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**The Trailing Spouse:
A Qualitative Study looking into the
Expectations and Reality of
Expatriate Life in Shanghai, China.**

A thesis presented in partial fulfilment of the
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ABSTRACT

This exploratory study looks at the experiences of eleven female trailing spouses living as expatriates in Shanghai, China. Semi structured interviews were conducted and questions centred around expectations of life as a trailing spouse in Shanghai as compared with their real life experiences. Grounded theory was used to analyse the data and identified five major themes to the study; Identity, Control, Relationships, Culture and Coping Mechanisms.

Analysis found that many accompanying spouses were dissatisfied with the support given by the company during the relocation process. It was felt that companies could significantly improve on their procedures and processes by investing more time and money into their staff before sending them overseas. Analysis also showed that some female trailing spouses experience a loss in identity, self-esteem and self-confidence during the initial stages of relocating. Without suitable support and information these feelings can linger and be the cause of premature repatriation for the family. Learning the local language, having a purpose during the stay and getting involved with social groups aided in minimising this identity crisis and seems to play an invaluable role in successful adjustment in a foreign environment.

This study contributes to highlighting the complexity of living abroad and the importance organisations should place on considering the spouse and family members when relocating employees.

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CHAPTER ONE: Introduction

As the presence of international corporations in Shanghai grows, the number of expatriate experts brought in to set up businesses and develop profitable sustainability is growing exponentially. So too, however, are the spouses and families who are often required to follow in the international footsteps of their husband and his employer. Frequently unable to work due to legal restrictions and without the necessary social support network of friends and family, these trailing spouses are often expected to put their lives down and pick up and move at a moment's warning. Numerous clubs and associations have been formulated in Shanghai in frequent years with the specific task of creating a sense of community and to provide a sense of purpose in the lives of these dutiful women as large multi-national corporations race to ride the economic boom in China.

In this study using semi-structured interviews, I have recorded and analyzed using Grounded Theory techniques, the personal encounters of eleven female expatriates living as trailing spouses in Shanghai, China. Using these interviews, I have been able to hear about how their expectations have matched the reality of living in Shanghai, and what they have learned from these experiences.

It is hoped that the information gained from this study will be useful to organizations that intend to send employees and their families overseas to work. It may provide more insight and an understanding of how better to serve their expatriate staff, ensure their emotional well-being and safety as well as ensuring productivity and financial success at corporate level.

Background to the Study

Increased globalisation and the attraction of cheap labour and products in developing countries have created a new type of employee and changed the traditional family dynamic. An expatriate employee is someone who lives in a foreign country at the request of their employer to establish or maintain the productivity and growth of an organization or corporation. Spouses and family members are often implicated in this relocation too. Of the estimated 22 million people living abroad for work purposes in the late 1990's (Hendershott, 1995), about 80% are married and 70% move with a family in tow (Black & Gregersen as cited by Selmer, 2001). Less than 10% of the trailing spouses are male (Harrison & Shaffer, 2001).

Whilst many expatriates have an enjoyable experience living overseas and some actively choose not to return to their home country, more than 40% of expatriate assignments end prematurely. One of the most significant reasons cited for premature repatriation is 'spousal dissatisfaction' (Price Waterhouse Coopers survey, 2001).

The costs of premature repatriation and posting failure are significant. It can impact individuals, marriages family and emotions, whilst the professional and career impact is often financial. An organization is likely to pay a steep price in recruitment and selection costs, training, moving, compromised careers and all the costs associated with lost opportunities, damaged relationships, low morale, reduced productivity and perhaps even damage to the company or organizations

reputation. However, these costs do not entirely fall on the individual expatriate or the business. Many expatriates have high profile senior positions where the decisions they make directly or indirectly affect the lives of a large number of people. There are two outcomes for expatriates who fail to adapt and adjust to their new environment. Either they are repatriated prematurely or they stay on with greatly diminished effectiveness sometimes doing themselves, their families and their companies' considerable harm.

Significance of the study

After decades of being closed off to the West, rapid development in China has seen a dramatic increase in economic growth resulting in increased foreign interest, investment and expatriate management.

China's Gross Domestic Product has increased 50 times since it became a Republic in 1949 and reached 7.9553 trillion RMB (\$964 billion USD) in 1998, with a growth of 7.7 percent per annum, more than doubling the worlds' average of 3.3 percent (The Chinese Embassy, Switzerland, 1999).

China's economy is expanding faster than any other nation's on earth. Just over 10 years ago there were no more than 40 television stations - best estimates today put the number of legal television stations available throughout China at 5,000 (Murrell, 2000). National and provincial newspapers issued 20.3 billion copies in 1999 (National Statistics of China, 2000) and TV and radio penetration is now estimated at more than 93.4 percent (National Statistics of China, 2000) or

accessible to more than 1 billion people. From January 1999 to July 2000, the number of computers wired to the Internet in China soared from 747,000 to 6.5 million. The number of Internet users increased to 16.9 million from 2.1 million in the same period, according to the China Internet Network Information Centre (Murrell, 2000).

By 1999, China approved 334,000 overseas-invested enterprises with contractual investments of 594.81 billion USD and an actual investment of 288.94 billion US dollars (Chinese Embassy, Switzerland, 1999). China is becoming one of the largest manufacturing bases in the world and as a result, in 2003 alone, foreign direct investment reached 60 billion USD. This development and the colossal investment by foreign companies over the past decade has multiplied Chinese GDP and established definite links to the 'Western' world.

Shanghai is one of the most desirable Chinese cities for foreign companies to invest in. More than 50% of the Fortune 500 companies have injected capital in Shanghai since 1998 and with a GDP growth of 14.2% vs. the national average of 9% for the first nine months of 2004 (South Sphere Consulting, 2004), Shanghai is the fastest growing city in China. With a fixed population of 17 million, Shanghai is now home to more than 30 five star hotels; it is home of the Chinese Formula One Grand Prix, Masters Tennis tournament and numerous international trade fairs; it will host the 2007 Special Olympics and the 2010 World Expo.

With an ever-increasing number of companies earning revenue from overseas markets, first-hand knowledge and experience of foreign markets and conditions has become essential for today's managers and executives. The presence of expatriates in Shanghai has increased exponentially with foreign investment. It is estimated that more than one million foreigners were staying in Shanghai 2003 (South Sphere Consulting, 2004). This figure includes Asian expatriates (Taiwan and Hong Kong), students, long-term tourists and non-working spouses and family members.

It is recorded that 117,000 expatriates pay income tax under the municipality of Shanghai, China (Shanghai Star, 2004). Nearly 73 percent of those given work permits work as mid-level or senior managers in foreign-invested companies, while only 14 percent were employed by Chinese firms. It is estimated that in addition to this number, there are about 55,000 trailing spouses in Shanghai, the majority of who have children with them. Surprisingly, limited research has been done on the impact of moving abroad to the trailing spouse and family.

Personal experience/ involvement

I have lived abroad for more than one third of my life; in Japan and currently in Shanghai, China. I am very active in the Shanghai expatriate community and in the eight years I have spent here I have come into contact with both the expatriates employed here and their trailing spouses. My interest in this area came about as a result of my studies in Psychology and my employment with an international medical service provider. I subsequently became involved with a

group of foreign doctors in Shanghai who saw the need to establish a support service or network for the foreign community of Shanghai. They were concerned with the significant increase in expatriate patients who had been the victims of domestic violence, rape and alcohol abuse and were presenting with serious symptoms of depression.

I am the founding Director for LifeLine Shanghai, which was established in direct response to these issues and provides the foreign community of Shanghai with emotional support and information via a free confidential hotline service 12 hours a day, 365 days per year. The hotline is manned by trained expatriate volunteers who have all lived abroad before and have spent at least one year in Shanghai.

This exploratory study has emerged out of personal interest and curiosity and aims to bring to light some of the experiences trailing spouses deal with whilst living abroad.

At the beginning I hoped that I could compare and contrast the experiences between male trailing spouses and females. The term 'Trailing Spouse' has negative connotations and I was curious to learn if male trailing spouses experienced similar prejudice in expatriate societies or struggled with similar issues such as loss of identity and vulnerability. Unfortunately it was extremely difficult to find a suitable number of male trailing spouses living in Shanghai to interview. This should come as no surprise considering male trailing spouses make up just 10% of the global expatriate community.