan. 2021

Interviewee No. 2: Certification company, Osaka, general manager, male, (interviewed twice). Interviews: February and March 2021

Interviewee No. 3: Engineering company, Tokyo, development engineer, male. Interview: March 2021

Interviewee No. 4: Car parts manufacturer, Tokyo, key account manager, male. Interview: Dec. 2020

Interviewee No. 5: IT company, Tokyo, systems engineer, male. Interview: Dec. 2020

Interviewee No. 6: Automotive company, Tokyo, Systems manager-engineer, male. Interview: Dec. 2020

Bangladeshi managers interviewed between August 2021 and October 2021

Interviewee No. 1: Tobacco company, Tokyo, executive in branding department, male, 30 years old. Interview: Sep. 2021

Interviewee No. 2: Tobacco company, Tokyo, executive in marketing department, male, 30 years old. Interview: Sep. 2021

Interviewee No. 3: Tobacco company, Tokyo, executive in core business department, male, 32 years old. Interview: Oct. 2021

Interviewee No. 4: Tobacco company, Tokyo, executive in marketing department, male, 33 years old. Interview: Oct. 2021

Interviewee No. 5: Tobacco company, Tokyo, executive in branding department, male, 28 years old. Interview: Oct. 2021

Interviewee No. 6: Tobacco company, Tokyo, executive in branding department, male, 32 years old, (interviewed twice). Interview: August and September, 2021

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