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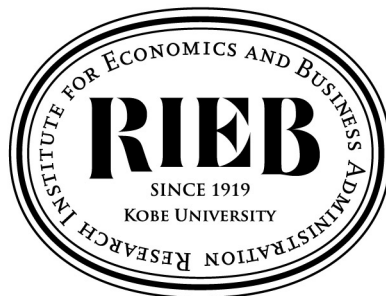
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**Adjustment of Expatriates' Work  
Practices during the Covid-19  
Pandemic**

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## **Adjustment of Expatriates' Work Practices during the Covid-19 Pandemic**

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## **Adjustment of Expatriates' Work Practices during the Covid-19 Pandemic**

### **Abstract**

Based on the grounded theory, this paper analyses the behavior of German expatriates in Japan. The qualitative inductive study generated two general themes: German expatriates' adjustments of work practices in Japan and work practices outside Japan. During the lockdown as a result of the Covid-19 pandemic, work adjustment in Japan brought a sense of isolation and expatriates reported difficulty in handling their roles. They also complained about the overflow of online meetings. There were further concerns that cost savings at the headquarters, in line with a stronger trend towards digitalization, would lead to a decrease in future expatriate assignments. Adjustment of expatriates' work practices outside Japan was framed on successions and bridge-building activities. Besides others, the Covid-19 pandemic brought expatriates to feel much closer to the headquarters through electronic communication, the previously experienced "out of sight, out of mind" syndrome from earlier assignments became less relevant.

### **Keywords**

Covid-19 pandemic; Expatriate work practices; German expatriates; Japan; Lockdown

## **Adjustment of Expatriates' Work Practices during the Covid-19 Pandemic**

### **Introduction**

Research on expatriates in international management continues to draw much interest (Cooke et al., 2019; Bebenroth and Froese, 2020), with many studies building upon challenges and adjustment issues of work practices (Nadeem and Mumatz, 2018; Wilczewski et al., 2019). For example, recent articles have focused on socialization barriers (Lin, 2018), cultural misinterpretation (Wilczewski et al. 2019) and underemployment issues of expatriates (Kawai and Mohr, 2020). The Covid-19 pandemic brings in an additional driver to work adjustment of expatriates. Work practices in this unique situation are as yet scarcely analyzed (Campbell and Gavett, 2021). The lack of a systematized analysis of the complex role of expatriations during the pandemic situation limits our understanding on how expatriates modify their work practice. This research is hence aimed at elucidating critical factors of work practice adjustments during the Covid-19 pandemic in an Asian setting.

The paper starts with a discussion on the initial framework of Black et al. (1991) who differentiated expatriates' adjustment of work practices into three categories, namely work, interactive, and general issues. The unique Covid-19 pandemic leads the author to establish a new framework on critical work practices. Accordingly, the following two research questions are formulated: 1. How do expatriates adapt to work practices during the Covid-19 pandemic? 2. How can this adjustment be framed?

To address these questions, the author adopted a qualitative, inductive approach based on six semi-structured in-depth interviews with German expatriates in Japan. Based on the grounded theory of Glaser and Strauss (1967) and Charmaz (2014), adjustment issues were framed within two different themes. Coining the term "adjustment of expatriate work practices during the Covid-19 pandemic", this study contributes to expatriation studies in several ways. First, by conducting in-depth interviews with expatriates, the author hopes that the findings in this study would corroborate current literature that expatriates are not uniform in nature, but demonstrate varying distinct challenges and adjustment issues (Black and Gregersen, 1991; Black et al., 1991). Second, a systematic classification of work practices during the Covid-19 pandemic is developed. Accordingly, a narrative arises where adjustment of work practices is split into two themes: work practices in Japan and work practices outside Japan.

This study indicates that expatriates were isolated owing to restrictions to work from home, that they disliked the home office, and that they experienced an overflow of online meetings. On the other hand, adjustments outside Japan enabled expatriates to communicate electronically much better with headquarters, and also more frequently with third parties. Thus, this study provides insights into a better understanding of expatriates' work practice adjustments during the Covid-19 pandemic.

The paper is organized as follows: After discussing the literature on adjustment issues as well as the Covid-19- pandemic in Japan, the methodology is presented.

The main results and discussion follow. Finally, a conclusion summarizes the findings of this study.

## **Literature review on adjustment of work practices and the Covid-19 pandemic**

The concept of adjustment in acculturation literature (Searle and Ward, 1990) rests on subjective well-being and life satisfaction with a new cultural setting (Ward et al., 1998). Psychological adjustment is understood as coping with stress factors, especially having the ability to handle negative psychological consequences of cross-cultural contacts and situations (Ward and Rana-Deuba, 1999; He et al., 2019). Changes and unexpected circumstances in a different cultural setting may cause acculturative stress, often leading to a decline in mental health while experiencing increased physical symptoms of stress (Berry, 2006). Psychological adjustment is conceptualized from a problem-oriented viewpoint, focusing on attitudinal factors in the process of the adjustment (Fenner and Selmer, 2008). Early research by social theorists indicate that expatriates experience cultural adjustment in various phases (e.g., a honeymoon stage, a cultural shock, etc.) resembling a U-shaped trajectory (Lysgaard, 1955; Black and Mendenhall, 1991).

This study reaches back to the initial framework developed by Black et al. (1991) to elucidate adjusted work practices of German expatriates in Japan during the Covid-19 pandemic. Their module includes three specific areas of cross-cultural adjustment. First: work adjustment, defined as the degree of adjustment on the job as well as working conditions and responsibilities in the host country. Second: interaction adjustment, defined as interactions of expatriates with the host and the home country environment. Third: general adjustment, defined as the degree of comfort and familiarity of expatriates with living conditions in the host country. In addition, network ties are integrated into this research as they remain a significant characteristic of expatriates (Mäkelä, 2007). Although newly established contacts acquired solely through new media, e.g., online meetings, can be characterized as superficial relationships, they should not be underestimated. The seminal work of Granovetter and his “weak ties theory” posits that weaker ties that are high in number can outperform a network of a few strong ties (Granovetter, 1973).

The Covid-19 pandemic had triggered much disastrous effects on Japan businesses (Watanabe, 2020). The Japanese government did not impose strict lockdown measures similar to those implemented in other countries, e.g., in Germany, Italy or the UK. The Japanese way of lockdown was referred to as a “state of emergency”. In the first lockdown period from April 7 to May 25, 2020, a reduction in contact rate of 80% was deemed necessary to control the outbreak (Kuniya, 2020). For instance, Japanese restaurants were advised to close after 18.00 in the evenings. Before Jan. 21<sup>st</sup> 2021, the Japanese government could only request shop owners to close; it did not have the legal authority to mete out punitive measures to those who did not comply with government guidelines. In Osaka, for example, several pachinko parlors chose not to comply with governmental requests to close temporarily. It was reported that the local government in Osaka had no alternative but to resort to publicly naming and shaming those defiant pachinko parlors to force them to abide by the

government's bidding (Asahi Shimbun, 2020). The Japanese government advised people to restrict their contacts and to maintain social distancing (Watanabe and Yabu, 2020). It was only when the pandemic situation worsened that a so-called Covid-19 virus law was finally passed on Jan. 21<sup>st</sup> 2021. This enabled the government to take action against shop owners who refused to comply with government guidelines regarding Covid-19 restrictions (Nippon, 2021).

For a long time a relatively moderate rate of infections and a low death rate was reported for Japan. During the study period (Nov. 2020 to May 2021), the number of affected people was almost one tenth the number in, for example, Germany (Coronavirus Tracker, 2021). However, even if the number of infected citizens in Japan remained comparatively low, the Japanese government and other institutions were concerned about the psychological impact of the pandemic to its citizens which had led to an increased rate of depression, as acknowledged recently by Japanese researchers (Yamamoto et al., 2020). The small number of infections is a surprise to people who are not knowledgeable about Japan, a densely populated country. Moreover, there is a large population of elderly people, and therefore, many high-risk individuals over 65 years of age (about 26%). Insiders to Japan, however, know that Japanese are amenable to social distancing, and that it is not unusual to wear face masks even long before the outbreak of the Covid-19 pandemic. Every year, influenza leads millions of Japanese to wear masks to prevent infection and to avoid infecting others. Also, each spring is hay fever season in Japan. Many Japanese wear masks during this period because they are allergic to pollen from pine trees (Iwasaki and Grubaugh, 2020). Therefore, the practice of wearing face masks in public has been quite widespread well before the outbreak of the Covid-19 pandemic.

## **Methodology**

### *Context and data collection*

German expatriates in Japan offer an interesting context for this study for three reasons. First, there is a long-standing research tradition on Western expatriates in Japan, reaching back to the work of Black in 1988 who investigated American expatriates in Japan. Similarly, much early research focused on Western expatriate assignments in Asia and the Pacific Rim (Black and Gregersen, 1991), with a plentitude of studies conducted by Selmer (1999) in Hong Kong. Second, this research corroborates with the segmentation of high and low context cultures (Hall, 1976), drawing upon a German low context culture and a high context host country culture in Japan. Finally, Japan is ethnically a very homogeneous country, and foreigners may find it difficult to adjust to the socio-cultural environment (Fearon, 2003; Yamashiro, 2011; Froese 2010) despite it being an advanced economy.

In order to address the research questions for this study, an exploratory, inductive approach was adopted to gather data from qualitative interviews (Caligiuri and Bonache, 2016; He, An and Berry, 2019). According to Lindlof and Tayler (2002), the in-depth interview constructing grounded theory is an important technique for qualitative research as rich and detailed data can be collected (Charmaz, 2014).

Semi-structured interviews were conducted via skype with six German expatriates located in Japan. Three of the expatriates were recruited by social network and the other three via the author's personal network. The interviews took between one and two hours, and one interviewee was asked twice to respond to additional questions. This kind of in-depth interviews, or "long interviews" are contended by as follows: "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). Having the Covid-19 situation at hand, I believe that such a qualitative approach is best suited in bringing to the surface specific challenges that German expatriates faced with regard to their work practices in Japan (see Arseneault, 2020, for Korea and Canada). The interviews were conducted during December 2020 to March 2021. The number of interviews for this research was deemed acceptable. Sinkovics et al. (2009) based their in-depth research on 9 interviews. Eisenhardt claims that not more than four in-depth studies are necessary to retrieve sufficient information according to the extend theory (Eisenhardt, 1989, b). Wilczewski even based their study on a single interview (Wilczewski et al., 2019) and Charmaz (2014) contends: "...you can decide how many interviews will suffice for your project" (p. 19)..

### *Study sample*

During the interview process, the author verified that the expatriates were based in Japan, on a management level position, and had several years of management experience. Three of the interviewees arrived in Japan shortly before Covid-19 was declared a pandemic. Two others were already several months in Japan before the outbreak of the Covid-19 pandemic. One of the interviewees was a self-initiated expatriate (No. 2, certification company) with about 20 years of experience in Japan. All the interviewees were male, with degrees ranging from BSc from German universities to a PhD. They were working in IT, automotive, engineering or certification companies in Japan; all of them worked at different companies (Appendix 1).

### *Method and data analysis*

The interviews captured dialogues on the adjustment of work practices. The interviewees, who offered individual insights of the study topic, were considered as primary sources of detailed content. The interviews were recorded and transcribed and memos were written by the author when interviewees did not allow recording. All interviews were conducted in the German language as it was the mother tongue of both interviewer and interviewees. The data coding of all six interviews was performed manually. The statements in this paper were translated as adequately as possible to reflect the true feelings of the interviewees. Next, transcripts and memos were coded following a template analysis approach developed originally for the grounded theory by Glaser and Strauss (1967). This involved choosing an inductive approach to collect data which were coded into different themes. The study hence set out a refined version of the grounded theory by Charmaz (2014) who contends:

“(G)rounded theory serves as a way to learn about the worlds we study and a method for developing theories to understand them” (2014, p. 17).

This technique started with existing and potentially relevant themes, and a flexible approach to code the themes as they arose. By moving between levels, the researcher refined and re-evaluated previous theoretical ideas (see findings in Table 1). Thus, following the typical template analysis for the grounded theory, the author began initially coding more than 120 different facets as the first step. As a second step, the data were categorized into micro themes. Following this, the first order (micro) themes were transferred into higher order (macro) themes. In this step, micro themes appearing directly from the transcripts were merged with those identified in the memos. Subsequently, these templates were iteratively revised to saturation until two overall themes (i.e., adjustment to work practices in Japan and outside Japan) were reached. The final template showing four macro themes is summarized in Table 1.

## Findings

Table 1: Overview of findings based on the final template

Micro themes	Macro themes	Overall themes
Restricting travels and staying at home	Restrictions and internal changes	Adjustment to work practices in Japan
Home office as “teleworking”: boring in spite of good housing		
Lacking physical relationships, overflow of online meetings experienced		
Fear of shrinking expatriate positions	Firm changes and adjustments	
Increase in digitalization		
Diminishing holding patterns	Successions	Adjustment to work practices outside Japan
Increasing overlap time for successions		
Increasing interactions with HQ	Bridge building activities	
Increasing interactions with third parties		



## *Adjustment to work practices in Japan*

### **Restrictions and internal changes**

#### *Restricting travels and staying at home*

Increasing attention was placed on travel restrictions for expatriates and practical limitations, resulting in their inability to be physically present at the office (Ryugen, 2020). In this way, the Covid-19 pandemic affected work practices of German expatriates in Japan significantly. Several expatriates expressed surprise at the Japanese government's way of dealing with the pandemic situation. As an illustration, German expatriate Interviewee No. 4 expressed his feelings on governmental restrictions the following way:

*“Here (in Japan) there is no regulatory agency running around allotting tickets or fines or whatever. It works through social pressure. I have to admit that the Japanese are more disciplined than us (the Germans).”*

Research on how other countries responded to the pandemic shows that many companies offered their expatriate staff a temporary home return or an early termination. Nonetheless, the situation also arose where “...many assignees simply stayed in the host country location and had to adopt 100% virtual working patterns from one day to the next” (Sahakiants and Dorner, 2021, p. 786). Also, in our research, all six German interviewees did not use this exit option; they continued to stay in Japan.

The Japanese government attempted to keep the infectivity rate of Covid-19 low by restricting physical cross-border travels. Restrictions were placed on foreigners' entry into the country after April 7<sup>th</sup> 2020, and again before the Olympic Games were due to start in Tokyo in July (Japan Times, 2021). However, unlike other G7 countries and even OECD countries, this ban not only affected tourists or short-term visitors to Japan, but also long-term residents (Bekes, 2020). Interestingly, Japanese government officials had long argued that there were not enough testing capacities available, and hence they felt justified imposing restrictions on the re-entry of non-Japanese and other professionals to Japan from early May 2020. As Japanese citizens did not face any quarantine for the first few months of the pandemic when they returned to Japan, vociferous complaints of discrimination against non-Japanese arose from the foreign community in Japan (Bekes, 2020). After May 2021, however, Japanese citizens who returned home to Japan had to be quarantined too, just like any foreign resident with permission to return to Japan.

Interviewee No. 2, a self-expatriated German top manager, reported that he went back to Germany in September 2020 for a four-week period. He made this trip to Germany as he had expected even greater difficulty with re-entry after autumn (2020) because of a possible new wave of Covid-19 infections. In contrast, Interviewee No. 3, who had been expatriated to Japan for a 3-year period, decided not to leave the country in the summer of 2020 as he did not want to spend three days quarantined in

an assigned hotel close to the airport, and then a further 11 days in isolation at home (should he test negative for Covid-19).

### *Home office as “teleworking”*

Research on remote collaboration shows that the home office was the only way for expatriates to fulfill their duties at foreign locations during travel restrictions (Caligiuri et al., 2020). During State of Emergency, all the six interviewed German expatriates in this study were forced to work from home, an arrangement called “teleworking” in Japan.

In a December 2020 interview, Interviewee No. 1 stated he found himself teleworking since April 2020. He was assigned as an expatriate to a German automotive company in Japan, and arrived in late 2019 shortly before the outbreak of the Covid-19 pandemic. Teleworking for him started some months after he arrived at the subsidiary located in Kawasaki, Japan. He mentioned that he had never worked from home before in his career. However, from April 2020 onwards, just like all other expatriates, he rarely went to the subsidiary office. This meant that he spent almost all his office time working from his home office. Interviewee No. 1 reported:

*“...since April (2020) I have not been to the subsidiary office more than once a week, or even twice a month, sometimes even only once a month. That means, [laughing] I am basically here all day at my home office, just working on the computer.”*

The regular teleworking day was mainly composed of online meetings. These extensive group meetings, often consisting of 10 to 15 participants and were scheduled over the entire day. Expatriates commonly reside in upmarket areas when on assignment abroad (Wentland, 2003), this being the case also with expatriates in Japan. However, in spite of the comfortable houses that expatriates occupied, the interviewees complained that they did not enjoy working from their home offices. Essentially, the decision to work from the home office was made by the company in order to curb Covid-19 infection risks. Societal pressure to meet the ambitious targets of firms to stay isolated in Japan was high.

### *Lacking physical relationships, overflow of online meetings*

The relationship between expatriates and local managers weakened owing to the zero physical contact policy as part of the health protocol during the pandemic. For expatriates, it was understandably difficult (or even impossible) to compare what Japanese managers did (or not did!) at their homes. Expatriates could only complain they had to use the digital media to contact their local managers.

Interviewee No. 2 said that he missed his local Japanese colleagues. He considered such contacts necessary for long-term relationships to keep up group performance at his firm. In addition, he noticed that the after-work activities of Japanese workers had also changed substantially during the Covid-19 pandemic. For example, he did not

go out anymore for drinks with colleagues after work. Interviewee No. 5 supported this observation:

*“There are no “nomikais” (drinking events) anymore after work. That is because of the Corona.”*

Expatriates in Japan were not the only ones affected by the pandemic. For example, the introduction of newly arrived expatriates to the new work environment used to be a routine practice for the Japanese staff. Hence, the introduction of a new boss from Germany would have been a routine procedure. Even family and housing arrangements for the expatriate manager were seen as routine processes to be carried out by the Japanese employees. Since the Covid-19 pandemic outbreak, however, with no more physical contact between locals and expatriates, many routine issues needed to be handled by the expatriates themselves (He et al., 2019).

Just like the expatriates, local Japanese managers similarly disliked working from their home office. There were several reasons for their dissatisfaction. Japanese managers had difficulty handling their subordinate employees in an efficient manner without being physically close to them. Japanese managers felt they had to be physically present for their teams to fully understand their needs and requirements. Before the outbreak of the pandemic, Japanese managers could never have imagined that they had to stay away from their team and work from their home. It is undesirable for Japanese managers, as well as for any other employees, to stay at home away from the office. Employees are expected to at least demonstrate their industriousness by being present at the workplace. That way, the manager can easily speak with each employee face-to-face, be able to handle their staff personally and receive the necessary feedback or concerns. Besides, managers who worked from home often hesitated to chastise an errant employee via electronic communication because no spontaneous feedback was possible. In this regard, interviewee No. 4 mentioned:

*“Well, we do not fuss anymore with expat-stories. I and most of my colleagues (German, but also Japanese) have to stay at home. But many of us are not happy about working from home.”*

Furthermore, emerging research indicates negative effects of information overload associated with the overuse of new media (Matthes et al., 2020). Concerns have been raised regarding the absence of a separation between private life and work, which gives rise to the feeling of having to be online and available most of the time (Campbell and Gavett, 2021). In sum, German expatriates revealed that there had been an overflow of online meetings.

## ***Firm changes and adjustments***

### ***Fear of shrinking expatriate positions***

Research has long indicated that premature termination of assignments or underperformance by expatriates is often caused by poor cultural adjustment (Bonache, Brewster and Froese, 2020). Such premature terminations pose high costs to headquarters (Collings, Scullion and Morley, 2007; Guzzo, Noonan and

Elron, 1994). However, another reason for a premature return to the home country can be a directive from headquarters. Also, expatriates may get transferred to another destination in the global network because their expertise is needed more urgently there (Caligiuri, 2000). Premature expatriate return, therefore, should not be automatically associated with expatriation failure (Harzing, 1995). Headquarters sometimes may have no other choice than to arrange a transfer should the need arise. Also, spouses and family members can influence the performance of expatriates, the well-being and the timing of return to headquarters. It is, therefore, not uncommon for expatriates to change their span of assignment to leave earlier than agreed upon (Lee, 2007). Expatriates might also delay their return to headquarters for their own personal reasons. For example, a project by Interviewee No. 1 was originally set up for a time span of two years, ending in Dec 2021. Owing to family reasons, he requested to further extend his tenure at the Japanese office. However, the German headquarters asked him to finish his assignment in Japan as scheduled and to return home (to the German subsidiary). The reasons for headquarters to shorten assignments, or not to extend current assignments, could be financial constraints due to the economic impact of the Covid-19 pandemic. It is reasonable to assume that headquarters aim to save money by requesting expatriates to return home earlier (or at least not later than agreed upon). Concern was expressed by Interviewee 1 that German MNCs might shorten expatriate assignments, especially when the MNCs experienced high financial losses as their business operations were curtailed or even shut down during the Covid-19 pandemic.

Some of the interviewees speculated that expatriate positions might not be filled again even after the Covid-19 pandemic was over. Interviewee No. 1 opined that his headquarters seemed to be downsizing their global expatriation program activities even when the end of the pandemic was still not in sight. The pandemic had made the headquarters more aware of cost-saving measures, e.g., by not sending their managers overseas. It was likely that heavy losses indirectly caused by the Covid-19 pandemic had led many German MNCs to curtail their investment programs. Also, German expatriate managers might be deemed no longer necessary for Japan-based subsidiaries. The higher the financial losses suffered by the headquarters, the more important it would be for headquarters to implement cost-saving measures. This is likely to be a long-term effect of the Covid-19 pandemic even when the virus no longer poses a threat to public health globally in the future. In other words, German headquarters might seize the opportunity to reduce financial costs not only by shortening existing assignments but also by keeping human resources at its headquarters. Such a decision might hamper alignment of the subsidiary to the headquarters in the long run. Concern was raised that German MNCs might be forced to leave their subsidiaries to operate autonomously, relying on locally hired Japanese staff instead.

### *Increase in digitalization*

This research builds on recent findings by Caligiuri et al. (2020) that employers worldwide increasingly use digital solutions to support their expatriates at international locations (Caligiuri, De Cieri, Minbaeva, Verbeke, and Zimmermann,

2020). In this regard, Sahakiants and Dorner (2021) contend that expatriates should benefit from using online technology and new media enforced during the Covid-19 pandemic. Nevertheless, research on digital applications for expatriate management is scarce (Zhu et al., 2018; Sahakiants and Dorner, 2021). Enhanced electronic communication between subsidiary and headquarters could foster their relationships, bringing them much closer. The Covid-19 pandemic can be considered as an additional driver for increasing digitalization (Amankwah-Amoah et al., 2021). Through digitalization, expatriate mentoring from headquarters to spatially separated mentees becomes possible (Zhuang et al., 2013). This would essentially be e-mentoring centered around internet-based technology (Sahakiants and Dorner, 2021).

On a positive note for expatriates, the “out-of-sight and out-of-mind” syndrome diminishes as the closeness of foreign-based subsidiary managers to headquarters leads to a new balance. Expatriates can gain new experience abroad without losing contact with headquarters. These tendencies were also expressed by German expatriates in this study.

## *Adjustment to work practices outside Japan*

### **Successions**

#### *Diminishing holding patterns*

Succession of expatriates occurs when the HR decides to bring back expatriate managers to the headquarters (Bebenroth and Froese, 2020; Bebenroth et al., 2007). The normal length of an expatriate term is 3 to 5 years arising from the idea that expatriate managers need to have at least three years to positively influence the subsidiaries without distancing themselves too far away from headquarters. Also, this time span is considered adequate to receive sufficient returns on investments. Interviewee No. 2 confirmed this view with a Japanese proverb: “Ishi no ue ni mo san nen” (translated: “One needs to sit on a stone and wait for three years [before something pays off]”).

The literature discusses mostly two kinds of expatriate successions. Expatriates can be replaced by other expatriates or they can be replaced by locals (Bebenroth and Froese, 2020). When locals (in this case Japanese) take over the position, it is also called job role localization (Pegram, Falcone and Kolios, 2019). It is unclear if expatriation stints end up helpful or harmful career-wise upon returning to the headquarters (Bolino, 2007). Some studies have found that expatriates remain in a so-called “holding pattern” during their international assignments (Itani, 2011). In such cases, they are not connected anymore to internal issues at headquarters. They might be disadvantaged compared with other managers at the headquarters who prefer not to be sent abroad to subsidiaries longer than a few weeks or months. These managers get promoted earlier than expatriates because they are not “out-of-sight and out-of-mind” as expatriates are (Feldman and Harvey, 1993). Such a holding pattern, therefore, can result in major career disappointments for expatriates (Antal, 2000). Also, studies suggest that younger expatriates face more difficulty

reintegrating into headquarters, especially in cases of organizational downsizing at the headquarters (Itani, 2011).

### *Increasing overlap time for successions*

Research suggests that transition periods, also known as overlap time of successors and incumbents, are of vital importance for a successful handover (Selmer and De Leon, 1997; Wilczewski et al., 2019). Overlap time is spent on briefings on how to run the business in the local cultural context, to introduce important stakeholders and generally to prepare the successor for a successful handover. In the present research, all the interviewees agreed that overlap time was an important period in the transfer of responsibilities. Bigger MNCs sometimes assign expatriates to special projects where overlap time does not matter. However, the majority of expatriates, especially at smaller entities in Japan, are sent out to lead the subsidiary as top managers. In this case the length and quality of overlap time can determine the performance of the incumbent-successor handover.

Previous expatriate studies suggest that the duration of an adequate overlap time depends on the firm and the distance between the two cultures. Expatriates to firms with greater distance take a longer time to get acquainted with the business, while on average, overlap time takes about 1.5 months (Selmer and De Leon, 1997). During the present Covid-19 pandemic, there are naturally no successions taking place. However, when the Covid-19 pandemic is over and the (Japanese) borders re-open, the issue of successions will gain prominence again. Incumbents have lost time experiencing being at their own firm because they have spent (at least) more than a year of their expatriation time at their home office. Therefore, interviewees suggested that German headquarters give incumbents a longer time to introduce successors to the local cultural (Japanese) context, especially to introduce successors to important clients, stake holders and key employees at the local firm itself.

## **Bridge building activities**

### *Increasing interactions with headquarters*

Headquarters send expatriate managers to host countries for strategic reasons (Edstroem and Gailbraith, 1977), the most important of which is control over finances (Bebenroth Pascha and Schuermann, 2007). Nevertheless, here are other strategic reasons as well (Bebenroth et al., 2007). Expatriates are expected to focus on bridge building activities i.e., linking the headquarters to their subsidiaries and to existing or potential partners. The interviewees in this study revealed that during the Covid-19 pandemic, they spoke more frequently with their own headquarters rather than with the local manager. Here is the statement of interviewee No. 6.

*“Well, the connection to the headquarters is always important. Of course, we are the builder of the bridges between our subsidiary and the headquarters, but unfortunately, not anymore bridging local partners”.*

However, expatriate-headquarter connections were strengthened during the Covid-19 pandemic. Headquarters had more contact with expatriates and also more control over their expatriate managers as there was easy communication access and, in some cases, even daily online meetings were held.

### *Increasing interactions with third parties*

Business contacts of expatriates within the network with third parties increased during the Covid-19 pandemic. This included links to managers based at other subsidiaries outside Germany, e.g., in Korea. Several expatriates conceded, however, that this widened networking with colleagues all over the world would very likely not be stable after the Covid-19 pandemic ended. The reason was that there would be little chance for the expatriates to physically meet in the future. Therefore, although expatriates in Japan increased their flexible business network worldwide, it was not deeply rooted but was based on so-called “weak signals”.

Both Interviewees No. 2 and No. 3 reported that they spoke more often to colleagues all over the world online, including colleagues with whom they had never contacted before the outbreak of the pandemic. Both interviewees also thought they would not have spoken to them, under normal (non-Covid-19) circumstances, until in-person meetings were set up. Interviewee No. 2, a self-initiated German top manager (at a German certification company, and who had been in Japan for around 20 years) realized that not only had his place of work been transferred to his home, but that his working hours had also increased. He further reported that his erstwhile extensive travels over the past years came to zero except for a few trips to Tokyo. He spent most of his time holding online meetings from home with colleagues in various parts of the world, and not just with the headquarters in Germany. He complained that teleworking was disadvantageous to him as global time differences meant that he had to be available almost 24 hours a day:

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

## **Discussion**

The study was organized following the original framework of Black et al. (1991) underpinned by the grounded theory, and was based on six qualitative interviews. The term “adjustment of expatriates’ work practices during the Covid-19 pandemic” was coined for this study. Specifically, a unique template was derived dividing adjustment of work practices into two main themes: adjustment in Japan and adjustment outside Japan. The main issues elucidated were travel restrictions, physical isolation and an overflow of online meetings at the home office, global changes, successions, and bridge-building activities.

This research contributes to the literature by offering a comprehensive overview of German expatriates’ work practices during the Covid-19 pandemic situation. The

study departed from original framework by Black et al. (1991) comprising three elements, namely work adjustment, interactive adjustment and general adjustment. The new framework for this study consists of two overall themes to better fit expatriates' work practice adjustments to the pandemic situation, viz. expatriates' work practice adjustments within Japan and outside Japan.

Also, global changes and adjustments that occur due to a higher rate of digitalization deserve mention. As pointed out by Amankwah-Amoah et al. (2021), Covid-19 has led to a faster pace of digitalization at firms. While the digitalization process is seen as a necessary undertaking by headquarters (Caligiuri et al., 2020), expatriates also gain the advantage of being brought closer to headquarters. However, concern is also raised that headquarters might make the change to fully govern their subsidiaries online, and stop the practice of sending out expatriates. In contrast to Granovetter's research suggesting that many weak ties outperform a few strong ones, results of the interviewees clearly point out that these new weak ties, generated by online meetings, would very likely be lost in the near future as soon as the Covid-19 pandemic is over. This finding adds a new perspective to literature that tends to ascribe a rather passive role to expatriates who are bound by their newcomer status at the host country (Mäkelä, 2007).

This research also offers a more nuanced view on depression experienced by expatriates working in isolation. Besides affective and adjustment disorders found by Foyle et al. (2007), in Japan, the incidence of depression is on the rise (Yamamoto, 2020). Despite expatriates enjoying much better housing than locals, their isolation remains a concern. Isolation due to confinement to the home office leads also to serious discomfort. Findings of Caligiuri et al. (2020) and Sahakiants and Dorner (2021) are corroborated by the interviewees' revelation that the transfer of work practices to the home office leads to isolation and (at the same time) to an overflow of online meetings that increase stress. This research also validates the findings of Holtbrugge and Shillo (2008) that virtual assignments which result in a lack of face-to-face interaction exacerbates intercultural management problems. In addition, trust-building among team members becomes more difficult to manage (Sahakiants and Dorner, 2021).

The findings of this study have several implications. First, expatriates felt isolated, even if their housing standard was far above that provided for local managers. This implies that digitalization, virtual meetings, and housing quality could not fully compensate for the isolation felt by of the German expatriates during the Covid-19 pandemic. Moreover, the expatriates had also to ensure their own physical health. Although communication with headquarters had increased via the electronic mode and relationships between the two parties had strengthened, the network with local employees remained (at best) underdeveloped.

The interviewees expressed concern that, following their experience with the pandemic, headquarters would try to save resources, especially finances, by shrinking expatriation activities and not sending them out again to subsidiaries (at least for the next few years). While such a move might be partly unavoidable for MNCs with high financial losses due to the severe economic impact of the Covid-19 pandemic, headquarters should clearly communicate their intentions to managers.



The interviewees also suggested that the overlap time of incumbents and successors (expatriates) should be increased to ensure a successful hand-over. Firms are advised, therefore, to continue expatriation programs to connect strategically with foreign based subsidiaries and to give both parties sufficient time to ensure a smooth transition.

### *Shortcomings*

This research is not without its limitations. Only six German expatriates were interviewed. Even if the author felt saturation in responses after the last interview, a higher number of interviewees, especially with expatriates of other nationalities, might shed more insight on this fascinating issue of work practice adjustment. Nevertheless, it is believed that the number of interviewees is sufficient for these findings to be confirmed in future studies, and that Germans (with their low context culture) represent similar challenges faced by other Westerners, Europeans and Americans based in Japan. A further weakness of the study is that all the interviewed expatriates were male and belonging to classical industries for German firms in Japan. Female expatriates, or those in different industries such as banking may experience the Covid-19 impact differently. Also, several studies have demonstrated a potential positive influence of the digital media on the wellbeing and adjustment for the family members of expatriates (Crowne, Goeke and Shoemaker, 2015). This research has solely focused on expatriates themselves, not their families. Future research is called for the investigation of these themes on a broader level. The study would further profit from a longitudinal study design that could provide additional insights into the process of adjustment during a period with travel restrictions in place, similar to that experienced during the Covid-19 pandemic.

### **Conclusion**

This research, based on the theoretical frame of Black et al. (1991) as well as on the grounded theory by Glaser and Strauss (1967) and by Charmaz (2014), highlights “adjustment of expatriates` work practices during the Covid-19 pandemic”, a term coined specifically for this study. The theoretical framework helped to provide the guidelines for in-depth interviews with six German expatriates on assignments in Japan.

Here, work practices were divided into two dimensions: adjustment of work practices in Japan and adjustment outside Japan. It was found that during the pandemic, the expatriates felt isolated in their home offices despite their living in comfortable houses. There was a physical lack of contact with co-workers, whereas an overflow of online meetings was common, including those occurring at awkward times of the day due to differences in international time zones. Otherwise, the expatriates viewed their adjustment of work practices outside Japan more favorably. This was especially true among interviewees who valued the stronger connection with headquarters that ensued, and who appreciated better digitalization and easier communication through the electronic media.

## **Appendix 1: 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

Interview guidelines (translated from German):

1. How do you arrange your regular working day nowadays? Are there any changes, difficulties or advantages because of the Covid-19 pandemic?
2. How much of your time do you spend in your home-office?
3. What advantages or disadvantages does the home-office provide?
4. Did you have the chance to return to Germany before lockdown was enforced?
5. What do you think is different nowadays compared to a regular assignment (without the Covid-19 pandemic)?
6. Do you think you have to shorten or to extend your stay at Japan because of the Covid-19 pandemic?
7. Do you think your succession personnel might be influenced by the Covid-19 pandemic? To what extent?
8. Do you think the overlap between you and your successor will change, i.e., becoming longer or shorter?

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