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# COSMOPOLITAN APPEAL: WHAT MAKES A CITY ATTRACTIVE TO EXPATRIATES?

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Research has increasingly focused on career development in a globalized economy. It has investigated the impact of international assignments on careers and their implications for organizations. Surprisingly, academic research has largely failed to address the importance of a city's attractiveness to expatriates. This exploratory study makes an initial attempt to fill this gap using data from Vienna, Austria. The study shows that expatriates distinguish between work and non-work location factors when considering an assignment. In the work area they distinguish between more organisation-focused career issues and the professional environment in the target location. Expatriates report a definite increase in knowing-how and knowing-why. Increases in knowing-whom are uncertain. This is one of the first studies that look at the attractiveness of a metropolitan area to expatriates and the perceived career impact of an assignment to Vienna. The study provides data on a city that so far has not featured in the literature on expatriation.

**Keywords:** Expatriates, Talent management, Careers, International assignments, Metropolitan areas, Attractiveness.

## What makes a City Attractive to Expatriates?

Urban governments are concerned with the reputation and competitiveness of their cities (e.g., Garrett, 2006). In a global economy they contend with other far-away cities for sources of affluence and economic advantage. Urban studies of prosperity and global competition investigate everything from the impact of cultural activities (Dziembowska-Kowalska & Funck, 1999) to local policies and their relation to the knowledge economy (Cappellin, 2007). Studies of competitive advantage of regional bodies normally have an economic focus looking from the perspective of the firm (Porter, 1990) at decisions such as foreign direct investments (Choi, 1999). Labour, as one of the factors of production, is an important ingredient in the creation of prosperity. In the knowledge economy this is especially true of knowledge workers.

The market for highly-educated labour, i.e. university degree or equivalent, is international. Therefore, nations and cities compete for such labour on a global scale (PricewaterhouseCoopers, 2010;

Schuler & Tarique, 2012). City rankings from organisations such as Mercer attest to this (Mercer, 2014). These rankings include scores on the economic, political, social, etc. environment. But there are no published studies that specifically investigate the decision-making of individuals in spite of the fact that management research has increasingly focused on career development in a globalized business environment. It has investigated the impact of international assignments on individual careers (Arthur, Khapova, & Wilderom, 2005; Arthur & Rousseau, 1996; Cerdin & Le Pargneux, 2014; DeFillippi & Arthur, 1994; Inkson & Arthur, 2001; Inkson, Arthur, Pringle, & Barry, 1997; Raider & Burt, 1996; Riusala & Suutari, 2000; Tams & Arthur, 2007; Vance & McNulty, 2014) and the implications of international assignments for organizations (Bonache & Noethen, 2014; Brewster, Bonache, Cerdin, & Suutari, 2014; Dickmann & Harris, 2005; Stahl & Cerdin, 2004). Surprisingly, academic research has largely failed to address the importance of a city's attractiveness to expatriates. Typically, cities are compared on the basis of proprietary rankings (Mercer, 2014), which, when positive, are used to market activities to other target groups, such as local residents or tourists. These rankings, however, provide only very general information to help a city improve its image or gain appeal as a top expatriate destination. Vienna, Austria, continues to score well in these rankings, largely because expatriates perceive it as safe with a high quality of life. But is this relevant for an expatriate deciding whether to accept a foreign posting or are there other factors not covered in the ranking studies and what is the impact of a Vienna assignment on an expatriate's career?

This paper, based on an exploratory study of 329 highly-educated expatriates in Vienna, Austria and completed in May 2008, addresses both gaps listed above. The study explores the influence of a city's attractiveness on the decision-making of expatriates as well as the city's impact on the expatriates' gain in career capital. It was developed using the career capital framework (DeFillippi & Arthur, 1994; Haslberger, 2013; Haslberger & Brewster, 2009; Inkson & Arthur, 2001), which will be discussed later and essentially refers to managerial and professional know-how, career-relevant networks, and motives of employees. The underlying questionnaire follows a similar study carried out in London (Dickmann & Mills, 2005). The main research questions of the study were:

- What influences an expatriate's decision to accept an assignment to a particular city? (attractiveness)
- What is the impact of an assignment to a particular city on an expatriate's career? (impact)

## Attractiveness

Companies struggle to attract, select, and retain suitable employees (Ryan & Tippins, 2004). A recent survey of over 4000 executives in 102 countries identified talent management and the creation of needed capabilities to meet the demands of the future at the top priority (Strack et al., 2012). Annual lists of "best employers" include various items, mostly related to work and career, but including also non-work items such as work-life balance and caring for individuals' private lifes (Bestplacestowork, 2014; Burchell & Robin, 2011; Fulmer, Gerhart, & Scott, 2003).

Work as well as non-work factors influence the attractiveness of employers. In international assignments, the attractiveness of a location will be influenced in similar fashion by work and non-work factors. As in the domestic arena, companies regularly rate the identification of the right people to fill international assignments as a significant challenge (Brookfield, 2014). Family concerns (37%), spouse's career (19%), career aspirations (13%), compensation (12%) location quality of life (7%) are the five most important reasons why candidates turn down assignment offers. The historical averages are 58%, 38%, 27%, 24%, and 21% respectively (ibid., p. 48). Other research on employee's willingness to accept foreign assignments consistently finds that locations similar to the home location are preferred (Aryee, Chay, & Chew, 1996; Schruijer & Hendriks, 1996). Further, one study has found that various expatriate benefits such as cross-cultural training or living allowances increase the likelihood that an individual is willing to accept an assignment abroad (Konopaske & Werner, 2005). These lists show two things: first, non-work items in addition to work-related items are important in the decision-making process that leads

to the acceptance of a foreign assignment. Second, they indicate that at least among non-work items the characteristics of the target location are important. But not all locations are alike with regards to career relevance. If an individual wants to have a career in investment banking, he or she will choose New York over Atlanta, London over Birmingham, and Frankfurt over Berlin.

The foregoing discussion shows that candidates will consider non-work as well as work-related features of the target location. Hence, we propose the following hypotheses:

- H1a: The items that influence an expatriate's decision to choose a particular location fall into work/career and non-work/non-career factors.
- H1b: The items that encourage or discourage expatriates to choose a particular location fall into work/career and non-work/non-career encouragement factors

Expatriates consider work- and non-work-related items in their decision process and compare these with the related characteristics of the target location. The decision to accept an assignment has a major impact on an expatriate's life. The opportunity to expatriate may arise via informal interactions (Harris & Brewster, 1999) and sometimes the decision is driven by a desire to leave behind an unpleasant situation (cf. Richardson & Mallon, 2005). Nevertheless, the magnitude of the change will prompt most expatriates to approach decision-making in a systematic and carefully considered fashion. This implies that work-related items influencing the decision will be compared with location-specific factors that are work related. The same logic applies to non-work items. Therefore, we propose the following hypotheses:

- H2a: Work-related factors influencing the decision to choose a particular location correlate positively with work-related location factors encouraging expatriates to choose the location.
- H2b: Non-work-related factors influencing the decision to choose a particular location correlate positively with non-work-related location factors encouraging expatriates to choose the location.

## Impact

International experience tends to produce some tangible benefits. Employers' career development systems often imply accelerated career progression or improved opportunities upon return (Evans, Pucik, & Björkman, 2011). Significant international experience benefits CEOs and the companies they lead (Carpenter, Sanders, & Gregersen, 2000, 2001). Carpenter et al. (2001) investigated financial indicators of firm performance and CEO pay. Yet, benefits of international assignments may be less tangible. Carpenter et al.'s model (2000) includes employee-focused items such as promotion, retention and external career mobility. One way to get a more complete picture of international assignment impact is to use the career-capital framework (DeFillippi & Arthur, 1994; Inkson & Arthur, 2001) to look at gains in knowing-how, knowing-whom and knowing-why.

*Knowing-how* refers to skills, expertise, and other work-related knowledge (DeFillippi & Arthur, 1994; Inkson & Arthur, 2001). Knowing-how includes knowledge, experiences, soft skills and technical proficiency. An international assignment provides the expatriate with new experiences and cross-cultural knowledge that should result in a knowing-how increase. Indeed, Dickmann and Harris (2005) report that expatriates gained intercultural competence and a broader perspective as a result of international assignments. Suutari et al. (2007), Dickmann et al. (2008) and Jokinen et al. (2008) also found an increase in knowing-how.

*Knowing-whom* refers to an employee's network of professional and social relations inside and outside the company (Raider & Burt, 1996). The effect of foreign experience on knowing-whom career capital is undetermined: expatriates will meet new contacts and expand their network internationally as a result of their assignment abroad (Antal, 2000; Mäkelä, 2007). At the same time their network at the base may suffer because of the "out of sight, out of mind" syndrome (Stahl & Cerdin, , 2004). Dickmann et al. (2005) found that an international assignment led to a loss of knowing-whom capital in the home office. Contrary to this Suutari et al. (2007), Dickmann et al. (2008) and Jokinen et al. (2008) found an increase

in knowing-whom. Because most research shows an increase in knowing-whom we hypothesise that it will increase.

*Knowing-why* signifies an individual's sense of purpose, motivation, energy and identification with work (Inkson & Arthur, 2001). Knowing-why influences the commitment to organisation and career. International assignments may influence an individual's identity (Kohonen, 2005), which has implications for knowing-why. The trials of adjustment that often accompany an international move (Oberg, 1960; Ward, Bochner, & Furnham, 2001) will help the expatriate clarify sense of purpose and motivation. As a result knowing-why should increase. In fact, Dickmann et al. (2008; 2005), Suutari et al. (2007) and Jokinen et al. (2008) also found an increase in knowing-why.

Therefore, we propose the following hypotheses:

- H3a: The items measuring career-capital development fall into the three factors of knowing-how, knowing-whom, and knowing-why.
- H3b: The international assignment leads to an increase in knowing-how.
- H3c: The international assignment leads to an increase in knowing-whom.
- H3d: The international assignment leads to an increase in knowing-why.

Carpenter et al. (2000) suggest that international assignments enhance an expatriate's promotion prospects and external career mobility. Increases in knowing-how, knowing-whom, and knowing-why will have positive effects on career progression and career outlook in- as well as outside the organisation. In addition, other beneficial outcomes such as financial advantages or access to a thriving business and professional culture will also have a positive effect on an expatriate's career outlook. Therefore, we propose the following hypotheses:

- H4a: Increases in knowing-how, knowing-whom, and knowing-why correlate positively with the impression that expatriate's career will progress faster than those of their peers.
- H4b: Increases in knowing-how, knowing-whom, and knowing-why correlate positively with the expatriate's impression that working in Vienna is perceived by employees in the home organisation as beneficial to one's career.
- H4c: Increases in knowing-how, knowing-whom, and knowing-why correlate positively with the perception of improved career prospects inside and outside the organisation.
- H4d: Beneficial work-related outcomes from working in Vienna correlate positively with the impression that expatriate's careers will progress faster than peers'.
- H4e: Beneficial work-related outcomes from working in Vienna correlate positively with the expatriate's impression that working in Vienna is perceived by employees in the home organisation as beneficial to one's career.
- H4f: Beneficial work-related outcomes from working in Vienna correlate positively with the perception of improved career prospects inside and outside the organisation.

Companies struggle to find the right candidates for international assignments, who are willing to go (Brookfield, 2014). The experiences of current expatriates influence the willingness of candidates for international assignments to go. On home leave, current expatriates informally share their experiences with colleagues and may even give outright recommendations to accept or reject offers for expatriate postings. Cities or, more precisely, city governments and business development agencies, on the other hand, are interested in attracting qualified labour. This may be an interest in its own right or a derived interest because they want to attract internationally active firms. One way or another, they are also interested in whether current expatriates recommend them to others. Marketing specialists, for example, know that recommendations are a strong, perhaps the single most important indicator of customer satisfaction and retention (Reichheld, 2003). Recommendations come from positive experiences. These stem from both work-related experiences such as increases in knowing-how, knowing-whom, and knowing-why as well as work- and non-work-related impressions of the city they live in. Therefore, we propose the following hypotheses:

- H5a: Increases in knowing-how, knowing-whom, and knowing-why correlate positively with the likelihood that an expatriate would recommend to work in Vienna to others.
- H5b: Beneficial outcomes – work-related and non-work-related – from working in Vienna correlate positively with the likelihood that an expatriate would recommend to work in Vienna to others.

## Methodology

The study is based on a quantitative survey of 329 expatriates. The web-based questionnaire included questions about respondents' views of Vienna and about the career-impact of working there. Many of the questions replicate a similar study carried out in London (Dickmann & Mills, 2005). The study followed the suggestion of Sullivan and Arthur (2006) to go beyond organisational career samples and included various types of expatriates. Managers made up roughly 40 % of the respondents. Technical experts and administrative employees represented almost as large a portion. In addition, there were smaller numbers of self-employed (5%) and currently unemployed respondents (10%) and students (5%). The study did not distinguish between self-initiated and expatriates sent by their organisation. It includes a mixture of both. Location considerations are important to both types. Self-initiated expatriates generally enjoy more freedom of choice than the others. That said, aspirants for jobs at international organisations such as the UN have only a few places to choose from.

Respondents were contacted either directly, via newsletters, or via intranets. Addresses included members of the foreign press club in Austria, members of foreign chambers of commerce, employees at international organisations and alumni of a university with 75% foreign students. Because of this sampling approach it is impossible to estimate a response rate. About one quarter of respondents worked at international organizations. The remaining respondents worked in different parts of the private sector. There was an even gender split among respondents, who were from 56 nations living in Vienna. The largest national group was U.S. citizens with 20%. Fifteen percent of respondents were in their twenties, 34% between 30 and under 40, 50% between 40 and 65, and 1% over 65. Eighty percent lived in Vienna with partners and 43% had children living with them. Respondents were highly educated with 90% having at least a first university degree.

Two thirds of respondents had lived in Vienna for up to 7 years. Seven years is the usual maximum for appointments in international organizations and also a common upper limit for expatriate terms in business assignments. Therefore, two thirds of respondents can be safely regarded as expatriates. Later the line to immigration may become blurred. Although a succession of different posts in international assignments adding up to more than seven years is not uncommon. Many officials leave Austria at the end of their posting(s).

### *Dependent Variables*

To test H1b we included a battery of 9 items that had either a career or a non-work focus. The underlying question asked about factors, which did "encourage or discourage your choice" to come to Vienna.

An example of a career-related item is "potential roles available after your work in Vienna" and of a non-work item is "personal safety". The items were rated on a 5-point Likert scale from "strongly discourage" to "strongly encourage". The question was also used to test H2a and H2b.

To test H4a and H4d, we used an ordinal variable assessing whether respondents think that their career will progress slower, equally fast, or faster than their peers' as a result of spending time in Vienna.

To test H4b and H4e, we asked respondents how working in Vienna is perceived by employees in the home organisation. Answers were coded on a 4-point Likert scale from "may be detrimental to one's career" to "very important for one's career".

To test H4c and H4f, we asked respondents whether working in Vienna has improved their career prospects, first outside and second inside their organisation. Answers were coded on a 5-point Likert scale from "not at all" to "very great extent".

To test H5a and H5b, we asked respondents whether they agree or disagree with the statement: "I would recommend Vienna as a city to work in to anyone with the opportunity to do so". Answers were coded on a 5-point Likert scale from "strongly disagree" to "strongly agree".

*Independent Variables*

To test H1a, we included a battery of 26 items on two screens of the web-based questionnaire that had either a career or a location focus. The underlying question was: "how much influence did the following factors have on your decision to work in Vienna". An example of a career-related item is "impact on career" and of a location-related item is "standard of living in Vienna". The items were rated on a 7-point Likert scale from "no influence" to "very great influence". The question was also used to test H2a and H2b.

To test H3a-d, H4a-c and H5a, we included a battery of 18 items that were related to either knowing-how, knowing-whom, or knowing-why. The underlying question was: "to what extent has working in Vienna helped you develop ..." An example of a knowing-how item is "better communication skills"; a knowing-whom item is "better networks with people from other organisations"; and a knowing-why item is "a higher sense of purpose in your job". The items were rated on a 5-point Likert scale from "not at all" to "very great extent".

To test H4d-f and H5c, we included five single-item questions, some work-related and some non-work, on whether working in Vienna has provided respondents with certain benefits. The work-related item were "greater financial benefit", "access to an international business/professional culture" and "access to an ambitious business/professional culture". The non-work items were "world class leisure opportunities" and "world class arts and culture experiences".

*Control Variables*

Where possible we included the control variables of gender, age, marital status, and length of stay. We considered including citizenship as another control variable. But since many of the 56 nations represented in the sample had only one respondent frequencies in a majority of cells would be zero rendering the resulting statistics unreliable.

*Analyses*

To test H1a and H1b we performed iterative exploratory factor analyses. Items that did not have a single and strong factor loading were excluded (exclusion condition: 1st factor $<.5$ or $2^{nd}$ factor $\geq.4$).

To test hypothesis 3a to 3d we first performed an iterative factor analysis as described above and then calculated scores for each factor by averaging answers to items loading on each separate factor. We then calculated for each factor the difference of respondents reporting no increase in knowing-how, knowing-whom and knowing-why and those reporting a great or very great increase, by deducting the percentage of the former from the percentage of the latter. If the percentage is negative, it indicates that there could be slight or no increase or even a decrease for the sample population overall. If the percentage is positive, it indicates an overall increase.

Correlations among variables were used as a first test of all other hypotheses. A general linear model (GLM) served as a second and more stringent test. For testing H4b, H4c, H4e, and H4f, non-employed respondents were excluded from both tests. Tests for the other hypotheses include the whole sample.

## Results

In order to facilitate further analyses we first tested H1a, H1b and H3a, which refer to the factors underlying question batteries. Unless otherwise stated factor analyses were performed using principal axis

factoring with varimax rotation and pair-wise exclusion of missing data. The criterion for factor extraction was an eigenvalue of >1.

The items about what influenced an expatriate's decision to come to Vienna formed three factors after two rounds of cutting poorly defined items. Fourteen of the 26 items remained in the final analysis. The Kaiser-Meyer-Olkin measure was .862 indicating good sampling adequacy. The final rotated solution included three factors explaining 53.6% of variance. Investigation of the underlying items prompted us to call the first factor "career-related influence" (6 items), the second "location-general influence" (5 items) and the third "location-professional influence" (3 items). Therefore, H1a is partially supported. There is a general influence factor, but there are also two career or professional factors, one tied to Vienna as a location and the other not. Alphas for the items loading on three factors were .84, .84 and .79 respectively. The items loading on each factor were averaged for each respondent to create a single score for each factor that was used in further analysis.

The items about what encouraged or discouraged expatriates to come to Vienna formed two factors as expected after one poorly defined item was cut. The Kaiser-Meyer-Olkin measure was .757 indicating satisfactory sampling adequacy. The final rotated solution explained 44.6% of variance. The underlying factors were called "work-related encouragement" (4 items) and "non-work encouragement" (4 items). H1b is supported. Alphas for the items loading on three factors were .76 and .72 respectively. The items loading on each factor were averaged for each respondent to create a single score for each factor that was used in further analysis.

The items about career-capital development originally formed two factors that were difficult to interpret. Therefore, we replaced the eigenvalue >1 criterion by a stipulated 3-factor solution. After eight poorly defined items of the original 18 were cut this approach produced a rotated factor solution that matched the expected structure of "knowing-how development" (4 items), "knowing-why development" (4 items), and "knowing-whom development" (2 items). H3a is supported. The Kaiser-Meyer-Olkin measure was .882 indicating good sampling adequacy. The final rotated solution explained 72.3% of variance. Alphas for the items loading on three factors were .89, .90 and .88 respectively. The items loading on each factor were averaged for each respondent to create a single score for each factor that was used in further analysis.

**Table 1.** presents means, standard deviations and bivariate correlations of all variables entering the analysis.

| V. | List of Variables in Table 1 |
|---|---|
| 1 | work-related encouragement |
| 2 | non-work encouragement |
| 3 | progress relative to peers |
| 4 | home organisation view |
| 5 | outside prospects |
| 6 | inside prospects |
| 7 | recommend Vienna to others |
| 8 | career-related influence |
| 9 | location-general influence |
| 10 | location-professional influence |
| 11 | knowing-how development |
| 12 | knowing-why development |
| 13 | knowing-whom development |
| 14 | financial benefit |
| 15 | international business culture |
| 16 | ambitious business culture |
| 17 | leisure opportunities |
| 18 | arts and culture experiences |
| 19 | age |
| 20 | length of stay (months) |
| 21 | gender |
| 22 | marital status |

Table 1: Descriptive Statistics and Pearson Correlations

| V. | N | Mean | SD | 1 | 2 | 3† | 4* | 5* | 6* | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 294 | 2.71 | 0.66 | | | | | | | | | | | | | | | | | | | | | |
| 2 | 294 | 2.55 | 0.59 | **.264** | | | | | | | | | | | | | | | | | | | | |
| 3 | 214 | 1.29 | 0.74 | **.465** | **.242** | | | | | | | | | | | | | | | | | | | |
| 4 | 242 | 1.74 | 0.78 | **.356** | **.265** | **.320** | | | | | | | | | | | | | | | | | | |
| 5 | 274 | 1.85 | 1.16 | **.474** | **.413** | **.331** | **.379** | | | | | | | | | | | | | | | | | |
| 6 | 274 | 1.85 | 1.25 | **.463** | **.431** | **.428** | **.453** | **.477** | | | | | | | | | | | | | | | | |
| 7 | 271 | 2.96 | 1.02 | **.285** | **.504** | **.343** | **.233** | **.325** | **.260** | | | | | | | | | | | | | | | |
| 8 | 296 | 3.15 | 1.56 | **.657** | **.209** | **.269** | **.224** | **.352** | **.404** | **.195** | | | | | | | | | | | | | | |
| 9 | 297 | 2.57 | 1.52 | **.271** | **.716** | **.171** | *.158* | **.388** | **.360** | **.409** | **.348** | | | | | | | | | | | | | |
| 10 | 296 | 1.63 | 1.58 | **.285** | **.469** | **.175** | **.284** | **.400** | **.399** | **.275** | **.352** | **.606** | | | | | | | | | | | | |
| 11 | 273 | 2.16 | 1.05 | **.312** | **.430** | **.252** | **.334** | **.447** | **.422** | **.351** | **.278** | **.468** | **.377** | | | | | | | | | | | |
| 12 | 271 | 1.88 | 1.13 | **.376** | **.370** | **.328** | **.281** | **.462** | **.548** | **.309** | **.417** | **.403** | **.414** | **.549** | | | | | | | | | | |
| 13 | 270 | 1.57 | 1.14 | **.333** | **.333** | **.342** | **.272** | **.511** | **.455** | **.322** | **.351** | **.394** | **.527** | **.502** | **.654** | | | | | | | | | |
| 14 | 271 | 2.27 | 1.14 | **.457** | **.162** | **.293** | **.286** | **.190** | **.345** | **.243** | **.326** | *.126* | .103 | **.176** | **.216** | **.126** | | | | | | | | |
| 15 | 271 | 2.69 | 1.00 | **.429** | **.271** | **.372** | **.308** | **.489** | **.280** | **.370** | **.313** | **.342** | **.256** | **.467** | **.393** | **.372** | **.444** | | | | | | | |
| 16 | 271 | 2.31 | 0.95 | **.458** | **.329** | **.393** | **.333** | **.486** | **.375** | **.386** | **.295** | **.353** | **.346** | **.493** | **.423** | **.507** | **.411** | **.764** | | | | | | |
| 17 | 271 | 2.56 | 1.03 | **.178** | **.362** | *.149* | .147 | **.188** | .106 | **.496** | .086 | **.292** | **.202** | **.330** | **.192** | **.285** | **.239** | **.345** | **.415** | | | | | |
| 18 | 271 | 3.10 | 0.92 | *.120* | **.319** | .100 | *.190* | *.178* | .102 | **.528** | .085 | **.249** | .093 | **.288** | *.151* | .115 | *.134* | **.391** | **.338** | **.668** | | | | |
| 19 | 235 | 41.5 | 11.6 | -.024 | -.001 | -*.121* | -**.218** | -.091 | -**.194** | *.143* | -.056 | -.008 | -*.151* | -.092 | -.042 | -.079 | .018 | .055 | -.013 | **.187** | **.213** | | | |
| 20 | 237 | 94 | 105 | -.088 | .052 | -.066 | -*.177* | -.089 | -.011 | .070 | -.107 | .098 | -.033 | **.186** | .125 | -.057 | .081 | .049 | .044 | *.134* | *.155* | **.404** | | |
| 21‡ | 238 | 1.51 | .501 | .005 | .027 | .000 | .000 | .000 | .000 | .000 | .014 | .000 | .000 | .034 | .000 | .049 | .000 | .000 | .000 | .000 | .045 | .009 | .009 | |
| 22‡ | 236 | 1.00 | .780 | .016 | .027 | .002 | .010 | .000 | .042 | .008 | .014 | .028 | .023 | .039 | .015 | .039 | .027 | .000 | .000 | .022 | .038 | .023 | .022 | .088 |

Test of H2a and H2b

Test of H4a, H4b, and H4c (Increase in career capital

Test of H4d, H4e, and H4f (Beneficial work-related outcomes)

(Non-work items)

Test of H5a and H5b

‡ Lambda (symmetric coefficient) – nominal variable; 21 and 22 as independent variables

† Kendall's tau b – ordinal variable

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

*Correlation is significant at the 0.05 level (2-tailed).*

*(List of variables above)*

Note: N for correlations varies.

* Correlations for 4, 5, and 6 include only employed respondents

The investigation of correlations in Table 1 allows a first evaluation of hypotheses. H2a and H2b receive tentative support. Career-related, location-general, and location-professional influence are significantly correlated with work-related and non-work encouragement. Career-related influence correlates most highly with work-related encouragement and location-general influence correlates most highly with non-work encouragement. Unexpectedly, location-professional influence correlates more highly with non-work encouragement.

H4a is supported as increases in knowing-how, knowing-whom, and knowing-why correlate positively with the expatriate's impression of faster career progress than peers'. Likewise, H4b and H4c receive support because career capital increases are significantly correlated with a view that employees in the home organisation regard working in Vienna is beneficial for one's career and with the expatriate's perception of improved career prospects in- and outside the company.

H4d is supported. Beneficial work-related outcomes are significantly correlated with the impression of faster career progress than peers'. One non-work item – leisure opportunities – is also significantly correlated, but only at the .05-level. H4e is largely supported, since only work-related items correlate with high significance with positive views of employees in the home organisation; one non-work item correlates against expectations at the .05-level with positive views. H4f is somewhat supported. Work-related items are correlated with high significance with improved career prospects in- and outside the

organisation. Against expectations, the two non-work items – leisure opportunities and arts and culture experiences – are also correlated with outside career prospects, the former at the .01- and the latter at the .05-level.

H5a and H5b are supported. Increases in the different facets of career capital and both work-related and non-work beneficial outcomes are significantly correlated with whether the expatriate would recommend to others to work in Vienna.

Before the evaluation of the above hypotheses with more advanced statistics we turn to H3b-d. To assess whether respondents experienced an increase in knowing-how, knowing-whom and knowing-why, respectively, we calculated the net percentage as described in the methods section. 6.2 percent of respondents reported no increase in knowing-how versus 27.5 percent, who indicated a great or very great increase. There is a difference 21.3 percentage points in favour of knowing-how increase. Therefore, H3b is supported. H3c is tentatively not supported. 21.5 percent indicated no increase in knowing-whom versus 17.4 percent reporting a great or very great increase. There is a difference of 4.1 percentage points for no or at least hardly any increase. As our data do not include more specifics, we take the result as disconfirming H3c. Finally, H3d is supported. 8.9 percent of respondents reported no increase in knowing-how versus 19.6 percent, who indicated a great or very great increase. The difference is 10.7 percentage points in favour of knowing-why increase.

Table 2 shows the results from GLM. The GLM analysis was done twice with the whole model: once with the full sample to test most hypotheses and once only with employed respondents to test Hypotheses 4b, 4c, 4e, and 4f. Therefore, statistics reported for inside and outside work prospects as well as for home organisation view stem from the employed respondents subset. Only independent variable effects with

**Table 2.** Results of GLM.

| Independent Variable | Dependent Variable | F | Sig. |
|---|---|---|---|
| career-related influence | work-related encouragement | 67.709 | .000** |
| | inside prospects | 4.090 | .045* |
| location-general influence | non-work encouragement | 82.899 | .000** |
| | recommend Vienna to others | 3.825 | .052† |
| location-professional influence | home organisation view | 3.819 | .053† |
| knowing-how development | recommend Vienna to others | 3.496 | .064† |
| knowing-why development | inside prospects | 5.160 | .025* |
| financial benefit | work-related encouragement | 5.636 | .019* |
| | non-work encouragement | 3.206 | .075† |
| | home organisation view | 4.191 | .043* |
| | inside prospects | 6.161 | .014* |
| international business culture | non-work encouragement | 2.760 | .099† |
| | outside prospects | 11.438 | .001** |
| ambitious business culture | work-related encouragement | 5.874 | .016* |
| leisure opportunities | non-work encouragement | 5.701 | .018* |
| | inside prospects | 3.662 | .058† |
| arts and culture experiences | home organisation view | 4.447 | .037* |
| | recommend Vienna to others | 15.046 | .000** |

** *Significant at the 0.01 level.*
* *Significant at the 0.05 level.*
† Significant at the 0.1 level.

significance levels of .1 or better are included in the table (Because of the explorative nature of this study tendencies at the .1-level are also reported and included in the discussion). The GLM was specified with all dependent variables listed in the methods section except for the ordinal variable of whether respondents think that their career will progress more slowly, equally fast, or faster than their peers' as a result of spending time in Vienna. GLM allows controlling for other factors that might influence respondents' answers. Therefore, we included the categorical variables of gender and marital status as factors, and age and length of stay in Vienna as covariates. In order to test for homogeneity of variances we included the Levene and Box's M tests. Both tests were non-significant indicating that variances were approximately equal, i.e. the data are suitable for GLM.

H2a and H2b are supported. Career-related influence correlates significantly with work-related encouragement and location-general influence correlates significantly with non-work encouragement. Location-professional influence does not show any significant correlations.

H4a and H4d could not be tested with the GLM because the dependent variable is ordinal. H4b is not supported. No increases in career capital correlate with a view that employees in the home organisation regard working in Vienna as beneficial for one's career. H4c receives only isolated support. Increases in knowing-why are significantly correlated with the expatriate's perception of improved career prospects inside the company. There is no correlation at all between career capital increases and the perception of a better career outlook outside the company.

H4e gets only isolated support. Greater financial benefit correlates with positive views of employees in the home organisation. Unexpectedly, a non-work item does so, too. H4f is partially supported. Two of the three work-related items are significantly correlated with improved career prospects. Greater financial benefit correlates with career prospects inside and access to an international business and professional culture correlates with the expectation of outside career opportunities. Against expectations, one non-work item is also tentatively correlated with inside career prospects, but only at the .1-level.

H5a and H5b received some isolated support. Expatriates' recommendation to work in Vienna is significantly correlated only with increases in knowing-how and access to world-class arts and cultural experiences.

The results from GLM support and further refine the picture from the analysis of correlations. Some hypotheses are fully supported, but a number of hypotheses received only tentative or no support. An investigation of Table 2 shows some significant correlations that were not hypothesised. The discussion section will re-visit all hypotheses, address the unexpected relationships, and provide recommendations for further research.

## Discussion

The data show that expatriates in Vienna made a finer distinction regarding factors influencing their decision to come than hypothesised in H1a. As expected they considered general conditions as one factor. But regarding work they distinguished career impact from the professional environment in Vienna. In hindsight, it makes sense that for a prospective expatriate career impact of an assignment may be more related to how the company views and treats international experience than to location-specific factors. This is in line with the implied promise mentioned in the literature (Evans, Pucik, & Björkman, 2011) of improved career prospects as an outcome of international assignments. When it comes to evaluating a potential assignment location, expatriates distinguish between what a location has to offer in general such as quality of life or leisure-time offerings and the type of professional environment it provides.

In line with H1b expatriates distinguished work and non-work factors that encouraged them to choose Vienna for an international assignment. H1b is confirmed only for Vienna because a factor analysis of encouragement data from other cities might produce a different factor structure. Future research should test H1b for assignments to other cities. Unfortunately, the battery of questions about encouragement included only career-related and location-general items. Future studies should match the decision-influencing and encouragement questions. It is likely that location-general and location-

professional factors will emerge for encouragement as well. The GLM results for the two questions support this contention: career-related influence and career-related encouragement are strongly related (H2a), likewise location-general influence and location-general encouragement (H2b). Location-related professional influence, the third factor emerging in the test of H1a, did not have any significant relationships with either of the two encouragement factors.

The items about career-capital development formed the three expected factors of knowing-how, knowing-why and knowing-whom only after a three-factor solution was stipulated. Therefore, the underlying battery of questions needs to be developed further. Especially, the knowing-how items need to be refined. In the final analysis only items related to cross-cultural and communication skills survived the selection process in exploratory factor analysis. The results related to the knowing-how factor are, therefore, restricted to a narrowly-defined set of skills.

H3b-d suggested that expatriates would experience increases in knowing-how, knowing-whom and knowing-why. The analysis confirmed the hypotheses for knowing-how and knowing-why, but not for knowing-whom. The results stand in the middle between prior research finding a clear increase in knowing-whom (Dickmann & Doherty, 2008; Jokinen, Brewster, & Suutari, 2008; Suutari & Mäkelä, 2007) and other research finding a decrease (Dickmann & Harris, 2005). The items related to career-capital development asked only about its increase but not decrease. Therefore, the test of H3b-d is only tentative. Future studies should extend the answer range for all three types of career capital, even if only knowing-whom was hypothesised to possibly shrink.

The analysis of correlations provides preliminary support of H4a and H4d. Since the variable was only ordinal it could not be included in the more sophisticated GLM analysis. Future studies should include a question on perceived career progress relative to peers back home using an interval scale.

The test of H4b in GLM analysis indicated that career capital increases are unrelated to a positive view regarding the career benefit of an assignment in Vienna by home organisation employees. The underlying question is complex asking the expatriate to estimate the impression of employees in the home organisation. While it is likely that expatriates feel comfortable answering such a question it is unclear what influences the respondent's answer. Therefore, this question would have to be posed to persons other than the expatriate such as an HR professional in the home organisation in further studies or dropped altogether.

Some of the strongest correlations occur between career capital variables and career prospects in- and outside the organisation. GLM, on the other hand, at best tentatively supports H4c only for career prospects inside but not outside. The only significant correlation is between gains in knowing-why and inside career prospects. Apparently, expatriates who feel a stronger sense of commitment to their career also feel that they have better chances within their organisation. Future studies should include questions related to career capital gains and career prospects to further assess their relationship and, perhaps, the reason for the absence of a link between career capital gains and outside career prospects.

Two of the three beneficial work-related outcomes are significantly related to career prospects in GLM (H4f). Greater financial benefits related to expectations of good career prospects inside the organisation. This makes good sense: financial rewards are an important way for organisations to express appreciation of their employees. Therefore, expatriates take financial benefits not just as a reward for past performance but also as an indicator of prospects for the future. Access to an international business culture on the other hand is significantly related to outside prospects. Such access would enable the expatriate to network and also to gauge career opportunities in other organisations. One non-work item, access to world-class leisure opportunities, is related to inside career prospects at the .1-level. There is no good reason to explain this; therefore, we take this as a spurious result in GLM analysis.

Only gains in knowing-how were significantly related to recommending an assignment to Vienna in GLM (H5a). Gains in knowing-why may stem from the general experience of an assignment abroad. They may be less location-bound than gains in knowing-how. This would explain the absence of a significant relationship. This reasoning, though, cannot explain why gains in knowing-whom were not significantly related to a recommendation to come to Vienna. Perhaps the fact that overall knowing-whom

does not increase, or at least not by much, as the result of an assignment in Vienna also impacted the relationship under investigation here.

Of the beneficial outcomes from living in Vienna only access to world-class arts and culture experiences was significantly related to a recommendation to come in GLM (H5b). While it is surprising that work-related beneficial outcomes did not result in such a relationship with recommendations, it shows that non-work location factors are important in international assignments. The overall attractiveness of a location is important and therefore needs to be managed by cities and taken into consideration by companies in order to attract talent.

A couple of significant relationships emerged in GLM that were not considered beforehand or hypothesised. The career-related factor influencing the decision to come to Vienna is significantly related to the expectation of enhanced career prospects inside the organisation. This is unsurprising. After all, the expatriate considered the career impact before the decision to go and it is unlikely that a poor career outlook would have led to accepting the assignment. One beneficial work outcome, access to an international business culture, shows a tendency to be related to the non-work-related factor encouraging expatriates to come to Vienna. The relationship is marginal; we regard it as a spurious correlation.

### *Limitations*

The study suffers from several additional limitations beyond the ones already mentioned. Because of the exploratory nature of this study several questions underlying it were custom-made rather than taken from prior research. As always with newly-designed questions some turn out to be of middling quality. In the discussion section we identified those questions and their likely impact on the quality of results. The demographic items were placed at the end of the questionnaire. Before it the questionnaire contained two rather lengthy question batteries not included in this paper. A number of respondents dropped out at this point, which explains the varying "n's" in the statistics. But there is no reason to believe that the drop outs are non-random since the questions did not favour a particular demographic or other sub-group.

## Conclusion

This paper attempted to address two research questions:

### *What influences an expatriate's decision to accept an assignment to Vienna?*

The results of factor analysis show that both work and non-work factors play a role. Regarding work expatriates distinguish more organisation-focussed career issues and the more location-focussed professional environment in Vienna.

### *What is the impact of an assignment in Vienna on an expatriate's career?*

In general, an assignment in Vienna is beneficial for a career. There are definite increases in knowing-how and knowing-why. Increases to knowing-whom are uncertain. Respondents see improved career prospects in- and outside the organisation and feel that their assignment leads to faster career progression compared to peers who stayed at home.

Future comparative studies could uncover relative advantages of different cities in attracting foreign talent. This would provide additional information beyond city rankings (Mercer, 2014) and importance maps based on economic connections between cities (Taylor, Hoyler, Walker, & Szegner, 2001). Cities may have different ways to create competitive advantage in attracting global talent. One may be the professional environment or economic clout, where "alpha cities" (Chicago, Frankfurt, Hong Kong, London, Los Angeles, Milan, New York, Paris, Singapore, Tokyo) (Taylor, Hoyler, Walker, & Szegner, 2001) are best placed. The other may be quality of life where Vienna is one of the top-ranked globally (Mercer, 2014) or perhaps more generally overall attractiveness. Detailed studies of expatriate

populations in different cities would provide the data for multi-dimensional scaling as demonstrated by Taylor et al. (2001) to enable companies to better manage and cities to more effectively attract talent.

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