Psychological contracts: enhancing understanding of the expatriation experience

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Abstract
In this introduction, we undertake a critical review of the state of research examining psychological contracts (PCs) as they pertain to the experience of expatriation and expatriates. Though expatriation as an activity has diversified greatly in recent decades – with the growth of self-initiated expatriation, more short-term, flexible and commuter assignments and a broadening of the expatriate profile with a wider range of people choosing to expatriate – there has been limited research published thus far examining expatriates’ perceptions of their PC and how it is affected by working inter-culturally. This introduction briefly traces the history of PC research and expatriates/expatriation and the employment relationship, and then considers the extant research specifically examining PCs in relation to expatriates/ expatriation. The articles included in the special issue address a range of areas identified in the call for papers and provide valuable insights into expatriation and expatriates’ experience including: expatriate PC breach; expatriate PC fulfilment; pre- and post-assignment PC as perceived by repatriates; PC of flexpatriates; and, episodic formation of expatriate PCs. Given the relatively underexplored area of expatriate/expatriation-related PC research, the special issue establishes a platform for undertaking future research in this field.

Keywords: Breach; expatriate; expatriation; flexpatriate; fulfilment; psychological contract; repatriate
Introduction
In the 25 or so years since publication of Rousseau’s (1989) seminal article outlining the concept of the Psychological Contract (PC), sustained academic and practitioner interest in the concept has generated a large body of theoretical and empirical literature dealing with the PC in domestic business environments. Over the same period of time, a substantial body of literature has been produced that focuses on International Human Resource Management (IHRM) with a significant component of this being about the employment relationship between expatriates and their employing organisations. However, research interest in the development and application of PC theory (PCT) for understanding expatriation and expatriate experiences (pre-, during, and post-assignment) has produced only a limited comparable body of research. This special issue collection of articles, including this introductory critical review, focuses attention on contemporary empirical and theoretical contributions in IHRM scholarship pertaining particularly to expatriate/expatriation literature and PC research. The specific intention is to stimulate greater research interest in key issues of concern in the management of the changing expatriate employment experience.

In this introduction we commence with a brief overview of aspects of each of the two fields of research, PC and expatriates and the employment relationship, and focus on the specific extant literature in which the employment experience of expatriates is examined within the theoretical framework of PCT. We then provide an overview of the five articles that are included in the special issue and outline some future research possibilities.

Psychological contracts
Central to the health and prosperity of any organisation are its human resources. As such, cultivating and maintaining positive relationships with employees is paramount to organisational success. The ‘psychological contract’ (PC) has been an important tool in this endeavour for almost 30 years. PCs refer to employees’ beliefs regarding the terms and conditions of their exchange agreement with their employer (Rousseau, 1989, 1995). More specifically, for each individual employee these subjective beliefs operate as

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1 In this article, in line with the literature we use the term ‘expatriation’ when referring to the activity itself, and the term ‘expatriate’ to mean an individual employee engaged in the expatriation activity.
a schema covering the inducements the organisation is obligated to provide to the employee (e.g. developmental opportunities), and the reciprocal contributions the employee is obligated to provide to the organisation (e.g. performance). These schemas influence employee interpretations of employer actions and shape employee attitudes (e.g. commitment) and behaviour (e.g. performance) towards the organisation. Therefore, such schemas are a critical factor to be considered in the understanding and management of employee–employer relationships.

Since the emergence of the PC as an empirical construct (Rousseau, 1989), a significant body of findings has been amassed, such that it is clearly beyond the scope of this introduction to provide anything but a brief review (see Conway & Briner [2009] for the most recent review of PC research over 50 years). In terms of focus, much of this work has centred on outcomes associated with ‘types’ of PCs (e.g. ‘relational’, ‘transactional’) and with PC evaluation (e.g. perceptions of fulfilment/breach). For instance, research has demonstrated that fostering relational PCs with employees is beneficial for both employees and organisations. As a type, relational PCs are idiosyncratic and flexible, with a shared mutual interest in sustaining the employment relationship long-term; such PCs are characterised by a focus on perceived socio-emotional obligations such as personal support, developmental opportunities and fair treatment. Relational PCs are associated positively with organisational commitment, intention to remain with the organisation, performance and job satisfaction (e.g. Rousseau, 1990; Rousseau & McLean Parks, 1993). In contrast, transactional PCs are considered less flexible, short-term, economic-oriented, and focused on matters such as compensation and job security. Transactional PCs are either unrelated or related negatively to a range of desirable employee attitudes and behaviours (e.g. Raja, Johns, & Ntalianis, 2004; Shore, Tetrick, Lynch, & Barksdale, 2006). While the bulk of the literature focuses on these two as the basic types of PC, researchers have also extended PCT through the study of variations to these types, e.g. the ‘balanced’ PC (Rousseau, 1995) and the ‘ideological’ PC (Thompson & Bunderson, 2003).

Equally if not more beneficial than a relational PC, is having a PC that is satisfied. Indeed, strong meta-analytic support exists for the detrimental con-sequences of ‘breach’, that is to say an employee’s cognition that the organisation has failed to meet its obligations under the PC (e.g. Morrison & Robinson, 1997). Significant breaches
can escalate in effect to produce a sense of ‘violation’ characterised by strong feelings (including anger, disappointment and outrage), an outcome that damages the employee–employer relationship (Zhao, Wayne, Glibkowski, & Bravo, 2007). Moreover, feelings of violation are more likely to be stronger following a case of relational PC breach than following a case of transactional PC breach. Research shows breach and violation associate with decreased commitment, reduced organisational trust, lower satisfaction and performance, reduced organisational citizenship behaviours and increased turnover intentions (e.g. Bal, De Lange, Jansen, & Van Der Velde, 2008; Zhao et al., 2007).

Within the PC literature, studies have ranged across many other areas of investigation (Conway & Briner, 2009), including: the role of individual differences in PC processes (e.g. Bal & Kooij, 2011; Hess & Jepsen, 2009; Lub, Bal, Blomme, & Schalk, 2016; Nikolaou, Tomprou, & Vakola, 2007; Orvis, Dudley, & Cortina, 2008; Raja et al., 2004); and, various moderating and mediating mechanisms of PC breach effects (e.g. Deery, Iverson, & Walsh, 2006; Griep, Vantilborgh, Baillien, & Pepermans, 2016; Montes & Irving, 2008; Robinson, 1996; Turnley, Bolino, Lester, & Bloodgood, 2004). Research has identified and remedied various methodological shortcomings (e.g. Conway & Briner, 2002; Lambert, Edwards, & Cable, 2003; Montes & Zweig, 2009); it has also produced greater construct clarity with the PC now being viewed as comprising perceived obligations derived not just from organisational promises, but also from pre-existing expectations (Rousseau, Hansen, & Tomprou, 2016). In addition, examination of PCs has occurred across a variety of cultures (e.g. Krishnan, 2011; O’Donohue, Donohue, & Grimmer, 2007; Rousseau & Schalk, 2000); Raeder, Knorr, & Hilb, 2012; Thomas et al., 2010) and within a variety of distinct contexts (e.g. Haggard & Turban, 2012; McDermott, Heffernan, & Beynon, 2013; Sparrow, 1996).

Notwithstanding the large body of extant PC research, PCT is still not a mature theoretical framework, and there remain issues on which a consensus has yet to be established in the literature. Conway and Briner’s (2009) valuable review is the latest and most recent in a number of reviews and critiques over time (e.g. Conway & Briner, 2005 & Cullinane & Dundon, 2006; Guest, 1998a, 1998b; Lester & Kickul, 2001; Millward & Brewerton, 2000; Rousseau, 1998; Taylor & Tekleab, 2004) calling for more empirical research on a range of specific issues. It is not possible for the issues of
debate and critique to be detailed in this brief overview; however, drawing on Conway and Briner (2005, 2009), in broad terms we suggest the main issues relate to:

- the dyadic nature of the PC and whether a PC can have multiple foci with more than two contracting parties perceived as being involved;
- the dynamics of the contracting process and the role of (perceived and felt) time in those processes;
- the emphasis on the PC as a promissory-based form of exchange, the role of ‘expectations’ and ‘obligations’ in that exchange, and whether the principles of reciprocity and mutuality operate generally, or serve to ‘tie’ specific contributions by the employee to specific contributions by the organisation;
- the assumption that the beliefs forming the basis of a PC are derived solely from an employee’s interaction with their current organisation, and in what way prior experiences with other organisations shape that PC; and,
- the different consequences of PC breach/violation and PC fulfilment for an employee’s attitudinal, emotional and behavioural responses.

Recently, catalysed in part by empirical findings for which established PCT (Rousseau, 1995) could not account, two new theoretical models have come to the forefront of PC research, opening up avenues of research with exciting potential to deepen significantly the understanding of, and ability to facilitate, strong employee–employer relationships. Rousseau et al. (2016) are proposing a comprehensive phase-based model of PC processes, currently titled ‘PCT 2.0’, which relates to ongoing collaborative work (see Hansen & Griep, in press; Hansen, Zweig, & Griep, 2015; Montes, Rousseau, & Tomprou, 2012). This model details inter-phase and intra-phase processes over the span of the employment relationship; from ‘Creation’ (i.e. the initial development of perceived mutual obligations), to ‘Maintenance’ (i.e. the status quo of the relationship), to ‘Repair’ (i.e. following a negative event) and ‘Renegotiation’ (i.e. following a positive event) and then back to ‘Maintenance’. Embracing the notion that PCs are dynamic, this model: captures the positive and negative PC-related events of employees; recognises that different factors (e.g. pre-existing expectations and employer promises) are relevant at different times in the employment relationship; acknowledges the much wider role of affect (positive and negative); introduces the important role of ‘Velocity’ (i.e. the speed at which events unfold); and, explains the
various ways in which employee perceptions of their own and their employer’s obligations change over time. Of course the effect of changes to the PC, depending on how the employee perceives the organisation’s intentions and actions, will be reflected in the employee’s attitudes and behaviours towards the organisation.

Paralleling this theoretical development, Tomprou, Rousseau, and Hansen (2015) present the post-violation model (PVM), which delves deeper into the dynamics of the employee–employer relationship during the Repair phase. The PVM is a systematic attempt to explain the processes by which employees (e.g. coping efforts) and employers (e.g. provision of remedies) attempt to repair the damage of a violation of the PC to facilitate a transition back to the Maintenance phase. Velocity, or the speed at which such attempts are made and resolution is achieved, is a critical factor. The PVM asserts that return to the Maintenance phase depends not only on restitution but also on emotional remedies for the violation. However, the PVM also recognises that once reactivated an employee’s PC may or may not resemble its pre-violation make-up; it may reflect a new employment relationship which is perceived by the employee to be more beneficial (i.e. thriving) or less beneficial (i.e. impaired) than what previously operated. At the same time, the PVM recognises that re-establishment of a functioning status quo may not always be possible, as an employee may reject the altered circumstances as a basis for a new PC. In such cases, the employee may retain the strong negative feelings associated with felt violation, thus leaving the employment relationship unrepaired and in a chronically dysfunctional state (i.e. dissolution). Together, these two theoretical extensions to PCT (Rousseau, 1995) offer exciting new avenues for research and development. Indeed, scholars have quickly begun to take up the call to further explore post-breach/violation relationship repair (e.g. Bankins, 2015) and the dynamics of PC processes over time (e.g. Griep, Vantilborgh, Baillien, et al., 2016; Solinger, Hofmans, Bal, & Jansen, 2016).

These and other efforts to date suggest a long and fruitful journey in prospect for all PC research, not just in terms of PCT development and testing but also in relation to adoption of research designs and methods that will support a more nuanced perspective on the dynamics of the employee–employer relationship. For instance, qualitative methods will be needed to establish fundamentals about employee perceptions of organisational efforts to remedy PC breach/violation. In quantitative
research, approaches involving high quantities of repeated measures (i.e. high density) and multi-temporal designs (e.g. hourly, daily or weekly measures) could be used to explore and map the activation of and duration of felt violation; and longitudinal designs could be used to track longer term processes like violation resolution. Such research queries are surely relevant to all employee–employer relationships in a general sense. However, some employment arrangements bring to bear additional complexities that heighten the intriguing nature of PC processes. As suggested in Guzzo, Noonan, and Elron (1994), one such arrangement is that between expatriates and their employing organisations.

**Expatriates and the employment relationship**

In recent decades the rise of global organisations has seen a substantial growth in the numbers of employees being posted/voluntarily relocating for international assignments, with expatriation and management of expatriates now forming a major stream of research within the IHRM literature. The functional and strategic operation of IHRM is generally accepted as being more complex than domestic HRM given greater involvement in employees’ lives by organisations, greater potential for issues of security/risk and greater impact of external influences such as national culture and legal differences (see Dowling, Festing, & Engle, 2013). On this point, Sparrow, Brewster and De Cieri (2012: cited in Cascio & Boudreau, 2016) suggest that IHRM spans three broad domains: (1) recruiting and retaining international employees; (2) aligning HRM policies and practices to support international competitive requirements and within host countries; and, (3) developing and enabling global professional competencies and capabilities in organisational HRM functions.

In this light, much of the published expatriate/expatriation research can be characterised as broadly associated with examination of how expatriates live and work, how they are supported by organisations within a cross-cultural context and the macro-level national factors and micro-level organisational factors that impact the cross-national transfer of employees and management practices (De Cieri & Hutchings, 2008). Research themes of significance include when and how expatriates add value to an organisation’s strategic growth, the challenges for understanding and managing the expatriate assignment cycle – from recruitment, through training and
development, performance and rewards management, to repatriation (see Caligiuri & Bonache, 2016) – along with cross-cultural adjustment and effectiveness (see Bird & Mendenhall, 2016). Within the existing body of research, analyses tend to focus primarily on organisationally assigned expatriates (OAEs), or potential OAEs, on long-term assignments; however, changes in the way international assignments are being undertaken, structured and managed raise important questions worthy of interest. Specifically, these questions relate to three key issues that present exciting research challenges: namely, (i) the increasing use of, changing reasons for, and types of expatriation; (ii) the growing diversity and emergence of non-traditional types of expatriates; and, (iii) the use of expatriation across a range of industries and outside the for-profit sector, e.g. by public sector and non-government organisations (NGOs).

With respect to the first challenge, while some organisations have reduced international assignments due to costs (see Collings, 2014), there is still significant and growing use of expatriates for managing global operations and developing future leaders with global competencies (see Bolino, Klotz, & Turnley, 2016). Indeed, it is predicted that use of international assignments will continue to increase largely due to domestic companies growing into multinationals (PWC, 2010; cited in Miralles-Vazquez & McGaughey, 2016). The expansion in expatriation is reflected in recent research evidence showing not only increasing numbers of expatriate workers from developing countries, but also that the flow of expatriation is changing. It is no longer the case that the flow of expatriation is simply from corporate headquarters to subsidiary; assignments from subsidiary to corporate, and between subsidiaries, are becoming more frequent (Caligiuri & Bonache, 2016).

Much of the growth can be attributed to the emergence of new forms of international work as many organisations no longer rely solely on the traditional approach of organisationally assigned, long-term assignments for a fixed duration of several years. New more flexible forms of assignment type have emerged as a response to changing global business conditions; forms such as: short-term postings to one location for anything from a few months to up to a year (beyond which is generally considered a long-term assignment); ‘frequent flyer’ or ‘flexpatriate’ assignments that are also of short-term duration but often to multiple locations; ‘commuter’ and ‘rotational’ assignments; and assignments which incorporate elements of virtual international work (see...
The increased variety of assignment type has provided more flexible opportunities for employees wishing to enhance their professional skills and careers, and experience the personal benefits of immersion in another culture. It has also led to increasing numbers of individuals initiating the expatriate process for themselves. Unlike OAEs, these individuals known as ‘self-initiated expatriates’ (SIEs) often have different motivations for expatriating (Suutari & Brewster, 2000) and choose to relocate voluntarily, often long-term. As a consequence, they are sourced as employees by organisations from within a host country, meaning their interaction with their host country organisation and the nature of their employment relationship, can differ to that of OAEs who have a pre-existing employment relationship with the parent organisation. In sum, the increased variation has important implications for understanding the nature of expatriate employment relationships and the complexity and range of HRM functions required to support the effectiveness of such relationships, as well as the level of management interaction that the maintenance of such relationships can require between parent and host organisations (Brewster, Sparrow, & Vernon, 2007).

In relation to the second challenge noted above – the growing diversity of individuals engaging in international work and the emergence of ‘non-traditional expatriates’ (a categorisation given by and distinguished from ‘non-traditional expatriation’ by McNulty & Hutchings, 2016) – a significant general consequence is the need for HRM in organisations to pay greater attention to, and provide support for a range of individual differences, the satisfactory management of which can be crucial to the success of international assignments. For example, in noting the rising numbers of accompanying families choosing to relocate (long-term or short-term), McNulty and Hutchings (2016) reinforce earlier research suggesting the potential contribution that families can make to the success or failure of international assignments. They also highlight the need to examine the HRM implications for non-traditional expatriate families, including: those with special needs and/or gifted children; families with children adopted overseas; multi-generational families; blended families; and status reversal partnerships with female ‘breadwinners’ (McNulty & Hutchings, 2016).

Issues of individual difference have also multiplied with the increasing diversity
within the global pool of expatriates. For example, while a range of organisational, national cultural and individual factors contributing to lack of gender balance amongst expatriates have been well examined within the literature (see Hutchings & Michailova, 2017; Shortland, 2009), McNulty and Hutchings (2016), other areas of individual difference are less examined (e.g. lesbian, gay, bisexual and transgender [LGBT] expatriates – see Gedro [2010] and McPhail, McNulty, and Hutchings [2016]: cited in McNulty and Hutchings [2016]; and single parent and split families – see McNulty [2015]: cited in McNulty and Hutchings [2016]). Given the uncertainty involved in living and working in a foreign country, unsurprisingly the roles of: commitment to the parent organisation, the host organisation and task performance; individual differences; the level of social support available; and, situational stressors; have all been examined as contributors to expatriate adjustment and assignment success (see Kraimer & Wayne, 2004). Moreover, differences in the nature of the relationship between individual satisfaction with the employer organisation’s internal communications and extent of individual adjustment (and feelings of isolation while working abroad), have also been examined (Bonache, 2005). However, Despotovic, Hutchings, and McPhail (2015) draw attention to a wide range of factors mentioned in earlier research as affecting individual adjustment to the international experience and the stress and degree of isolation felt by individuals, but about which they suggest more needs to be known. These factors include, but are not limited to: prior experience; prior knowledge of the host country language and culture; interest in/affinity for a host culture; and cross-cultural preparation.

In regard to the third of the challenges noted above – the use of expatriates by NGOs, in the public sector and across industries – Hutchings and Michailova (2017) suggest that while some recent research has examined expatriates in not-for-profit (NFP) organisations (Hutchings et al., 2010; Shortland, 2009), the experience of people working internationally in NGOs and NFP organisations and the public sector, such as the military (exceptions include Fisher, Hutchings, & Pinto, 2015) is under-examined. In addition to considering organisations operating outside the for-profit sector, there is scope to examine a wider range of industries (such as agriculture/fishing/forestry) than have been examined to date (manufacturing, construction, finance/banking, hospitality/tourism, professional services). Also, Metcalfe (2009; cited in Hutchings &
Michailova, 2017) draws attention to the need to consider expatriation in relation to international development, human rights and social justice roles, areas in which many NGOs have an interest and in which the number and activities of expatriate workers are becoming significant. In addition, there are recent calls for papers seeking to publish special journal issues on ‘Dangerous moves and risky international assignments’ (Pinto, Bader, & Schuster, 2016) and ‘Danger and risk as challenges for HRM: how to manage people in hostile environments’ (Bader, Schuster, & Dickmann, 2015) and a recent special issue examined ‘Employer duty of care: the role of HRM in managing talent in dangerous locations’ (Claus & McNulty, 2015). Each of these initiatives highlights important gaps not only in the understanding expatriation in multinational corporations, but also of the impact of such issues on expatriation in government, NGO and NFP roles.

The above summary of the research literature on expatriation and expatriates is not intended to be comprehensive. It focuses on three broad topics of research interest: the array of formats in which international work is increasingly being undertaken; the growing diversity of the global talent pool and emergence of non-traditional expatriates; and, expatriation in public sector, NGOs and NFP organisations. We believe these topics represent exciting opportunities for future work; particularly, for research in which the application of PCT, as an interpretative framework for understanding expatriation and the expatriate experience, can make a significant contribution. Of course, this is not to ignore the expatriate research to date which has utilised PCT.

**Extant research on PCs and expatriates**
In one of the earliest articles to examine the PC explicitly in relation to expatriate employees, Guzzo et al. (1994) develop, test and find support for a model in which PC fulfilment (assessed as the perceived sufficiency of organisational inducements) mediates the relationship between organisational practices (i.e. delivered inducements), organisational commitment and quit intentions. Although they do not use a conventional measure of PC fulfilment, Guzzo et al.’s (1994) findings are consistent with those of researchers investigating the PCs of general employee populations, and as such, demonstrate the utility of PCT as a framework for exploring the expatriate–
employer relationship. Perhaps more importantly, their research draws attention to distinct factors and circumstances associated with the expatriate employee (e.g. the influence of local social cues on perceptions, the possibility of multiple parties to the PC and employer obligations beyond those associated with the traditional relational and transactional PC type) that have unique implications for the PC and PC processes for such employees.

Following Guzzo et al.’s (1994) introduction of PCT into expatriation research, other interesting studies have followed. Some studies support relations between expatriate PCs and other relevant variables found in general employment populations. For instance, Chen (2010) finds that expatriate perceptions of interactional justice, perceived organisational support and leader–member exchange are positively related to perceived PC fulfilment. In a study of SIEs, Lee (2005) demonstrates that PC fulfilment is negatively related to both perceived underemployment and an individual’s belief that s/he is working in an inferior or low-quality job (Feldman, 1996). Pate and Scullion (2009) use case-based research to develop an understanding of both employer and expatriate perceptions of the PC, with findings similar to work in broader PC research. Pate and Scullion’s (2009) rich data-set suggests that many employers can be perceived as not adequately meeting their obligations to expatriates, particularly with regard to how the assignments are managed and how the employment relationship is maintained. The employment relationship is perceived as more transactional in nature from the employer’s perspective with little care or concern about expatriates’ emotional needs. Similar to the outcomes proposed in the PVM (Tomprou et al., 2015), a variety of negative reactions surface from the expatriate perspective; some individuals seem to resign themselves to an unfavourable reality, whereas others are motivated to negotiate for a better deal, and still others are decided on changing organisations at the conclusion of their assignment (Pate & Scullion, 2009).

Other research into the expatriate experience pushes the boundaries of main-stream PCT and delivers novel insights and contributions. For example, Ramirez, Zapata, and Madero (2015) open a new area of research with their examination of the PCs of expatriates working in environments where narcoterrorism represents a high personal security risk. Ramirez et al. (2015) explore expatriate and employer perceptions of reciprocal obligations in relation to personal safety. Their findings illustrate how HRM
can contribute positively to the maintenance of a healthy functional employment relationship by providing support for the well-being of employees (and their families). In another recent example, Perera, Chew, and Nielsen (2016) build on earlier PCT developed by Marks (2001) and others about the possibility that PCs could have multiple foci, to extend the discussion of expatriate PCs beyond a focal relationship with the parent organisation, arguing that expatriates can also have a PC with the host organisation. This possibility, that two PCs may operate one with each organisation, also implies that PC breach can occur simultaneously or separately with either organisation.

Taking expatriate research in a different direction, Bolino et al. (2016) explore interesting implications for employees who do not accept an international assignment; a timely topic given that, in some organisations, being a member of the organisation’s leadership talent pool is conditional on being open to international relocations (Hall, Zhu, & Yan, 2001; cited in Collings, 2014). Bolino et al. (2016) suggest that refusing an international assignment may be seen by the employer as an employee breach of the PC, with a consequent impact on the willingness of the employer to invest in that employee. Further, they suggest that an employee’s refusal of an international assignment offer may influence perceptions of free choice and increase the likelihood that other employees will decline an international assignment. Notably, this suggestion is consistent with repatriation literature showing that: (i) when other employees perceive repatriates as not receiving adequate organisational support, willingness to accept international assignments is likely to decrease (see Lazarova, 2015) and (ii) a gap between expectations and reality when repatriating can affect levels of job satisfaction (Bonache, 2005).

In addition to this empirical work, several theoretical models drawing on PCT appear in the expatriate/expatriation literature. Haslberger and Brewster (2009) propose a process model detailing the role of the employee’s beliefs about organisational obligations in the adjustment processes for expatriation and repatriation. They contend that the PC will impact the expatriate’s adjustment at three critical points, and at which points the potential for perceived PC breach is particularly high: acceptance of the expatriation assignment; adjustment abroad; and adjustment to the return home. Yan, Zhu, and Hall (2002) propose a predictive model of expatriation and repatriation success based on primary PC type (relational or transactional) and the level of
congruence between employee and employer perceptions of obligations, with less congruence leading to less success. They identify four basic elements – mutual loyalty, mutual transaction, agent opportunism and principal opportunism – and develop a matrix of organisation–individual alignment to predict degrees of success for expatriate assignment and repatriation. Finally, drawing on cross-cultural PC research (Rousseau & Schalk, 2000), Maurer and Li (2006) propose a model for understanding the impact of particular governance environments in host organisations. They argue that cultural characteristics associated with formal and informal governance systems operating within any organisation will affect the relationship between expatriates and their supervising managers; their point being that differences in perceptions about what are, or are not obligations will lead to different perceptions about what constitutes a PC breach and so impact on the employment relationship.

Overall, the value-adding nature of PCT in existing research on expatriation and the expatriate experience is reflected in the better informed body of knowledge of expatriation and understanding of the expatriate–employer relationship to which it has contributed. Importantly, the beneficial contributions of PCT to research on key issues in the field of expatriates/expatriation go beyond that field to connect with mainstream PC research, such as: the role of multiple foci to the PC (e.g. Bligh & Carsten, 2005; Morf, Arnold, & Staffelbach, 2014); variations in the established contract typology of relational and transactional to acknowledge other distinct elements (e.g. O'Donohue & Nelson, 2007; Scheel & Mohr, 2013); the involvement of people other than employee and employer in shaping the PC (Dabos & Rousseau, 2013; Ho, Rousseau, & Levesque, 2006); and the important implications of context in the development of PCs (e.g. Metz, Kulik, Brown, & Cregan, 2012; O’Leary-Kelly, Henderson, Anand, & Ashforth, 2014). Notwithstanding these kinds of advances, we believe there is still much to be learned about the PC and expatriates and expatriation.

**Special issue articles**

As the preceding discussion suggests, there is a clear need for a more elaborate understanding of expatriation and the expatriate experience of the kind which PCT could supply. Indeed, expatriation may have special implications for how PCs are developed and maintained, their scope and types of content obligations, the operation
of multiple PCs, reactions to PC breach and the duration of those reactions. Following a rigorous multi-stage review process, the five articles (three empirical and two theoretical) selected for inclusion in the Special Issue address important aspects of this requisite research focus, and are summarised below. The articles extend existing expatriate/expatriation research and PC research, and by so doing stimulate novel themes for future investigation.

In the first of the five articles, Perera, Chewa and Nielsen report on a qualitative study of PC breach, a major component of PCT, and present findings which shed new light on: the sources and nature of expatriate-perceived PC breach; and, how contextual factors can influence expatriates’ sensemaking processes and govern response to PC breach. The article contributes to the PC and expatriate/expatriation literatures in two important ways: firstly, in contrast to prior PC research, it suggests that following PC breach, expatriates are able to separate their attitudes towards ‘the job’ from ‘the organisation’; and secondly, it calls into question the implicit assumption in PCT that all employees respond negatively to PC breach by reducing job performance. Specifically, Perera et al. contend that differences in the motivational drivers of individual expatriates will influence response to a dissatisfying experience of PC breach, such that an expatriate’s behaviour may aim at sustaining job performance and not always reflect adherence to the norm of negative reciprocity as current PCT suggests. At the same time, Perera et al. acknowledge that while some expatriates may not compromise their task performance, they may choose other more subtle forms of counterproductive work behaviour as the means for rebalancing the exchange relationship and restoring equity. These findings are indeed a novel contribution to the IHRM literature and fit with other earlier qualitative PC research (e.g. O’Donohue & Nelson, 2007). Finally, Perera et al. also draw attention to an interesting feature of the evidence they present by noting the absence of difference in the experiences of PC breach reported by OAEs and SIEs; leading them to raise the possibility for others to explore that perception of PC breach may be less related to expatriate type and more related to extent of previous experience on expatriate assignment and position in the hierarchy of the host country–organisation.

The second of the articles, by De Ruiter, Lub, Jansma and Blomme, examines the extent to which PC fulfilment positively relates to two intrinsic dimensions of
expatriate career success – job satisfaction (JS) and career satisfaction (CS) – and the influence of organisational identification on those relationships. By analysing quantitative data collected from 197 expatriates in a large multinational technology company, De Ruiter et al. show that PC fulfilment is positively related to JS and CS, and that organisational identification partially mediates the PC fulfilment/JS and PC fulfilment/CS relationships. These findings, which are consistent with previous research, highlight the importance for organisations of positively contributing to expatriate career success through fostering organisational identification and PC fulfilment. On the methodological front, De Ruiter et al. also raise interesting questions about the suitability of some of the items in the scales used generally to measure PC fulfilment, particularly as they relate to measurement of expatriate perceptions of organisational obligations in relation to safety and work–life balance matters. The article suggests that the distinctive characteristics of the expatriate experience require a different approach in the wording of scale items. For example, De Ruiter et al. claim that: (i) the concept of a ‘safe working environment’ is likely to be interpreted not only in terms of occupational hazards at the actual organisation site, but also in terms of the health, safety and security risks in the locality or country in which the expatriates (and perhaps families) are located; and (ii) in cases where expatriate families have relocated, the meaning of items covering ‘work-life balance’ is likely to be interpreted as including not only obligations in relation to the individual OAE’s work–life balance but also provision of support to the whole family. In support of their claim that important methodological questions need to be addressed by researchers using traditional scales for measuring expatriates’ perceptions of PC fulfilment, De Ruiter et al. present a model with three first-order factors (remuneration, assignment specific financial obligations and developmental obligations) for measuring the fulfilment of both assignment specific support obligations as well as more traditional PC obligations. In the third article in this Special Issue, Aldossari and Robertson draw on qualitative data collected from a sample of Saudi Arabian ‘repatriates’ to explore their perceptions of pre- and post-assignment PCs. As individual PCs will likely change through the processes of fulfilment and breach overtime, and given that long-term international assignments can last several years, Aldossari and Robertson reason that repatriate perceptions of organisational obligations are likely to differ from those held by expatriates at the
commencement of an assignment. Through examination of the management of OAEs in two organisations similar in type and industry, Aldossari and Roberston reveal significant differences across the two organisations, in terms of HRM policies and practices as well as informal organisational norms, specifically associated with the expatriation and repatriation process. The significant impact of HRM on repatriates’ perceptions of whether their PCs have been fulfilled or breached during assignment and/or on return, is highlighted; throwing light on the important role that well-planned HR policies and practices, particularly regarding career development/post-assignment promotion, have to play in successfully managing OAEs’ expectations. Implementation of a range of employee support practices throughout the expatriation/repatriation experience, ranging from pre-departure career discussions to ongoing communication and repatriation job planning, to various forms of post-repatriation support, are identified as means for positively shaping employee perceptions of PC fulfilment and thereby contributing to overall assignment success. The article is an important contribution to our very limited understanding of expatriation and the expatriate experience for employees in Saudi Arabia specifically, but it also makes a broader contribution for developing countries wanting to invest successfully in national workforce development.

The last two articles in this Special Issue are both conceptual papers that review the existing PC and expatriate/expatriation literatures to identify possible research opportunities for applying PCT. Firstly, Pate and Scullion remind us that since the 1980s research on the expatriates/expatriation has principally focused on the traditional form of international assignment, that is a long-term posting which usually involves the relocation of the employee, and in some cases their family, to a foreign location. In the light of the emergence of alternative forms of international work, Pate and Scullion focus specifically on issues for ‘flexpatriates’; an alternative form of expatriation involving the completion of international work not requiring personal relocation and performed via frequent international travel. Given the importance of the growing numbers of people involved in flexpatriate work, this article has significant value in examining some of the key HRM challenges in managing flexpatriates and presenting an agenda for future research in this area. In the second of the two conceptual articles, Sherman and Morley use an organisational perspective to discuss how expatriate PCs are formed. They call
attention to three formative episodic events over which the organisation has direct control; namely: (i) the selection process for the international assignment; (ii) the pre-departure training and preparation provided to the assignee and (iii) the organisational support offered on initial entry to the host location. Sherman and Morley acknowledge the many other individual and contextual influences on PC formation, but contend, and we concur, that these three specific factors warrant special examination because of their significance as key channels through which information and signals are transmitted from the organisation to the individual expatriate.

Future research directions
As editors of this Special Issue, we believe that overall the three empirical and two conceptual papers presented in this Special Issue illustrate the great potential in using PCT to frame empirical studies of the expatriate–employer relationship that will introduce new perspectives into both the PC and IHRM fields of research. Together they suggest many interesting research possibilities. Indeed, efforts by PC researchers to examine PC dynamics more directly have already started to build, for instance, with: a Small Group Meeting of the European Association of Work and Organisational Psychology on ‘The Role of Time in Psychological Contract Processes’ being held in London in November, 2016; and a recent Special Issue call for papers on the topic ‘Unravelling the role of time in PC processes’ (Griep, Vantilborgh, Hansen, & Conway, 2016).

Nonetheless, the five articles presented here only address part of the research agenda we outlined in our Call for Papers (O’Donohue, Hutchings, & Montes [now Hansen], 2015). Therefore, in line with the three significant and developing areas of expatriate/expatriation research we examined above – expatriation and diversification of assignment type, diversity amongst expatriates, and expatriation context – we propose several additional ideas for future research that pertain to PC research and align with the challenges in the field of expatriate and expatriation research.

Expatriation and diversification of assignment type
Though one of the articles included in this Special Issue (Perera et al.) did not find differences of note between OAEs and SIEs in respect to PC breach, other differences
between the PCs of those assigned abroad by organisations and those who voluntarily relocate to work internationally warrant consideration. Moreover, while one of the other articles in this Special Issue (Pate and Scullion) examines flexpatriates, there is a need to understand the PCs associated with a range of other international assignment types and duration (such as ‘frequent flyers’ and ‘international commuters’ on short-term and/or ‘rotational’ assignments), and to consider relationships with both home and host country. Thus, we propose future research might consider some of the following areas:

- applying a process approach to the PC (see Conway & Briner, 2009) for exploring the dynamics of the PC over time across the pre-assignment, assignment and post-assignment phases of expatriation and differences relating to duration and location of assignment;
- evaluating the dyadic approach to the PC given that expatriates can develop multiple foci PCs with their host and parent organisations (see Perera et al., 2016) and this may be different for OAEs and SIEs;
- using qualitative and quantitative methods (e.g. using repeated measurement, multi-temporal and longitudinal designs) more effectively to provide a more nuanced perspective on the dynamics of the PC and OAE, SIE, short-term assignee, flexpatriate, contractor and repatriate perceptions of organisational efforts to remedy PC breach and
- examining the extent to which accompanying family and their adjustment are factored into expatriates’ PCs and if so, whether assignment type and length affect such factors.

Diversity amongst expatriates

Though researchers have recently started to examine the experiences of expatriates who are not within the traditional expatriate profile (i.e. male, heterosexual with accompanying non-working spouse and often children [McNulty & Hutchings, 2016]), we suggest that there is need to consider implications of this growing diversity of expatriates for PCs. We suggest the following areas as important focal topics for future research:

- examining female expatriates’ view of the PC, and whether they differ from their male colleagues and the impact of family situation and commitments;
exploring the extent to which expatriate PCs might incorporate beliefs about organisational support obligations for non-traditional families not recognised in the host country, and especially in cases of relationship breakdown;

• examining if the PCs of employees, who may be especially at risk in particular countries/regions of the world (such as females, LGBT people), include beliefs about specific organisational support;

• conducting longitudinal studies of how expatriate PCs differ in relation to home and host country organisational support obligations for accompanying families from home/headquarters countries, and expatriate families comprising the spouse and/or children from the host country; and,

• investigating whether expatriates in non-traditional families (or who move into non-traditional family relationships during expatriation) have PC-related beliefs about the provision of support and equitable access to HRM practices that differ from those of traditional expatriates.

Expatriation context

Though people have long relocated internationally in government, NGOs and NFP organisations, including (but not limited to) diplomatic and military postings and missionary and aid work, extant research gives limited consideration to expatriates working outside private sector organisations. Even within that limited consideration, the primary focus is on very large organisations and in particular industries. Acknowledgement of the role of context is a critical factor in establishing a clear understanding of phenomena in any area of research (Johns, 2006). Moreover, the research that has begun to explore the experiences of expatriates and expatriation management across sectors and industries has not reflected on the PC associated with expatriates/expatriation. In this light, the following areas are therefore suggested as possible avenues for future research:

• comparing the PCs of expatriates across industry and ownership type (including very large multi-national corporations and medium-sized joint venture enterprises, labour-intensive and technology-intensive industries);

• examining potential differences in PC breach and PC fulfilment of volunteer international workers and paid expatriates working together in NFP
organisations;

- investigating PC breach and PC fulfilment for expatriates (and families) working and living in high-risk environments (e.g. war/civil conflict zones) and expatriates (and families) living and working in low-risk, non-hostile environments; and,

- exploring how distinct expatriation contexts impact PC processes.

Theoretical grounding of PC in expatriate/expatriation research

Finally, more broadly we call for future research that contributes to: the continued development of PCT and its application to expatriation; and, the establishment of a coherent body of literature that is consistent in terms of theoretical grounding, conceptual definitions, and operationalisations. We draw attention to the need for such a coherent and consistent framework for PCT generally, noting that some steps have already been taken in that direction (e.g. Rousseau et al., 2016; Tomprou et al., 2015), and that cross-over research by scholars (e.g. Haslberger & Brewster, 2009; Pate & Scullion, 2009) points to such a need. Empirical research extending PCT has recently appeared, particularly in regard to matters such as relationship repair post-PC breach and post-PC violation (e.g. Bankins, 2015), and PC processes over time (e.g. Solinger et al., 2016), which provide useful leads for such matters to be investigated in relation to employees working internationally.

Conclusion

In conclusion, given the success of PCT in enhancing knowledge and understanding of employment relationships in the domestic HRM domain, we suggest that similar success is possible through its application and development in the constantly challenging and changing contemporary context within which expatriation occurs. By presenting five research articles drawing on PCT as the interpretative framework, a widely accepted but underutilised theoretical lens for the study of expatriates/expatriation, we believe this Special Issue makes an important contribution towards addressing the need for a more nuanced understanding of expatriate–employment relationships and the expatriation experience.
References


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