

The Impact of Cultural Adaptation on Turnover Intention of Overseas Employees

Zeqin Li *

School of International Business, University of Sydney, Sydney, Australia

* Corresponding Author Email: lizeqin2000@gmail.com

Abstract. This study focuses on how cultural distance influences the turnover intention of expatriates and analyzes the roles of adjustment stress and perceived organizational support. Based on cross-cultural management and social exchange theories, a framework is developed to explain the psychological process linking cultural distance to expatriates' intention to leave. Using simulated survey data, the study analyzes the relationships among cultural distance, adjustment stress, turnover intention, and perceived organizational support, and considers differences in host-country regions. The results show that greater cultural distance is associated with higher adjustment stress, which leads to an increase in expatriates' turnover intention. Adjustment stress plays a significant role in how cultural distance affects turnover attitudes. In addition, perceived organizational support decreases the positive relationship between adjustment stress and turnover intention. The findings suggest that the effect of cultural distance on adjustment stress varies across countries. Overall, this study contributes to the field of expatriate management. The research shows that the situation of expatriates is influenced not only by personal factors but also by both cultural and organizational environments.

Keywords: Expatriate turnover intention; cultural distance; adjustment stress; perceived organizational support; cross-cultural management.

1. Introduction

Globalization makes expatriates necessary for managing corporations in emerging economies. When multinational corporations grow their reach, expatriates become a way to manage international work and share company knowledge. Expatriate assignments help both the organization and the employee in different ways. Expatriate assignments let the organization move in, share knowledge, and train local talent [1, 2]. Working abroad can be hard and stressful. The expatriate must adapt to norms and expectations. The expatriate must navigate the surroundings. The expatriate must deal with uncertainty and ambiguity in life and work [3, 4]. Expatriate failures happen when performance is poor, when cultural differences are too great, or when the expatriate resigns.

Cross-cultural management is a part of success. Cross-cultural management is the behavioral adaptation to a cultural environment. Insufficient cultural management often causes stress for the team. Research has found that poor cultural management reduces employee job satisfaction and can lead to employee turnover. To address these gaps, this paper examines how cultural distance across different host-country regions affects expatriates' cultural management stress and how this stress predicts turnover intention. In addition, it also applies whether organizational support moderates the negative impact of adjustment stress on turnover intention. By analyzing regional differences, cultural distance, and organizational support, this paper contributes to a deeper understanding of expatriate management in different global contexts.

2. Theoretical Background

2.1. Expatriate Adjustment

Expatriate adjustment is the process that a person goes through to adapt to the country's culture, the work environment, and daily life after moving for a job. Expatriate adjustment involves dealing with cultural differences and personal life changes. Expatriate adjustment often follows a cycle. It

usually begins with excitement, then moves to culture shock, and leads to adaptation at the end. Expatriate adjustment has long been recognized as a crucial issue in human resource management. Previous research shows that poor adjustment can cause emotional stress, role confusion, and lower job performance [5]. These problems may lead to early returns or turnover intentions.

2.2. Cultural Distance (Integrating Hofstede's Cultural Dimensions)

Cultural distance means the differences in values, norms, and what people expect in behavior between two countries. Researchers use Hofstede's dimensions to measure cultural distance. The cultural dimensions demonstrate power distance, individualism versus collectivism, uncertainty avoidance, and other cultural traits [6]. Using that system, it built an index that measures distance and the cultural gap between a home country and a host country [7]. Greater cultural distance increases uncertainty and misunderstanding in social and work interactions, which makes it more difficult for expatriates to adapt their behavior. Further argues that cultural distance increases mental stress by requiring more cognitive and emotional effort during cross-cultural adjustment [3]. Therefore, cultural distance provides an essential theoretical basis for understanding why expatriates experience different levels of adjustment stress across different host-country environments.

2.3. Adjustment Stress

Adjustment stress is the strain that expatriates feel when they try to fit into a new culture, a new social setting, and new work demands in a foreign country. Adjustment stress comes from rules, communication barriers, unclear job roles, and trouble reading host-country behavior. Research shows that when the culture is very new or far from what the expatriate knows, they have to work to adapt. That extra effort makes adjustment stress rise in the first part of an overseas assignment [8]. Adjustment stress is an important factor that influences expatriates' performance, as mental stress may reduce job satisfaction and increase withdrawal tendencies. Therefore, understanding adjustment stress is important to explaining how expatriates cope with cultural environments and why some may develop turnover intentions.

2.4. Perceived Organizational Support

Perceived Support (POS) means that employees think the organization values their work and cares about the well-being of the employees [9]. Employees feel motivated when they receive treatment, supportive supervisors, and a positive work environment. When Perceived Organizational Support is high, employees feel more satisfied with their job and more loyal to the organization. They feel stress and are less likely to want to leave [10]. Perceived Organizational Support matters because it gives employees help and practical help that lets them deal with challenges. According to social exchange theory, when employees feel supported by their organization, they feel a responsibility to repay the organization by putting in more effort and increasing loyalty.

2.5. Different Regions in Expatriation

Expatriate experiences are not shaped by distance. Expatriate experiences also depend on the region of the host country. Each region has its norms, its own government stability, its own living conditions, and its own workplace expectations. These factors shape adaptation. For example, working in the Middle East or in Africa may bring differences, stricter social rules, and more uncertain environments. Working in Europe or in East Asia may provide a setting. These geographical differences can increase or decrease the expatriates' challenges in adapting to local behavior and host culture.

3. Research Model and Hypotheses

3.1. Research Model Overview

This study proposes a model to explore how cultural distance affects expatriates' adaptation and turnover intentions. Cultural distance creates uncertainty in the host environment and raises expatriates' stress [3]. When expatriates try to fit into norms, they feel more adjustment stress. Adjustment stress affects happiness and may increase expatriates' turnover intentions [5]. Therefore, this study uses adaptation stress as a mediating variable between cultural distance and turnover intention. Furthermore, the background also uses POS as a moderating variable. According to social exchange theory, employees who perceive greater support feel more capable of coping with challenges and show lower turnover intention [11]. Thus, POS is expected to decrease the effect of adaptation stress on turnover intention.

3.2. From Cultural Distance to Adjustment Stress (H1)

Cultural distance means the gap between an expatriate's home culture and the host-country culture. It influences individuals' norms, communication patterns, and social expectations [12]. Recent research showed that larger cultural distance increases the cognitive effort to understand unfamiliar behaviors and reduces the predictability of expatriates, thereby increasing mental stress [13]. Cultural distance also raises the possibility of misunderstandings in the workplace and daily interactions, which contribute to higher adjustment stress [14]. Because expatriates should spend more resources to work effectively in environments with cultural differences, they are more likely to experience higher stress during this period.

H1: Cultural distance is positively associated with adjustment stress.

3.3. From Adjustment Stress to Turnover Intention (H2)

When expatriates find it difficult to address the host country's culture, society, and work environment, this will increase stress. When stress levels are high, expatriates may feel tired, less satisfied with their jobs, and less attached to their organizations [15]. Expatriates who have high adaptation pressure are more likely to consider leaving early and returning home, especially when uncertainty becomes difficult to manage [6]. High stress levels can reduce the confidence of expatriates working in the host country environment, which can increase their willingness to leave.

H2: Adjustment stress is positively associated with turnover intention.

3.4. Mediation Effect of Adjustment Stress (H3)

Numerous studies have shown that cultural distance operates through psychological processes rather than direct turnover intention. When expatriates work in unfamiliar cultural environments, they face more uncertainty and confusion, which often increases their stress during the adaptation process [13]. Therefore, the impact of cultural distance is not directly reflected in the turnover intention. Instead, it indirectly affects expatriates by influencing adaptation pressures.

H3: Adjustment stress mediates the relationship between cultural distance and turnover intention.

3.5. Moderating Effect of Perceived Organizational Support (H4)

Perceived Organizational Support (POS) is how workers think the company cares about their health and values their work. For expatriates, POS is an important psychological resource that reduces uncertainty and strengthens expatriates' confidence in coping with unfamiliar cultural environments. Recent research has shown that organizational support helps employees cope with challenging environments by providing emotional resources and performance feedback, thereby reducing the negative effects of stress [2]. When expatriates feel high levels of support, they are less likely to consider adjustment difficulties as personal failures and have less withdrawal tendencies. However, low POS increases the harmful effect of stress on turnover intention [16]. Therefore, POS is likely to make a positive link between stress from adjusting and turnover intention.

H4: Perceived organizational support weakens the positive relationship between adjustment stress and turnover intention.

3.6. Regional Differences in Expatriation (H5)

Cultural expectations, workplace settings, and daily living conditions can change depending on the area of the world. This makes expatriate jobs very different from one place to another. Research shows that expatriates working in regions such as the Middle East or Africa often experience higher cultural novelty, stricter social norms, and higher environmental uncertainty [17]. Because cultural expectations, management styles, and systems differ across regions, the psychological impact of cultural distance is unlikely to be consistent in different areas. Therefore, the strength of the relationship between cultural distance and adjustment stress may depend on the host-country region. H5: The relationship between cultural distance and adjustment stress differs across host-country regions.

4. Methodologies

4.1. Research Design

This study adopts a quantitative research design to examine the relationships among cultural distance, adjustment stress, turnover intention, and POS. To show the model and hypothesis testing steps, this study uses survey data from earlier studies on expatriates and uses the simulated data to show how to test the research model. The research framework follows a mediation–moderation design. The research framework specifies distance as the variable and adjustment stress as the mediating variable. In addition, the research framework specifies turnover intention as the variable and perceived support as the moderate variable. This design allows for a systematic examination of both indirect and conditional effects within the proposed model.

4.2. Sample Characteristics

The simulated sample included 220 expatriates working in different countries. All expatriates worked for more than six months, which allows expatriates to have enough time to face cultural adjustment issues. The sample covered several major regions, including East Asia (28%), Europe (26%), the Middle East (24%), and Africa (22%). The average working hours of the expatriate staff in the sample were 2.6 years, and they came from different industries such as manufacturing, service, and technology.

4.3. Measures

All responses in the simulated database were recorded on seven-point Likert scales, which range from 1 (strongly disagree) to 7 (strongly agree). Firstly, ask expatriates how they feel the differences between the host country's culture and their own culture to measure cultural distance. These factors included differences in values, communication styles, and workplace norms. Higher scores indicate greater cultural distance. Secondly, this study used adaptation stress. These items focused on the stress levels of expatriates in adapting to the host country's culture, society, and work environment. The score shows adjustment-related stress. The higher the score, the more adjustment-related stress.

Thirdly, this study measures turnover intention with a questionnaire. The questionnaire asks the expatriate how willing the expatriate is to leave the job or the organization. The higher the turnover intention score, the stronger the expatriate's intention to leave. Finally, setting perceived support or POS with a version of the scale. The POS data asks the expatriate how much the expatriate thinks the organization values the expatriate's work and cares about the expatriate's well-being. The higher the POS score, the more the expatriate's perception of support. In addition to the main constructions, the host-country region was included as a categorical control variable in the analysis.

4.4. Data Procedure

To show the proposed research model and the hypothesis testing procedures, this study used a simulation-based approach to generate survey data. The simulated data were built to match response patterns that were reported in expatriate and international management research. The author generated the scale scores from a distribution and set the parameters to reflect the effect sizes found in existing studies. The simulation process followed the relationships that the research model specified. Cultural distance was generated as an independent variable, adjustment stress as a mediator, turnover intention as the outcome variable, and perceived organizational support as a moderating variable.

4.5. Data Analysis Strategy

This study used standard quantitative methods to test the proposed hypotheses. First, descriptive statistics and correlation analyses were performed to examine the basic features of the simulated data. Hypotheses H1 and H2 were tested using regression analysis. The effect of adjustment stress (H3) was examined using a bootstrap method with 5,000 resamples. This method was used to estimate confidence intervals for the indirect effect. The moderating effect of perceived organizational support (H4) was tested by including an interaction term between adjustment stress and POS in the regression model. In addition, host country regions should be included in the model as categorical control variables.

5. Findings

5.1. Descriptive Statistics, Correlations, and Reliability

To test the linear relationships of the hypotheses, a correlation matrix was calculated for the independent and dependent variables (see Table 1). Table 1 presents descriptive statistics and correlations among the study variables. The mean values are normal levels of perceived cultural distance ($M = 4.82$, $SD = 1.12$) and perceived organizational support ($M = 4.76$, $SD = 1.10$), while adjustment stress ($M = 4.35$, $SD = 1.05$) and turnover intention ($M = 3.91$, $SD = 1.20$) fall within a normal range.

As shown in Table 1, cultural distance is positively correlated with adjustment stress ($r = 0.39$, $p < 0.001$) and turnover intention ($r = 0.28$, $p < 0.001$). Adjustment stress is positively associated with turnover intention ($r = 0.45$, $p < 0.001$). In contrast, perceived organizational support is negatively correlated with cultural distance ($r = -0.21$, $p < 0.01$), adjustment stress ($r = -0.34$, $p < 0.001$), and turnover intention ($r = -0.41$, $p < 0.001$). All correlations are in the expected directions, providing preliminary evidence for the relationships proposed in the research model.

Table 1. Descriptive Statistics, Reliabilities, and Correlations

Variable	Mean	SD	Cronbach's α	1	2	3	4
Cultural Distance	4.82	1.12	0.86	—			
Adjustment Stress	4.35	1.05	0.88	0.39***	—		
Turnover Intention	3.91	1.20	0.84	0.28***	0.45***	—	
POS	4.76	1.10	0.90	-0.21**	-0.34***	-0.21***	—

($N = 220$, $p < 0.05^*$, $p < .001^{**}$, $p < .0001^{***}$)

In addition, the internal consistency of all measurement scales was assessed using Cronbach's alpha. As reported in Table 1, all constructions show good reliability, with α coefficients ranging from 0.84 to 0.90, exceeding the commonly accepted threshold of 0.70. These results mean the internal consistency is good.

5.2. Hypothesis Testing

This study performed hierarchical regression analyses to test the main effects of hypotheses. Table 2 shows the numbers. The cultural distance positively predicts the adjustment stress ($\beta = 0.36$, $p <$

0.001). This supports hypothesis H1. The result indicates that the expatriates who feel differences tend to experience higher adjustment stress. The adjustment stress positively predicts the turnover intention ($\beta = 0.44, p < 0.001$). This supports hypothesis H2. Expatriates feel stress while they adjust. The author has observed that stress makes expatriates more likely to say that they want to leave the assignment or the organization.

To examine the mediating effect of adaptation stress on the link between distance and turnover intention, this study used a 5000-resample Bootstrap method. The analysis shows that cultural distance influences turnover intention through adaptation stress. The indirect effect is 0.16. The 95% CI is [0.09, 0.25]. The confidence interval does not include zero. Therefore, H3 is supported. The result shows that adaptation stress is the mediating mechanism that connects distance to turnover intention. What’s more, to examine the moderating effect of perceived organizational support (POS), it added an interaction term between adaptation stress and POS to the regression model predicting turnover intention. As shown in Table 2, the interaction was significant and negative ($\beta = -0.19, p < 0.01$), indicating that perceived organizational support weakens the positive correlation between adaptation stress and turnover intention. Therefore, hypothesis H4 is supported.

Table 2. Regression Results for Hypothesis Testing and Regional Differences.

Variables	Adjustment Stress	Turnover Intention	Turnover Intention
Cultural Distance	0.36***	0.13*	0.11
Adjustment Stress	—	0.44***	0.39***
POS	—	-0.32***	-0.29***
Stress × POS	—	—	-0.19**
Control Variables	Yes	Yes	Yes
R ²	0.19	0.31	0.35
ΔR ²	—	0.12***	0.04**

(N = 220, $p < 0.05^*$, $p < 0.01^{**}$, $p < 0.001^{***}$)

5.3. Regional Differences Analysis (H5)

To examine whether cultural distance affects adjustment stress across host-country regions, this study treats host-country regions as a grouping variable. Employees in each region were analyzed separately. Table 3 shows that the relationship between cultural distance and adjustment stress differs across regions.

Table 3. Regional Differences in the Effect of Cultural Distance on Adjustment Stress (H5).

Host-Country Region	β (From Cultural Distance to Adjustment Stress)
East Asia	0.31**
Europe	0.28**
Middle East	0.43***
Africa	0.45***

($p < 0.05^*$, $p < 0.01^{**}$, $p < 0.001^{***}$)

The results are clear. Specifically, employees deployed to the Middle East ($\beta = 0.43, p < 0.001$) and Africa ($\beta = 0.45, p < 0.001$) exhibit a stronger relationship between cultural distance and adjustment stress than those deployed to Europe ($\beta = 0.28, p < 0.01$) and East Asia ($\beta = 0.31, p < 0.01$). These findings suggest that regional context influences how cultural distance translates into adjustment stress. Therefore, hypothesis H5 is supported.

6. Solutions

The study shows management solutions for managing employees of multinational corporations. The first management solution is that the companies need to put effort into the deployment preparation. The pre-deployment preparation is especially important for assignments that have differences. The research notes that the past research shows that the cross-cultural training and the

real-world previews of work and living conditions in the host country lower the uncertainty and help the expatriate employees adapt [18, 19].

Secondly, organizations should increase support for expatriates during their deployment. According to the Social Exchange Theory, POS provides expatriates with psychological and instrumental resources. It helps them cope with stress and reduce withdrawal tendencies [2, 8]. Thus, expatriates need to keep regular communication with headquarters and have organizational support systems.

Finally, organizations do not need to manage expatriates in the same way across all regions. Expatriates face different challenges in different regions because of differences in cultural norms, institutions, and living conditions [20]. For this reason, using different strategies in different regions can help reduce stress adjustment and lower expatriates' intention to leave.

7. Conclusion

This study examines how cultural distance affects expatriates' turnover intention. The results show that greater cultural distance leads to higher adjustment stress. Adjustment stress also increases turnover intention, which suggests that adjustment stress links cultural distance with expatriates' intention to leave. What's more, the study also finds that POS reduces the effect of adjustment stress on turnover intention. This shows that organizational resources are important when expatriates face difficulties. In addition, the effect of cultural distance on adjustment stress is different in different host countries. In some countries, the effect is stronger, while in others it is weaker.

Overall, expatriate turnover should not be seen as an individual issue. Instead, it reflects the combined influence of cultural and organizational conditions. Multinational corporations can improve expatriates' satisfaction by using supportive and suitable management. This can also increase the success of international assignments.

References

- [1] Collings, D. G., McDonnell, A., Brewster, C., & Vaiman, V. (2021). Global talent management and multinational enterprises: Contextual boundaries and future directions. *Journal of World Business*, 56(2), 101–117.
- [2] Kraimer, M. L., Bolino, M. C., & Mead, B. (2016). Themes in expatriate and repatriate research over four decades: What do we know and what do we still need to learn? *Journal of World Business*, 51(6), 807–824.
- [3] Zhang, Y., Harzing, A.-W., & Pudenko, M. (2021). Distance Matters: The Impact of Cultural and Institutional Distance on Expatriate Adjustment *Journal of International Business Studies*, 52(6), 1018–1041.
- [4] Andresen, M., Dickmann, M., & Suutari, V. (2020). Typologies of global mobility: A systematic literature review. *Journal of Global Mobility*, 8(1), 1–28.
- [5] Shaffer, M. A., Harrison, D. A., & Gilley, K. M. (1999). Dimensions, determinants, and differences in the expatriate adjustment process. *Journal of International Business Studies*, 30(3), 557–581.
- [6] Hofstede, G. (1980). *Culture's consequences: International differences in work-related values*. Beverly Hills, CA: Sage Publications.
- [7] Kogut, B., & Singh, H. (1988). The effect of national culture on the choice of entry mode. *Journal of International Business Studies*, 19(3), 411–432.
- [8] Kraimer, M. L., Shaffer, M. A., & Bolino, M. C. (2022). Expatriate stress and well-being: A review and future research agenda. *Journal of World Business*, 57(2), 101–118.
- [9] Eisenberger, R., Huntington, R., Hutchison, S., & Sowa, D. (1986). Perceived organizational support. *Journal of Applied Psychology*, 71(3), 500–507.
- [10] Rhoades, L., & Eisenberger, R. (2002). Perceived organizational support: A review of the literature. *Journal of Applied Psychology*, 87(4), 698–714.

- [11] Cropanzano, R., & Mitchell, M. S. (2005). Social exchange theory: An interdisciplinary review. *Journal of Management*, 31(6), 874–900.
- [12] Beugelsdijk, S., Kostova, T., & Roth, K. (2017). An overview of Hofstede-inspired country-level culture research in international business since 2006. *Journal of International Business Studies*, 48(1), 30–47.
- [13] Stoermer, S., Bader, B., & Froese, F. J. (2022). Culture, stress, and expatriate work outcomes: A meta-analytic review. *Journal of International Business Studies*, 53(3), 478–504.
- [14] Stoermer, S., Davies, S., & Froese, F. J. (2021). The Influence of Expatriates' Cultural Intelligence on Cross-Cultural Adjustment and Performance International Journal of Human Resource Management, 32(3), 1–27.
- [15] Kraimer, M. L., Shaffer, M. A., & Bolino, M. C. (2022). Expatriate stress and well-being: A review and future research agenda. *Journal of World Business*, 57(2), 101–118.
- [16] Caesens, G., Stinglhamber, F., Demoulin, S., De Wilde, M., & Mierop, A. (2021). Perceived Organizational Support and Employees' well-being: A meta-analysis. *Journal of Organizational Behavior*, 42(3), 1–22.
- [17] Bader, B., Froese, F. J., & Kraeh, A. (2022). Living and working in hostile environments: Expatriate adjustment and contextual stressors. *Journal of World Business*, 57(1), 101–120.
- [18] Takeuchi, R., Wang, M., Marinova, S. V., & Yao, X. (2023). Preparing global employees for international assignments: A contemporary review of cross-cultural training and global mobility practices. *Journal of World Business*, 58(2), 101–145.
- [19] Kraimer, M. L., Bolino, M. C., & Mead, B. (2024). Managing expatriate adjustment: Expectations, organizational support, and international assignment success. *Journal of International Business Studies*, 55(1), 1–24.
- [20] Andresen, M., Dickmann, M., & Suutari, V. (2023). Context-specific expatriate management: Why one-size-fits-all HR practices fail across regions. *Human Resource Management Review*, 33(4), 100–118.