Expatriate Justice and Host Country Nationals' Work Outcomes: Does Host Country Nationals' Language Proficiency Matter?

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Abstract

In this paper, we apply uncertainty management theory (UMT) to hypothesize that host country national (HCN) employees in foreign subsidiaries use the information of expatriates' procedural and distributive justice in their performance evaluations to reduce uncertainty about whether they trust these expatriates, which subsequently influence HCNs' job satisfaction and turnover intention. We also integrate UMT with research on language in MNCs to hypothesize that the level of HCN's English proficiency creates the context in which the aforementioned relationships are stronger when HCNs' English proficiency is high. Data collected from 501 HCNs in foreign subsidiaries in Japan provided support for these hypotheses. This study contributes to research on international management by focusing on HCNs' fairness perceptions, uncertainty, and English language proficiency in performance evaluations conducted by expatriates in foreign subsidiaries.

Keywords: cognitive trust; English proficiency; foreign subsidiary; procedural justice; distributive justice; job satisfaction; turnover intention

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"In this [foreign] subsidiary, we have an appraisal every six months. I do that in English. The appraisal is the same for anyone regardless of level. Because of their [insufficient English] language abilities, I often don't understand what they try [sic] to say."

Our interview with an expatriate manager in Japan

"Appraisals are conducted in English. We are not good at English. Especially engineers who are gifted in their task domain have problems with English. Several of them have left [quit]."

Our interview with an HCN employee in Japan

1. Introduction

Successful implementation of global strategies in multinational corporations (MNCs) requires efficient coordination and control of foreign subsidiaries (Kostova, Marano, & Tallman, 2016). For these purposes, more expatriates supervise host country national employees (HCNs) in foreign subsidiaries (Hon & Lu, 2010; Kang & Shen, 2016). Having key roles of linking local and global MNC operations (Reiche, Harzing, & Kraimer, 2009), expatriates need to develop and maintain well-functioning relations with HCNs to maximize the potential of foreign subsidiary performance (Chang, Gong, & Peng, 2012) and to ensure that foreign subsidiaries act in line with the MNC-level interests (Kang & Shen, 2016). However, expatriates are found to have limited interactions with HCNs because of language barriers (Peltokorpi, 2007) and because they typically stay in foreign subsidiaries for only a limited time period (Takeuchi, Li, & Wang, 2019). For HCNs, this increases the uncertainty of how they will be treated generally in the foreign subsidiary and

particularly by expatriates and whether they should trust these expatriates (Tenzer, Pudelko, & Harzing, 2014). Thus, justice is an important predictor for their work-related attitudes in foreign subsidiaries (Hon & Lu, 2010; Kang & Shen, 2018).

In this paper, we focus on the HCNs' perspective and use uncertainty management theory (UMT; Lind & Van den Bos, 2002; Van den Bos & Lind, 2002) as an overarching theoretical framework to examine how fairness in performance evaluations in foreign subsidiaries influences HCNs' work-related attitudes through the uncertainty reduction process. Stating that "fairness and uncertainty are so closely linked that it is in fact impossible to understand the role of one of these concepts in organizational psychology without reference to the other" (Lind & Van den Bos, 2002: 181), UMT describes individual's fairness judgments as their needs to cope with uncertainty in their physical and social environments. Importantly, this theory suggests that fairness judgments about the performance evaluation process are not a direct consequence of performance evaluation characteristics per se, but rather depend on subordinates' uncertainty perceptions. Applying UMT to the field of international management (IM), we link HCNs' justice perceptions of performance evaluations and English proficiency to their cognitive trust in expatriate evaluators and the HCNs' work-related attitudes.

As a factor that influences the uncertainty reduction process in HCNs' cognition, we focus on performance evaluations conducted by expatriates because they are among the most salient episodic events for HCNs due to strong impact on their careers, such as pay and job promotions (Hon & Lu, 2010; Sumelius, Björkman, Ehrnrooth, Mäkelä, & Smale, 2014). More specifically, we propose that HCNs use the information of procedural and distributive justice in performance evaluations (i.e., how fair the process and the outcomes of performance evaluations are; Colquitt & Rodell, 2001) to reduce uncertainty about the trustworthiness of their expatriate evaluators who

are often the key players in managing foreign subsidiaries. Justice in performance evaluations in turn influences their cognitive trust in expatriates and two work-related attitudes: job satisfaction and turnover intention. These work-related attitudes represent HCNs' beliefs toward their jobs and organizations as important factors for the foreign subsidiary operation (Hitotsuyanagi-Hansel, Froese, & Pak, 2016).

We chose language as another key factor that influences the HCNs' uncertainty reduction process in foreign subsidiaries. IM research shows that language has strong effects on expatriate—HCN interactions in MNCs (for a review, see Tenzer, Terjensen, & Harzing, 2017). As our opening interview excerpts suggest and accumulated research on language in MNCs confirms (Tenzer et al., 2017), HCN-expatriate interactions in English (MNCs' *lingua franca*) are often hindered by HCNs' low English proficiency. These language barriers are more prevalent in countries with low general levels of English proficiency (Harzing & Pudelko, 2013). Integrating UMT with research on language in MNCs, we propose that HCNs' English proficiency creates the context in which the salience of justice in performance evaluations as information to reduce uncertainty vary in developing HCNs' cognitive trust in expatriates and work-related attitudes. Specifically, we examine the moderating effect of HCNs' English proficiency on the relationships between their procedural and distributive justice perceptions in performance evaluations and work-related attitudes, mediated by cognitive trust in expatriates.

This paper contributes to the IM literature in three ways. First, it adds to research on human resource management (HRM) and language in MNCs by focusing on performance evaluations and language proficiency in the HCNs' cognitive process of uncertainty reduction in the foreign subsidiary context. Performance evaluation is a core HRM practice designed to link individual and strategic business objectives in MNCs (Biron, Farndale, & Paauwe, 2011; Schmid & Kretschmer,

2010). From this perspective, performance evaluations by expatriates influence foreign subsidiary and MNC-level coordination by aligning HCNs' behaviors with MNC strategies. Since corporate language (often English) is used as a coordination mechanism in MNCs (Luo & Shenkar, 2006), its moderating role in performance evaluations is important but has been overlooked in previous research. This paper also provides useful implications regarding what happens if HCNs language proficiency improves through language training or language-sensitive hiring practices in foreign subsidiaries. Thus, we answer calls for research on performance evaluations (Kang & Shen, 2016) and language-oriented HRM practices (Peltokorpi, 2015). By doing so, we extend works on justice in MNCs that have predominately focused on HCN-expatriate pay differences (e.g., Kang & Shen, 2018; Mahajan, 2011; Toh & Denisi, 2003).

Second, this paper answers a recent call to explore the potential of intersectional theorizing (Andersson, Brewster, Minbaeva, Narula, & Wood, 2019). As such, we develop a research model that integrates UTM with research on language in MNCs to examine a boundary condition—HCN English proficiency—that moderates the impact of HCNs' justice perceptions on work-related outcomes through trust cognition. UMT provides a suitable framework to link the procedural and distributive justice perceptions to work-related outcomes through trust cognition. While research on language in MNCs shows that language barriers influence expatriate—HCN interactions (Tenzer et al., 2017), it has not offered theoretical rationale on how language affects the HCNs' uncertainty management process. Indeed, scholars have called for more theoretically grounded IM research on language (Luo & Shenkar, 2006; Peltokorpi & Pudelko, in press; Piekkari & Tietze, 2012). Thus, the integration of UMT and language research in MNCs in this paper makes a novel theoretical contribution to IM literature.

Language-based justice perceptions

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Third, this paper contributes to important but scarce research on HCNs' justice perceptions in performance evaluations and work-related outcomes in foreign subsidiaries. To date, research has focused on what constitutes performance evaluations in MNCs (Kang & Shen, 2016; Schmid & Kretschmer, 2010), rather than on the related justice perceptions and work-related outcomes. This is unfortunate because justice perceptions in domestic settings are found to have strong effects on various work outcomes, such as job satisfaction (Colquitt, Conlon, Wesson, Porter, & Ng, 2001; Organ, 1988) and turnover intentions (Fields, Pang, & Chiu, 2000; Griffeth, Hom, & Gaertner, 2000). Despite that most employees in foreign subsidiaries are HCNs (Tungli & Peikerl, 2009), IM research has focused primarily on expatriates (Kang & Shen, 2016; Martin & Bartol, 2003). An UMT-based study on HCNs is warranted because HCNs tend to face various uncertainties in foreign subsidiaries, such as expatriate-HCN relations, and because their injustice perceptions have negative work-related outcomes and reduce their helping behaviors to expatriates (Oltra, Bonache, & Brewster, 2013; Peltokorpi, 2020).

2. Theory and Hypotheses

We first use UMT as an overarching theoretical framework to develop baseline hypotheses on the mediating effect of cognitive trust in expatriate managers on the relations between justice in performance evaluation and work-related attitudes. In line with scholarly recommendations (Andersson, Cuervo-Cazurra, & Nielsen, 2014), we then use these baseline hypotheses to propose that English proficiency moderates the mediating relations between justice perceptions, cognitive trust, and work-related attitudes. Figure 1 shows our research model.

Insert Figure 1 about here

2.1. Justice Perceptions and Work-related Attitude Outcomes

UMT holds that one of the biggest challenges in life is to cope with the web of uncertainties that individuals experience in their social relationships (Lind & Van den Bos, 2002; Van den Bos & Lind, 2002). As aversive and alarming experience, uncertainty makes individuals worry about control and the potential quality of outcomes (Lind & Van den Bos, 2002). Uncertainty is closely related to the "fundamental social dilemma" (Lind, 2001), stating that individuals need to decide whether to embrace or avoid cooperation. Embracing cooperation opens opportunities for gains but is accompanied by the risk of being exploited and rejected (Lind, 2001). Individuals seek to reduce uncertainty by seeking fairness information from episodic events, such as performance evaluations, and using it as a heuristic or cognitive shortcut to make their judgments on authorities (Van den Bos & Lind, 2002). Fairness information, therefore, acts as an environmental cue to help reduce uncertainty because it either increases or decreases individuals' fears of being exploited in social exchange. Individuals feeling a high level of uncertainty are consequently motivated to direct more of their attention to fairness cues in their environment.

In foreign subsidiaries, HCNs can face uncertainties due to various factors, such as the HQforeign subsidiary power relationship, management by expatriate authorities, and foreign language
environment. For example, whereas HCNs can expect to receive benefits by contributing to foreign
subsidiary operations, they may also perceive the risk of being exploited/rejected by the expatriate
authorities due to their lower status and the less power they have within the MNC. In some support,
Bouquet and Birkinshaw (2008) proposed that HCNs are in a more vulnerable position vis-à-vis
expatriates because the power of corporate headquarters (HQ) is stronger than foreign subsidiaries.

Expatriates, who often come from the MNC parent country and represent the corporate HQ (Tungli
& Peikerl, 2009), have considerable discretion and legitimate power to manage or control HCNs.

From the UMT perspective, we expect that HCNs pay attention to the fairness information to reduce uncertainty.

Performance evaluations conducted by expatriates are among the most salient events for HCNs in which they pay attention to fairness information. Reflecting expatriates' recognition of HCNs for their contributions and value in the foreign subsidiary, the evaluations influence HCNs' key career-related outcomes, such as wages, job promotions, and talent pool inclusion (Hon & Lu, 2010; Sumelius et al., 2014). From the UMT perspective, we expect that HCNs use procedural and distributive justice in performance evaluations to reduce uncertainty and solve the fundamental social dilemma of whether to embrace or avoid cooperate with the expatriates. If HCNs perceive procedural and distributive justice in performance evaluations, they can expect to receive benefits by contributing to foreign subsidiary operations. The HCNs' positive expectation promotes job satisfaction, "a positive emotional state resulting from the appraisal of one's job or job experiences" (Locke, 1976: 1300) and inhibits turnover intention, "a conscious and deliberate willingness to leave the organization" (Tett & Meyer, 1993: 262). If HCNs perceive injustice in performance evaluations, they can feel the risk of being exploited/rejected due to their lower status and power in foreign subsidiaries. The HCNs' sense of risk inhibits job satisfaction and promotes turnover intention. In support of our predictions, research in domestic settings suggests that supervisory procedural and distributive justice have a positive relationship with job satisfaction (Colquitt et al., 2001; Organ, 1988) and that distributive justice has a negative relationship with turnover intentions (Fields et al., 2000; Griffeth et al., 2000). Thus, we formulate two hypotheses.

Hypotheses 1a/b: Procedural and distributive justice have a positive relationship with job satisfaction.

Hypotheses 1c/d: Procedural and distributive justice have a negative relationship with turnover intention.

2.2. The Mediating Effect of Cognitive Trust

We propose that cognitive trust in expatriate evaluators is a mediating mechanism through which HCNs reduce uncertainty by using fairness information in performance evaluations to shape positive work-related attitudes (i.e., job satisfaction) and mitigate negative work-related attitudes (i.e., turnover intention). Broadly defined, trust is "a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another" (Rousseau, Sitkin, Burt, & Camerer, 1998: 395). While trust can be further divided into affective and cognitive dimensions (Lewis & Wiegert, 1985; Yang, Mossholder, & Peng, 2009), we focus in this study on cognitive trust based on the competence, dependability, and reliability of the other party (McAllister, 1995). In relation to UMT, cognitive trust reduces uncertainty more than affective trust (Colquitt, LePine, Piccolo, Zapata, & Rich, 2012). In fact, affective trust contributes mainly to emotional investment in the exchange relationship (Colquitt et al., 2012), which is not the focus of our study. Procedural and distributive justice are also more related to cognitive trust than other related justice dimensions, such as informational and interactional justice (Colquitt et al., 2012).

From the UMT perspective, cognitive trust is an "uncertainty reducer" that minimizes a range of concerns, such as exploitation and breach (Colquitt et al., 2012). In foreign subsidiaries, cognitive trust in expatriate evaluators is important because expatriates are typically in key roles in foreign subsidiaries and increasingly evaluate HCNs' performance (Hon & Lu, 2010; Kang & Shen, 2016). We propose that the trustworthiness of expatriates, which is often difficult to observe and evaluate (Colquitt & Zipay, 2015; Lind & Van den Bos, 2002), accounts for the large portion

of uncertainty experienced by HCNs. Assessing the trustworthiness of expatriates can be difficult for HCNs because they tend to have sparse interactions with expatriates and regard expatriates as outgroup members (Kang & Shen, 2018; Peltokorpi, 2020). By paying attention to whether these expatriates use fair processes in performance evaluations and whether their outcomes are fair, HCNs obtain information about the competence, dependability, and trustworthiness of these expatriates. HCNs tend to cognitively trust expatriates when they perceive evaluations to be fair, meaning that the large portion of uncertainty is reduced. That is, when HCNs believe that the expatriate evaluator is trustworthy because of his or her competence, dependability, and reliability (i.e., cognitive trust), HCNs reduce the uncertainties of being exploited and rejected by the expatriates and increase the expectation that it is beneficial to cooperate with expatriates for successful operations of foreign subsidiaries.

When cognitive trust in expatriates reduces uncertainty, HCNs' job satisfaction increases and turnover intention decreases. Influenced by supervisory justice in performance evaluations, cognitive trust acts as a heuristic mediating mechanism that influence HCNs' job satisfaction and turnover intentions. In support of our predictions, previous research in domestic settings suggests that supervisory procedural and distributive justice have positive relationships on cognitive trust (Colquitt et al., 2001, Colquitt, Scott, Rodell, Long, Zapata, Conlon, & Wesson, 2013; Rupp, Shao, Jones, & Liao, 2014), as well as that cognitive trust in supervisors has a positive relationship with employee job satisfaction (Colquitt et al., 2001; Organ, 1988) and a negative relationship with employee turnover intentions (Ferrin & Dirks, 2003). Consequently, we formulate the following hypotheses.

Hypotheses 2a/b: Cognitive trust mediates the relationship between procedural and distributive justice and work-related attitudes such that these two dimensions of justice have a positive

relationship with cognitive trust in expatriates, which in turn has (a) a positive relationship with job satisfaction and (b) a negative relationship with turnover intention.

2.3. The Moderating Role of English Proficiency

Building on the above baseline hypotheses, we integrate UMT with language research in MNCs to propose that HCNs' English proficiency moderates the relationship between their justice perceptions and cognitive trust in expatriate evaluators. UMT posits that fairness information is more salient for individuals with higher uncertainty (Lind & Van den Bos, 2002; Proudfoot & Lind, 2005), which could be conditioned by their foreign language proficiency in the subsidiary context. Specifically, we propose that HCNs' English proficiency level affects vertical (i.e., power-based) and horizontal (i.e., identity-based) distance between HCNs and expatriate evaluators. The vertical distance derives from HCNs' perceived power vis-à-vis expatriates; the horizontal distance from HCNs' identification with expatriates. Thus, HCNs' English proficiency influences how uncertain their relationship with expatriates is and how salient the fairness information in performance evaluations is in forming cognitive trust in expatriates.

Power aspect (vertical distance). While expatriates are typically formal authority figures to HCNs in foreign subsidiaries, English proficiency is an important source of power that elevates HCNs' actual or perceived status in the organizational ranks (Marschan-Piekkari, Welch, & Welch, 1999; Peltokorpi & Vaara, 2012). For example, bilingual HCNs gain career and power advantages by being language nodes between the expatriates and HCNs within/beyond the foreign subsidiary boundaries (Marschan-Piekkari et al., 1999). In contrast, HCNs with low English proficiency have less power vis-à-vis expatriates, which impedes their interactions with expatriates and their career advantages (Peltokorpi & Vaara, 2012). Research in domestic settings also shows that substantial power distance perceptions by subordinates to their supervisors may create a situation where the

perceived status differences are psychologically enhanced and subordinates accept the supervisors' authority without questioning their actual competence (Lee, Pillutla, & Law, 2000). In such a situation, subordinates display high power-distance orientation, i.e., how receptive they are of the power from the authority (Kirkman, Chen, Farh, Chen, & Lowe, 2009). However, subordinates with low power-distance orientation have a sense of entitlement around how they should be treated by their supervisors because they do not hesitate to question their competence and authority (Lee et al., 2000).

We use the above evidence to propose that HCNs with low English proficiency feel high power distance with expatriates that is instigated by a language barrier and feel more powerless against expatriates. Power distance here relates to the perception of individuals about the size of power disparities between expatriates and HNCs within their organization. In this case, the HCNs are more likely to accept expatriates' authority. For these HCNs, the social dilemma regarding whether they benefit from cooperating with the expatriates is of less concern because it is the norm for individuals to cooperate with the authority when the power of the authority is prominent (Kirkman et al., 2009). This means that the degree of uncertainty is relatively low for the HCNs. In contrast, HCNs with high English proficiency are more likely to have a sense of entitlement around how they should be treated by expatriates and, thus, face the fundamental social dilemma regarding whether they benefit from (or are exploited by) cooperating with the expatriates for the successful operation of foreign subsidiaries. This means that the degree of uncertainty is relatively high for these HCNs.

Identity aspect (horizontal distance). Sociolinguistics have theorized that language is a key identity marker because of the strong functional and psychological barriers it imposes on social interactions (Giles & Johnson, 1981). In foreign subsidiaries, language differences are also found

to increase social categorization and have a negative effect on expatriate—HCN relations (Lauring, 2008; Zhang & Peltokorpi, 2016). HCNs with low English proficiency tend to regard expatriates as outgroup members because these HCNs perceive larger horizontal distance with the expatriates because of language barriers and, thus, do not expect frequent interaction with the expatriates. In contrast, HCNs with high English proficiency tend to feel smaller horizontal distance and more similarities with the expatriates and thus categorize them as (similar) ingroup members (Peltokorpi, 2007; Zhang & Peltokorpi, 2016).

Linking the above evidence to UMT, we posit that, for HCNs with low English proficiency, the fundamental social dilemma of whether they can benefit from cooperating with expatriates or are exploited by them is less salient because they tend to consider expatriates as outgroup members. This suggests that the degree of uncertainty is relatively low for these HCNs. In contrast, we expect that HCNs with high English proficiency feel more uncertain about their status within the same ingroup with the expatriates and, thus, are more likely to face the social dilemma regarding whether they benefit from or are exploited by cooperating with the expatriates for the successful operation of foreign subsidiaries. This argument is consistent with the group-value model and the relational model of justice that suggest that individuals care more about justice by the same ingroup authorities because it conveys the symbolic information about their status within the same ingroup (Tyler & Lind, 1992).

The above power- and identity-related aspects of language suggest that HCNs with low English proficiency feel higher vertical and horizontal distance with expatriates, which reduces uncertainty about their status and relationship with the expatriates. This is because they have limited contacts with the expatriates and the fundamental social dilemma in their relations with the expatriates is low. These HCNs also feel that they do not have much control over the expatriates.

Thus, they are less motivated to reduce uncertainty by paying attention to the fairness information in performance evaluations and using such information to evaluate the trustworthiness of the expatriates. Accordingly, the effect of justice perceptions in performance evaluations on cognitive trust is weaker for these HCNs. In contrast, HCNs with high English proficiency feel lower vertical and horizontal distance with expatriates, making them feel more uncertain about their status and the relationship with the expatriates. This is because they have more contacts with the expatriates and experience more fundamental social dilemma in the relationship with the expatriates. These HCNs also feel that they may or may not have some control over the expatriates. They are more motivated to reduce uncertainty by paying attention to the fairness information in performance evaluations and using such information to evaluate the trustworthiness of the expatriates. Accordingly, the effect of justice perceptions in performance evaluations on cognitive trust is stronger for these HCNs. In some support, previous research suggests that the impact of justice on cognitive trust is stronger when the power distance is low (Brockner et al., 2001; Yang, Mossholder, & Peng, 2007), and fairness information is more salient and important for those who regard supervisors as ingroup members (Huo, Smith, Tyler, & Lind, 1996; Lipponen, Koivisto, & Olkkonen, 2005; Smith, Tyler, Huo, Ortiz, & Lind, 1998). Consequently, we formulate two hypotheses:

Hypotheses 3a/b: English proficiency moderates the relationships between (a) procedural justice and (b) distributive justice and cognitive trust, such that the direct effects are stronger (i.e., more positive) when English proficiency is high.

2.4. Moderated Mediation Hypotheses

The above hypotheses on the moderating effects of HCNs' English proficiency suggest that indirect relations between HCNs' procedural and distributive justice perceptions and work-related

attitudes (job satisfaction and turnover intention), mediated by cognitive trust, are conditioned on their English proficiency. As already noted, under the high uncertainty situation surrounding HCNs in foreign subsidiaries, HCNs pay attention to fairness information in performance evaluations conducted by expatriates. Cognitive trust in expatriate evaluators based on the assessment of their trustworthiness works as a heuristic uncertainty reducer that is informed by HCNs' perceptions of expatriate justice in performance evaluations and in turn influences job satisfaction and turnover intention.

The above process involving cognitive trust as a mediator tends to be weaker for HCNs with low English proficiency because the uncertainty in interactions with expatriate evaluators is low due to the language barrier and the resultant high vertical and horizontal distance. These HCNs are less sensitive to fairness information and the trustworthiness of expatriates. Thus, the mediating role of cognitive trust as an uncertainty reducer is weaker for HCNs with low English proficiency. In contrast, the mediation process is more pronounced for HCN with high English proficiency because the uncertainty in the relationship with expatriates is high due to the vertical and horizontal proximity with expatriates. These HCNs tend to be more sensitive to fairness information and the trustworthiness of expatriates. Consequently, the mediating role of cognitive trust as an uncertainty reducer is stronger for HCNs with high English proficiency. Thus, we formulate two moderated mediation hypotheses.

Hypotheses 4a/b: English proficiency moderates indirect relationships between (a) procedural justice and (b) distributive justice and job satisfaction mediated by cognitive trust, such that the indirect relationships are stronger when English proficiency is high.

Hypotheses 5a/b: English proficiency moderates indirect relationships between (a) procedural justice and (b) distributive justice and turnover intention mediated by cognitive trust, such that indirect relationships are stronger when English proficiency is high.

3. Method

3.1. Sample and Procedure

As illustrated in our interview excerpts at the beginning of this paper, we gained evidence of the importance of HCNs' English language proficiency through a qualitative research project several years ago in Tokyo and became interested in its importance in HCNs' justice perceptions. For the current project, we collected quantitative data in the Tokyo region via a research company. We selected this region because most foreign subsidiaries in Japan are located there (Toyo Keizai, 2013). We collected data through a research company because they help gain access to a large population of respondents with specified screening criteria, strengthening the generalizability of findings (Ng & Feldman, 2013).

We asked the research company to collect data from HCNs who worked full-time in fullyowned foreign subsidiaries in the Tokyo region and had an expatriate supervisor who conducted
their performance evaluations in English. In our screening criteria and survey, expatriates were
described as employees of foreign MNCs who were sent to Japan on a temporary basis to complete
time-based tasks or accomplish organizational goals. Thus, they could be classified as corporate
expatriates (Harrison, Shaffer, & Bhaskar-Shrinivas, 2004). These screening criteria were used to
identify potential respondents in the research company's database. To ensure that all respondents
fulfilled our screening criteria, the survey was designed in a way that only people who answered
appropriately to all screening questions could proceed to the rest of the survey.

The data were collected with two separate surveys at two points in time to reduce common method variance (CMV; Podsakoff, Mackenzie, Lee, & Podsakoff, 2003). Participation to both surveys was voluntary, and respondents received small incentives for participation. At Time 1, the research company invited 943 HCNs who fulfilled our screening criteria to the survey. Of these, 796 participated and completed the survey (84% response rate). At Time 1, we measured independent, moderating, mediating, and control variables. Three months later, at Time 2, a link to the second survey was sent to all respondents of the Time 1 survey. Of the recipients, 501 completed the survey (63% response rate), resulting in an overall response rate of 53%. At Time 2, we measured dependent variables. We then linked responses of Time 1 and Time 2 surveys by the respondents' identification numbers provided by the research company, as well as age and gender information provided by the respondents and the research company. The respondents were not informed of the identification numbers by the research company but were aware that they can be asked to join the research project involving multiple surveys. We compared participants who completed both surveys with those who only completed the first survey and did not find any significant differences between the two groups concerning their age, gender, or tenure in the present foreign subsidiary.

In the sample used to test the hypotheses, the average age of respondents was 43.77 years (SD = 8.09), and 79% were male. Their average tenure at the present foreign subsidiary was 11.22 years (SD = 9.09). The respondents worked in 402 foreign subsidiaries from 12 countries. In the sample, the three most common MNC home countries were the United States (56%), Germany (21%), and the United Kingdom (12%). On average, their subsidiaries had 1,677.55 employees (SD = 2,468.32). Classified in line with Ono (2007), most respondents worked in manufacturing (44%), service (16%), and finance (14%) industry sectors.

3.2. Measures

Surveys were translated from original scales in English to Japanese by a back-translation method (Brislin, 1970). To ensure face validity, two bilingual HCNs (English-Japanese) working for foreign subsidiaries in Japan checked and approved the translated surveys. Unless otherwise stated, all measures were rated on a 7-point Likert-type scale (1= *strongly disagree*, 7 = *strongly agree*). See Appendix for multi-item scales.

Independent variables. HCNs' procedural justice was measured by a seven-item scale from Colquitt (2001). Respondents were asked to rate performance evaluation procedures conducted by their expatriate managers. A sample item is, "Have you been able to express your views during those procedures?" Items were measured on a 7-point Likert scale ($1 = not \ at \ all$, $7 = to \ a \ very \ large \ extent$). ($\alpha = 95$).

HCNs' distributive justice was measured by using a four-item scale from Colquitt and Rodell (2011). Respondents were asked to rate outcomes associated with their performance evaluation procedures as conducted by their expatriate managers. A sample item is, "Are those outcomes appropriate for the work you have completed?" Items were measured on a 7-point Likert scale ($1 = not \ at \ all$, $7 = to \ a \ very \ large \ extent$). ($\alpha = .98$).

Moderating variable. HCNs' English proficiency was measured by a modified three-item scale from Peltokorpi and Yamao (2017). Instead of the average English proficiency of HCNs in their functional units, we asked the respondents to assess their own English proficiency. In line with previous studies (e.g., Li, Zhao, & Han, 2020; Presbitero, 2020; Yamao & Sekiguchi, 2015), we used a self-reported scale to measure HCNs' English proficiency. A sample item is, "I feel confident speaking in English." ($\alpha = .97$).

Mediating variable. HCNs' cognitive trust in their expatriate managers was measured by a modified six-item scale from McAllister (1995). We modified all statements to refer to an expatriate manager. A sample item is, "This expatriate approaches his/her job with professionalism and dedication." ($\alpha = .96$).

Dependent variables. HCNs' job satisfaction was measured by a three-item MOAQ-JSS scale from Canmann, Fichman, Jenkins, and Klesh (1979). The MOAQ-JSS scale is extensively used to measure the affective component of general job satisfaction, with a meta-analysis supporting its construct validity (Bowling & Hammond, 2008). A sample item is, "All in all, I am satisfied with my job." ($\alpha = .94$).

HCNs' turnover intention was measured by a three-item scale from Mitchell, Holtom, Lee, Sablynski, and Erez (2001). A sample item is, "I intend to leave the company in the next 12 months." ($\alpha = .97$).

Control variables. In line with previous studies on organizational justice (Cohen-Charach & Spector, 2001; Colquitt et al., 2001) and language in MNCs (Peltokorpi & Vaara, 2014; Yamao & Sekiguchi, 2015), we controlled for foreign subsidiary size (number of employees), foreign subsidiary age, largest industry sector (1 = manufacturing, 0 = other), top manager nationality (1 = expatriate, 0 = local), and HCNs' age, gender (1 = male, 0 = female), and tenure (measured in years).

4. Results

We conducted confirmatory factor analyses with AMOS Version 23. As shown in Table 1, the hypothesized six-factor measurement model (i.e., procedural justice, distributive justice, English proficiency, cognitive trust, job satisfaction, and turnover intention) fit the data well, $\chi^2 = 606.84_{(275)}$, p < .001, confirmatory fit index (CFI) = .98, Tucker-Lewis Index (TLI) = .98, root

mean square error of approximation (RMSEA) = .05 (Hu & Bentler, 1999). Descriptive statistics are shown in Table 2.

Insert Tables 1 and 2 about here

We used PROCESS macro (Hayes, 2013) for SPSS Version 23 to test Hypotheses 1-5 to avoid conceptual and mathematical limitations associated with traditional approaches for assessing moderated mediation and indirect effects (MacKinnon, Lockwood, & Williams, 2004; Preacher, Rucker, & Hayes, 2007). In comparison to step-vice statistical analyses, PROCESS macro allows for simultaneous testing of hypothesized relations and to estimate the significance level of indirect effects by bootstrapping procedures (Hayes, 2013).

To test the hypotheses, we followed the steps for moderated mediation (Muller, Judd, & Yzerbyt, 2005; Preacher et al., 2007). Specifically, we examined the following four conditions to statistically establish moderated mediation: (1) the effect of procedural and distributive justice on job satisfaction and turnover intention (Hypotheses 1a/b); (2) the effect of cognitive trust on job satisfaction and turnover intention (a part of Hypotheses 2a/b); (3) the interaction between procedural and distributive justice on cognitive trust (Hypothesis 3a/b); and (4) the conditional indirect effect of procedural and distributive justice on job satisfaction and turnover intention, depending on the degree of English proficiency (Hypotheses 4a/b and 5a/b). Using PROCESS model 7, we generated 95% bootstrap bias-corrected confidence intervals (CIs) for the indirect effect conditioned by English proficiency on the basis of 10,000 bootstrap samples (see Tables 5 and 6). CIs are significant if the range between the low and high CIs do not include zero (Hayes, 2013). To reduce multicollinearity concerns (Cohen, Cohen, West, & Aiken, 2003), we mean-

centered independent variables before computing product terms. PROCESS analysis results are reported in Tables 3 and 4.

Insert Tables 3 and 4 about here

Hypotheses 1a/b stated that procedural and distributive justice have a positive relationship with job satisfaction. As shown in Tables 3 and 4, procedural justice (B = .25, SE = .05, p < .001, 95% CI: .15, .34) and distributive justice (B = .22, SE = .04, p < .001, 95% CI: .14, .30) had positive relationships with job satisfaction, providing support for Condition 1 and Hypotheses 1a/b. Hypothesis 1c/d stated that procedural and distributive justice have negative relationships with turnover intention. As shown in Tables 3 and 4, procedural justice (B = -.16, SE = .06, p < .01, 95% CI: -.28, -.04) and distributive justice (B = -.20, SE = .05, p < .001, 95% CI: -.30, -.09) had negative relationships with turnover intention, providing support for Condition 1 and Hypotheses 1c/d.

Hypotheses 2a/b stated that procedural and distributive justice have positive relationships with cognitive trust in expatriates, which has (a) a positive relationship with job satisfaction and (b) a negative relationship with turnover intention. As shown in Tables 3 and 4, procedural justice (B = .40, SE = .05, p < .001, 95% CI: .31, .50) and distributive justice (B = .36, SE = .04, p < .001, 95% CI: .28, .44) have positive relationships with cognitive trust. As shown in Table 3 (procedural justice), cognitive trust has positive relationships with job satisfaction (B = .18, SE = .04, p < .001, 95% CI: .09, .27) and a negative relationship with turnover intentions (B = -.16, SE = .05, p < .01, 95% CI: -27, -.05). As shown in Table 4 (distributive justice), cognitive trust has positive relationships with job satisfaction (B = .18, SE = .05, p < .001, 95% CI: .09, .27) and a negative

relationship with turnover intentions (B = -.14, SE = .06, p < .05, 95% CI: -.25, -.02). We examined the indirect effects through PROCESS mediation analyses. Providing support for Hypotheses 2a/b, the results of indirect effect analyses did not include zero: turnover intention on procedural justice through cognitive trust (B = -.06, SE = .03, 95% CI: -.12, -.01); job satisfaction on procedural justice through cognitive trust (B = .07, SE = 02, 95% CI: .03, .12); turnover intention on distributive justice through cognitive trust (B = -05, SE = .02, 95% CI: -.10, -.01); job satisfaction (B = .07, SE = 02, 95% CI: .03, .11). Taken together, these results provide support for condition 2, and Hypotheses 2a/b.

Hypotheses 3a/b stated that relationships between (a) procedural justice and (b) distributive justice and cognitive trust are moderated by English proficiency; the effects of (a) procedural and (b) distributive justice on cognitive trust are stronger when English proficiency is high. As shown in Table 3, both Condition 3 and Hypothesis 3a are supported because this interaction is significant and positive (B = .06, SE = .02, p < .01, 95% CI: .02, .11). As shown in Table 4, both Condition 3 and Hypothesis 3b are supported because the interaction is significant and positive (B = .08, SE = .02, p < .01, 95% CI: .03, .12). These interactions are shown in Figures 2 and 3.

Insert Figures 2 and 3 about here

Hypotheses 4a/b stated that English proficiency moderates the strength of the mediated relationship between (a) procedural justice and (b) distributive justice and job satisfaction through cognitive trust; the mediated relationships are stronger under high English proficiency. Hypothesis 5a/b stated that English proficiency moderates the strength of the mediated relationships between (a) procedural justice and (b) distributive justice and turnover intention through cognitive trust; the

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mediated relationships are stronger under high English proficiency. To test these hypotheses, we examined Condition 4, which required the magnitude of the conditional indirect effects of procedural and distributive justice through cognitive trust to be different across varying levels of English proficiency. We tested these hypotheses separately for justice and work-related attitude outcomes. Following Preacher et al.'s (2007) recommendation, we operationalized high and low levels of English proficiency as one standard deviation (*SD*) above and below the mean score of representative variables.

As shown in Tables 5 and 6, the bootstrapping tests showed that when English proficiency was higher (+1 SD), the indirect effects of procedural justice and distributive justice respectively on job satisfaction through cognitive trust were stronger (B = .39, SE = .07, 95% CI: .25, .57) (B = .30, SE = .06, 95% CI: .18, .42). When English proficiency was lower (-1 SD), the indirect effects respectively were weaker (B = .17, SE = .07, 95% CI: .03, .31) (B = .15, SE = .07, 95% CI: .02, .28). The bootstrapping tests also showed that when English proficiency was higher (+1 SD), the indirect effects of procedural and distributive justice respectively on turnover intention through cognitive trust were stronger (B = -.33, SE = .09, 95% CI: -.52, -.15) (B = -34 SE = .08 95% CI: -49, -.19), and when English proficiency was lower (-1 SD), the indirect effect were weaker (B = -.12, SE = .09, 95% CI: -30, .06) (B = -.11, SE = .08, 95% CI: -.28, .05). Taken together, these results support Hypotheses 4a/b and 5a/b, and condition 4 for moderated mediation.

Insert Tables 5 and 6 about here

5. Discussion

Applying UMT in the field of IM and integrating it with language research in MNCs, we developed a moderated mediation model wherein expatriate procedural and distributive justice in performance evaluations conducted by expatriate managers and their relationships with HCNs' work-related outcomes—job satisfaction and turnover intention—are mediated by the HCNs' cognitive trust in expatriates. Such mediating relationships are moderated by the level of the HCNs' English proficiency such that the relationships are weaker when English proficiency is low rather than high.

5.1. Theoretical Contributions

First, this paper provides a novel theoretical perspective to the IM literature by applying UMT to describe when and why HCNs care about justice in a salient situation (i.e., performance evaluation) in the formation of work-related attitudes in foreign subsidiaries. By focusing on the HCNs' cognitive perspective of uncertainty reduction, we theoretically linked the HCNs' important work-related attitudes to one of the most salient HRM practices for HCNs in foreign subsidiaries: performance evaluations. We treated cognitive trust in expatriates as a key mediator leading to these work-related attitudes and theoretically and empirically demonstrated that the level of HCNs' language proficiency changes the strength of the mediating mechanism. In short, we integrated the justice-attitudes relationship, more extensively studied in the domestic context, with performance evaluations expatriates conduct as a specific HRM practice. Reflecting the foreign subsidiary context, HCNs' cognitive trust on expatriates and the language environment (i.e., HCN language fluency) have been included in the theorization of our model. Our theory and findings consequently advance the understanding of the factors influencing HCNs' job satisfaction and turnover intention in a meaningful way. In particular, considering that turnover intentions are the strongest predictors

of actual turnover behavior (Griffeth et al., 2000; Rubenstein, Eberly, Lee, & Mitchell, 2018) and that the cost of replacing an employee is estimated to range from 93% to 200% of the budgeted salary for the vacated position (Griffeth & Hom, 2001), the damage and costs for foreign subsidiary operations can be significant.

Second, this paper contributes to the literature on language in MNCs by focusing on the moderating role of HCNs' English proficiency in performance evaluations to justice perceptions and work-related outcomes. Despite that MNCs almost by definition are multilingual entities (Luo & Shenkar, 2006) and increasing skilled migration in developed countries (Kwon, 2019), only a few studies have linked language to individual perceptions of HRM practices in international and domestic settings (Peltokorpi, 2015). Indeed, to our knowledge, this is the first study on language and HCNs' justice perceptions on performance evaluations conducted by expatriates. The present scarcity of research is unfortunate since more expatriates supervise HCNs (Hon & Lu, 2010) and language barriers influence expatriate—HCN relations in foreign subsidiaries (Harzing & Pudelko, 2013; Peltokorpi & Vaara, 2012). Previous studies on language implicitly or explicitly assume that the more proficient HCN or expatriate is in a common language, the more positive outcomes are expected (Peltokorpi & Pudelko, in press; Tenzer et al., 2017). However, our findings on the moderating role of language proficiency suggest that the high level of common language proficiency can be accompanied with both positive and negative outcomes. When HCNs' language proficiency is higher, higher job satisfaction and lower turnover intention can be gained but only if these HCNs have high cognitive trust in expatriates due to fair treatment in performance evaluations. If the HCNs have low cognitive trust in expatriate because of unfair treatment, their job satisfaction becomes lower and turnover intention becomes higher. Therefore, our theory and

findings provide novel theoretical insights to the role of language fluency in the foreign subsidiary context.

Third, this paper contributes to HRM and organizational justice research that is applied to the MNC context. Performance evaluation is a core HRM practice that is used in MNCs to align employees' interests and attitudes with strategic business objectives (Biron et al., 2011; Schmid & Kretschmer, 2010). Thus, it is a control mechanism used to coordinate foreign subsidiary practices in line with MNC-level strategies (Schmid & Kretschmer, 2010). The micro-level perspective provided in the theoretical framework of our paper improves our understanding of how MNCs coordinate and control foreign subsidiary operations through expatriates by looking at HCNs' cognitive process in relation to the expatriates. Our theory and findings also provide implications for MNCs' language-oriented HRM practices by adding our knowledge on the role of HCNs' language proficiency.

For research on organizational justice, our study provided the boundary conditions of how supervisory justice in performance evaluations affects cognitive trust and work-related attitudes in the foreign subsidiary context. In particular, our theorizing of vertical and horizontal distance in the expatriate-HCN relationship through power and identity-based perspective, which influences the salience of justice from the HCN perspective, is novel although both distances were not directly measured in the present study. Despite myriad research on supervisory justice in domestic settings (Colquitt et al., 2013), there is a paucity of studies that focus on justice effects in an international setting, such as MNCs and foreign subsidiaries, where two groups of employees—expatriates and HCNs—are prominently perceived. Justice research in domestic and international settings has also overlooked language-related effects (Colquitt & Rotell, 2011), perhaps because all employees are assumed to be fluent in a common language.

5.2. Practical Implications

The findings can be used to provide practical implications. First, the findings suggest that trust in the expatriate-HCN relation is important since both parties have different but indispensable roles in foreign subsidiaries. Since the organizational culture and operations of MNC subsidiaries are more complex than domestic firms due to the multinational and multicultural environment, HCNs can have a stronger sense of uncertainty than those working in domestic firms. HCNs may pay more attention to fairness information to reduce uncertainty about the trustworthiness of expatriate authorities. In this regard, our findings suggest that HCNs' performance evaluations administered by expatriates influence HCNs' trust in these expatriates and their subsequent work-related attitudes. To develop a good relationship with HCNs and promote their positive attitudes, expatriates should be aware that HCNs give attention to fairness information in critical events such as performance evaluations to reduce the uncertainty they face in the MNC subsidiary environment. In pre-departure expatriate training, the importance of HCNs' perceptions on the process and outcome fairness can be included.

Second, MNCs and expatriates should be aware that HCNs with high English proficiency are more sensitive to fairness information in their performance evaluations. Thus, failing to treat such HCNs fairly in performance evaluations could significantly undermine their trust and their work-related outcomes. Conversely, even expatriates can make efforts to treat HCNs fairly in their evaluations, such efforts tend to be less effective for HCNs with low English proficiency. This is because they are less sensitive to fairness information as a heuristic device to form cognitive trust in expatriates. Because of these language effects in performance evaluations, expatriates could use translators or delegate their evaluations to HCN employees.

Third, the findings suggest that more attention should be paid on language-related issues and language-oriented HRM practices in foreign subsidiaries (Peltokorpi, 2015). For example, training could be used to improve HCNs' English proficiency and linking language proficiency to selection and performance appraisals would motivate HCNs to improve their language proficiency (Peltokorpi, 2007). However, it is important to recognize that the effort to increase HCNs' English proficiency through language-oriented HRM practices can be a double-edged sword since HCNs with high English proficiency may feel more uncertain and pay more attention to fairness issues and trustworthiness of expatriates. HCNs with high English proficiency can be great contributors to the foreign subsidiary operations when they trust in expatriates based on the fairness information. However, they are more likely to be dissatisfied and leave the organization when they distrust expatriates due to unfair treatment.

5.3. Limitations and Suggestions for Future Research

This study has limitations that may provide fruitful avenues for future research. First, all measures were collected through self-reports. As a procedural remedy to reduce CMV (Podsakoff et al., 2003), we collected data at two time points in order to minimize the effects of potential transitory bias at the time of the survey. The results derived from confirmatory factor analysis also suggest that CMV did not reduce our ability to adequately test the hypotheses (Hu & Bentler, 1998). Further, research suggests that interaction effects cannot be artifacts of CMV (Siemsen, Roth, & Oliveira, 2010). However, future research based on data collected from multiple sources at multi-levels would be valuable (Peterson, Arregle, & Martine, 2012).

Second, the findings can have limited generalizability in other countries. For example, Japan is a monolingual society. This is shown by the low average scores of the Test of English as a Foreign Language (TOEFL) in Japan; the average rests in the bottom 25th percentile (English

Testing Service, 2017). This could have inflated the significance of the role of HCN's English language proficiency in our study. Despite these country-specific factors, we believe the model tested in this study is relevant to other countries where expatriates and HCNs do not share the same native or first language.

Third, we investigated the effect of HCNs' proficiency in English language, assuming expatriates on average to have higher levels of English proficiency than the HCNs. Yet, there can be situations in which English is not the common language in the expatriate—HCN relationship or where expatriates have lower levels of proficiency in a common language. Thus, our findings are confined to the context in which English is used as the common language between expatriates and HCNs, and in which expatriates have a higher level of language proficiency. However, we have shown the importance of a language-based perspective in justice in the expatriate—HCN relation through the given context of the current study. It should also be noted that we conceptualized but did not measure the power and identity-related aspects of language. We hope that our conceptual rationale is used in future theoretical development and research on language and performance evaluations in MNCs.

Fourth, the purpose of this study was to integrate UMT and language research in MNCs to explore HCNs' cognitive mechanisms that lead to their work-related attitudes. We chose cognitive trust and its most relevant types of justice, i.e., procedural and distributive justice, in performance evaluations, and excluded other variables in our model, such as interactional justice and affective trust, to avoid possible confusion with other theoretical mechanisms (e.g., social exchange and affective mechanisms). Future research could examine the role of the affect-based social exchange process and the norms of reciprocity between expatriates and HCNs. In that case, affective trust and its most relevant type of justice, interactional justice, could be focused in the theoretical model

and the distinctive foreign subsidiary context that could interact with the social exchange process could be investigated. This line of research could also contribute to the deeper understanding of the expatriate—HCN relations in foreign subsidiaries.

In this regard, our findings suggest that language matters when organizational behavior theories are applied to foreign subsidiary settings. Our findings also provide interesting avenues for future research. In domestic settings, research has shown that procedural justice is influenced by perceptions on process control and the extent to which people feel they can have their voices heard in the performance evaluation process (Cawley et al., 1998; Konovsky, 2000). The present findings also suggest that HCNs' English proficiency influences their ability to voice concerns in performance evaluation processes.

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 Table 1. Measurement model comparison

Models	χ^2	df	$\Delta \chi^2$	CFI	TLI	RMSEA
Six-factor model: Procedural justice, distributive justice, English proficiency, cognitive trust, job satisfaction, turnover intention	606.84	275		.98	.98	.05
Five-factor model: Procedural justice and distributive justice combined into one factor	1496.95	280	890.11***	.93	.92	.09
Four-factor model: Procedural justice, distributive justice, and English proficiency combined into one factor	3567.07	284	2070.12***	.81	.78	.15
Three-factor model: Procedural justice, distributive justice, English proficiency, and cognitive trust combined into one factor	4952.04	287	1384.97***	.73	.73	.18
Two-factor model: Procedural justice, distributive justice, English proficiency, and cognitive trust combined into one factor; job satisfaction and turnover intention combined into one factor.	6146.82	289	1194.78***	.66	.66	.20
One-factor model: Six factors combined into one factor	8339.84	290	2193.02***	.53	.53	.24

Note. N = 501; *** p < .001

Table 2. Means (M), standard deviations (SD), and correlations

Tubic 2. Mounts (117), Stundard	Tuble 2. Weaths (11), Standard deviations (55), and correlations													
Variable	M	SD	1	2	3	4	5	6	7	8	9	10	11	12
1. Foreign subsidiary size	1677.55	2468.32												<u>.</u>
2. Foreign subsidiary age	18.23	26.11	.09 *											
3. Manufacturing industry	.44	.49	.12 **	.01										
4. Top manager	.31	.43	.20 **	.06	.10 *									
5. HCN age	43.77	8.09	.15 **	.02	.06	.09 *								
6. HCN gender	.79	.40	.11 *	.07	.10 *	.07	.26 **							
7. HCN tenure	11.22	9.09	.32 **	02	.14 **	.08	.51 **	.20 **						
8. Procedural justice	4.16	1.39	07	06	.02	.09 *	.03	.03	.00					
9. Distributive justice	4.01	1.54	03	10 *	.04	.06	.07	.01	.03	.78 **				
10.English proficiency	4.00	1.72	07	13 **	05	.11 *	.07	19 **	12 **	.47 **	.39 **			
11.Cognitive trust	4.69	1.44	06	03	.02	.04	04	12 **	01	.37 **	.38 **	.16 **		
12.Job satisfaction	4.27	1.47	.10 *	09 *	.00	.08	.20 **	.02	.19 **	.31 **	.32 **	.10 *	.26 **	
13. Turnover intention	3.02	1.79	06	.03	11 *	06	10 *	08	16 **	18 **	22 **	.02	17 **	45 **

Note. N = 501. *p < .05, **p < .01

 Table 3. PROCESS Analysis Results (procedural justice)

Table 3. PROCESS Analysis Results (procedur					
Cognitive trust	B	SE	t	LLCI	ULCI
(Constant)	5.25	.39	13.57 ***	4.49	6.01
Foreign subsidiary size	07	.06	-1.12	19	.05
Foreign subsidiary age	00	.01	17	02	.02
Manufacturing industry	.08	.12	.63	16	.31
Top manager $(0 = HCN, 1 = expatriate)$.09	.14	.61	19	.36
Age	01	.01	57	02	.01
Gender	47	.16	-2.98 **	78	16
Tenure	.01	.01	.76	01	.02
Procedural justice	.40	.05	8.24 ***	.31	.50
English proficiency	06	.04	-1.22	13	.03
Procedural justice x English proficiency	.06	.02	2.64 **	.02	.11
R			.42		
R^2			.17		
\overline{F}			10.32 ***		
Conditional effect at levels of English proficie	encv		10.02		
+1 SD	.53	.07	7.97 ***	.40	.66
M	.40	.05	8.23 ***	.31	.50
-1 <i>SD</i>	.27	.07	3.85 ***	.13	.41
Job satisfaction	B	SE	t	LLCI	ULCI
(Constant)	2.00	.46	4.35 ***	1.10	2.90
Foreign subsidiary size	.09	.06	1.35	04	.21
Foreign subsidiary age	01	.00	-1.56	04	.00
Manufacturing industry	10	.12	85	35	.14
	.05	.12	.39	33 22	.33
Top manager (0 = HCN, 1 = expatriate)	.03	.01	2.93 **	.01	.04
Age Gender					
	08	.16	48	38	.23
Tenure	.02	.01	2.16 *	.00	.03
Procedural justice	.25	.05	5.25 ***	.15	.34
Cognitive trust	.18	.04	4.08	.09	.27
R			.43		
R^2			.18		
F			12.16 ***		
Turnover intention	В	SE	<i>t</i>	LLCI	ULCI
(Constant)	4.62	.59	7.81	3.46	5.79
Foreign subsidiary size	01	.08	19	18	.14
Foreign subsidiary age	.01	.01	.43	02	.03
Manufacturing industry	27	.16	-1.70	58	.04
Top manager $(0 = HCN, 1 = expatriate)$	06	.18	34	42	.29
Age	00	.01	40	03	.02
Gender	26	.20	-1.29	66	.14
Tenure	02	.01	-2.24 *	04	00
Procedural justice	16	.06	-2.67 **	28	04
Cognitive trust	16	.05	-2.75 **	27	05
R			.28		
\mathbb{R}^2			.08		
F			4.77 ***		

Note: N = 501. B = unstandardized coefficient; <math>SE = standard error; CI = confidence interval; <math>LL = lower limit; UL= upper limit. ***p < .001, **p < .01, *p < .05

Table 4. PROCESS Analysis Results (distributive justice)

Cognitive trust	$\frac{\text{ve justice}}{B}$	SE	t	LLCI	ULCI
(Constant)	5.29	.38	13.79 ***	4.54	6.05
Foreign subsidiary size	05	.06	81	17	.07
Foreign subsidiary age	.00	.01	.18	02	.02
Manufacturing industry	.04	.12	.30	20	.27
Top manager $(0 = HCN, 1 = expatriate)$.11	.11	.77	17	.38
Age	01	.01	-1.06	03	.01
Gender	40	.16	-2.58 *	71	10
Tenure	.01	.01	.86	01	.02
Distributive justice	.36	.04	8.62 ***	.28	.44
English proficiency	01	.04	29	09	.06
Distributive justice x English proficiency	.08	.02	3.58 ***	.03	.12
R			.43		
R^2			.18		
F			11.17 ***		
Conditional effect at levels of English proficier	ncv		11117		
+1 <i>SD</i>	.51	.06	8.52 ***	.39	.63
M	.36	.04	8.62 ***	.27	.44
-1 <i>SD</i>	.21	.06	3.49 ***	.09	.32
Job satisfaction	В	SE	t	LLCI	ULCI
(Constant)	2.04	.46	4.42 ***	1.13	2.94
Foreign subsidiary size	.09	.09	.09	03	.22
Foreign subsidiary age	01	.01	-1.31	03	.01
Manufacturing industry	13	.12	-1.02	37	.11
Top manager $(0 = HCN, 1 = expatriate)$.08	.14	.58	20	.36
Age	.02	.01	2.65 **	.01	.04
Gender	05	.16	31	36	.26
Tenure	.02	.01	2.13 *	.00	.00
Distributive justice	.22	.04	5.18 ***	.14	.30
Cognitive trust	.18	.05	4.06 ***	.09	.27
R			.42		
R^2			.18		
F			12.06 ***		
Turnover intention	В	SE	t	LLCI	ULCI
(Constant)	4.46	.59	7.55 ***	3.30	5.62
Foreign subsidiary size	02	.08	29	29	.14
Foreign subsidiary age	.00	.01	.21	02	.03
Manufacturing industry	25	.16	-1.59	56	.06
Top manager $(0 = HCN, 1 = expatriate)$	07	.18	40	43	.28
Age	00	.01	18	02	.02
Gender	27	.20	-1.35	67	.12
Tenure	02	.01	-2.26 *	04	00
Distributive justice	20	.05	-3.60 ***	30	09
Cognitive trust	14	.06	-2.39 *	25	02
R			.30		
R^2			.09		
F			5.47 ***		
Note: $N = 501$ $R = unstandardized coefficient:$	CF — standar	d orror: CL		· II – lower	limit: III

Note: N = 501. B = unstandardized coefficient; <math>SE = standard error; CI = confidence interval; <math>LL = lower limit; UL= upper limit. ***p < .001, **p < .01, *p < .05

Table 5. Moderated mediated results for procedural justice and distributive justice on job satisfaction

Procedural justice								Distributive justice						
Moderator: English proficiency	Conditional direct effect	SE	t		LLCI	ULCI	Condi- direct		SE	t		LLCI	ULCI	
+1SD	.39	.07	5.38	***	.25	.54		.30	.06	4.92	***	.18	.42	
M	.28	.05	5.34	***	.18	.39		.23	04	4.95	***	.14	.32	
-1SD	.17	.07	2.41	**	.03	.31		.15	.07	2.32	*	.02	.28	

p < .001, p < .01, p < .05

Table 6. Moderated mediated results for procedural justice and distributive justice on turnover intentions

		cedural ji		Distr	ibutive justic	e					
Moderator: English	Conditional direct effect	SE	t		LLCI	ULCI	Conditional direct effect	SE	t	LLCI	ULCI
_proficiency	ancer effect						uncer effect				
+1SD	33	.09	-3.56	***	52	15	34	.08	-4.42 ***	49	19
M	23	.07	-3.37	***	36	09	23	.06	-3.95 ***	34	11
-1SD	12	.09	-1.34		30	.06	11	.08	-1.38	28	.05

^{****}p < .001, **p < .01, *p < .05

Figure 1. Research model

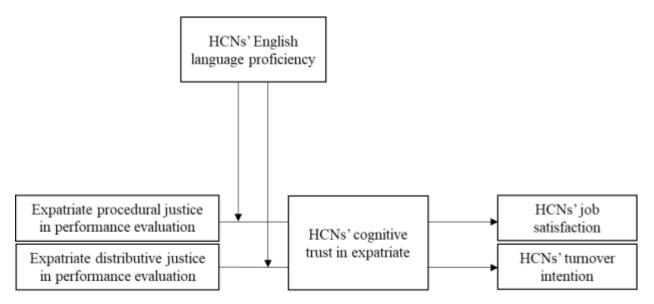


Figure 2. Interaction between procedural justice and English language proficiency predicting cognitive trust.

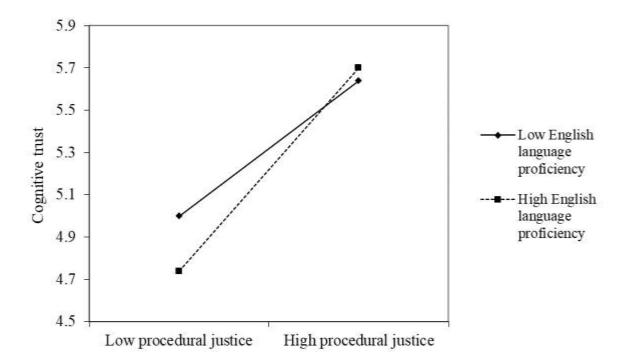
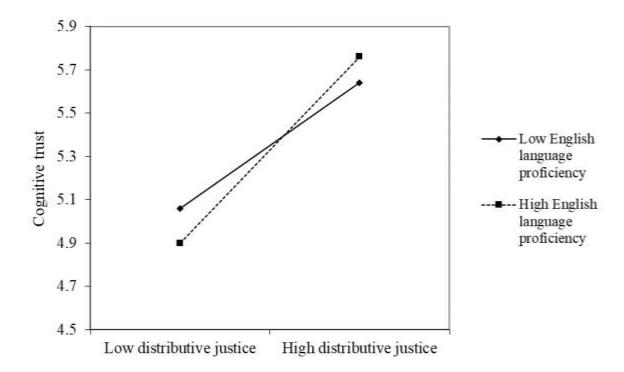


Figure 3. Interaction between distributive justice and English language proficiency predicting cognitive trust.



APPENDIX: Multi-item scales

Procedural justice (Colquitt, 2001)

- 1. Have you been able to express your views during those procedures?
- 2. Have you had influence over the (outcome) arrived at by those procedures?
- 3. Have those procedures been applied consistently?
- 4. Have those procedures been free of bias?
- 5. Have those procedures been based on accurate information?
- 6. Have you been able to appeal the (outcome) arrived at by those procedures?
- 7. Have those procedures upheld ethical and moral standards?

Distributive justice (Colquitt & Rodell, 2011)

- 1. Do those outcomes reflect the effort you have put into your work?
- 2. Are those outcomes appropriate for the work you have completed?
- 3. Do those outcomes reflect what you have contributed to your work?
- 4. Are those outcomes justified, given your performance?

English proficiency (Peltokorpi & Yamao, 2016)

- 1. I feel confident understanding English
- 2. I feel confident writing in English
- 3. I feel confident speaking in English

Cognitive trust (McAllister, 1995)

- 1. This expatriate approaches his/her job with professionalism and dedication
- 2. Given this expatriate's track record, I see no reason to doubt his/her competence and preparation for the job
- 3. I can rely on this expatriate not to make my job more difficult by careless work
- 4. Most people, even those who aren't close friends of this expatriate, trust and respect him/her as a coworker
- 5. Other work associates of mine who must interact with this expatriate consider him/her to be trustworthy
- 6. If people knew more about this expatriate and his/her background, they would be more concerned and monitor his/her performance more closely (reverse coded)

Job satisfaction (Canmann et al., 1979)

- 1. All in all, I am satisfied with my job
- 2. In general, I like working here
- 3. All things considered, I am satisfied with my current job

Turnover intention (Mitchell et al., 2001)

- 1. I intend to leave the company in the next 12 months
- 2. I strongly feel about leaving the company within the next 12 months
- 3. It is likely that I will leave the company within the next 12 months