Managing the re-entry process of returnee government scholars in an emerging transition economy—an embeddedness perspective

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Managing the Re-entry Process of Returnee Government Scholars in an Emerging Transition Economy – An Embeddedness Perspective

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Abstract

This paper reports the findings of a study that investigates the factors affecting the re-entry and readjustment process of returnee government scholars in Vietnam. These returnee scholars were originally sent overseas to study as part of changes introduced by the Vietnamese government to develop its domestic talent pool. Using the perspective of home country embeddedness, we find that career and community embeddedness factors, together with readjustment factors, have an effect on returnee scholars’ career and life satisfaction in their home country. These factors subsequently affected their intention to stay or re-expatriate. The study contributes to public sector change management theory by examining factors affecting the re-entry process of returnees within an emerging transition economy. It also adds to the limited studies on understanding and managing the re-entry processes and state-led diaspora strategies among returnee government scholars from emerging transition economies, and their effectiveness.

Key words:

public sector employees; returnee government scholars; emerging transition economies; talent; embeddedness; readjustment; state-led diaspora strategies; Vietnam
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Introduction

Among relatively poor, emerging economies that aspire to grow rapidly by transforming their economies, it is increasingly recognised that an essential component in achieving that goal is human capital or talent (Al Ariss et al. 2014; Ready et al. 2008). Countries that do not adopt specific state-driven strategies to address this, whether out of choice or lack of resources, run the risk of loss of expertise (or ‘brain drain’) including losing the resources invested in their education (Dustmann et al. 2011; McDonnell et al. 2012; Zweig et al. 2008). This occurs as highly skilled and talented professionals from these less developed economies who are educated overseas fail to return, or upon returning, leave again (Hickey et al. 2015). While these patterns normally hit private sector jobs hardest, with the growing trend of governments practicing ‘New Public Management’, public sector workers or civil servants are progressively seen as sources of talent in the so-called global ‘War for Talent’ (Michaels et al. 2001).

While the public sector in developed economies with robust market-driven sectors may have adjusted reasonably well to changes arising from ‘New Public Management’, the changes in emerging transition economies are significantly more challenging for two reasons (Podger and Yan 2013). First, in terms of transitioning from a command economy to a more market-based economy, public servants have to grapple with change from a system that had services which used to be mainly provided for and directed by themselves as state representatives, to a system whereby private providers increasingly play more important roles. Second, transition economies that are in relatively earlier stages of economic development face a further talent deficit in that, given the low salaries relative to the private sector (Painter 2006) and more
lucrative off-shore opportunities, there may be few public servants with the necessary skills who wish to remain in government service to manage these changes (Podger and Yan 2013).

With the state being a central driver of change in emerging transition economies, some countries have engaged in purposive strategies to attract and retain professionals in an increasingly global market (Bounfour and Kuznetsov 2008). The practice of these state-led ‘diaspora strategies’ has been adopted enthusiastically by emerging transition economies as an important weapon in the ‘War for Talent’ (Hercog and Siegel 2011) so as to reverse the brain drain to economically advanced countries (Tzeng 2006) with returnees bringing skills back from abroad (Zweig 2006).

Research has investigated returnees’/ repatriates’ motivation to return and the re-entry process, with the focus mainly on organisational support among multinational organisations from developed countries, for company assigned expatriates (CAEs) (Tung 2008). Repatriates who were offered more of these practices, and believed that such programs were relevant and important for their successful repatriation, felt as though their company cared about their overall well-being and ultimately, had a greater desire to remain with the company upon repatriation. While emerging economy multinational corporations (MNCs) and governments are increasingly sending staff overseas (The Economist 2010), there is a dearth of studies in these contexts.

Although CAEs may be a large group, it ignores another sizeable group of returnees who have been sent or sponsored by their home country governments or organisations to study and/ or gain professional experience overseas and as such, may have characteristics similar to CAEs. Of this group, many have organisational or country commitments including scholarship bonds and significant jobs to go back to in their home countries. Iles et al. (2010) note that the performance of returnees in the home country was dependent upon
organisational support. However, it cannot be assumed that the public service in emerging economies has proper systems and processes to manage the changes that returnees undergo upon re-entry. Similarly, it would be misleading to assume talented returnee government scholars who return to their home countries have no difficulty adjusting (Kunasegaran et al. 2016) as they often face many challenges adapting (Osman-Gani and Hyder 2008). To date, there is a dearth of empirical studies on the re-entry experiences of government returnee scholars and it is important to address this gap especially in order to better understanding organisational support for their readjustment (Kunasegaran et al. 2016), including in their workplaces (Siddiqui and Tejada 2014).

Using the home country embeddedness perspective, it follows that there are career-related and community-related factors that could affect returnee scholars’ re-entry and readjustment process to their home countries. If these factors are not managed well, talented returnees may decide to go abroad again (or re-expatriate). Hence, the study addresses the following research question:

*To what extent do embeddedness and adjustment of returnees in the re-entry process affect their overall life and work satisfaction and subsequent decisions to stay/leave their home country?*

This research contributes to the literature in the following aspects. First, it focuses on a group of people in the global mobility process, government or state-sponsored scholars, which has been under-studied. Second, given the research focuses on returnee government scholars who have studied abroad as part of their career and professional development and have jobs to return home to, it extends the migration/returnee research that uses mainly generic sociological embeddedness theory to incorporate a more focused, career-related, embeddedness approach. By integrating embeddedness with readjustment factors, we
advance knowledge by testing a theory-based, psychologically-explained model that aims to predict re-entry satisfaction and hence stay/leave decisions among talented government scholars. Third, with most of the current research in public sector change management focusing on developed economies, our research addresses a gap in the limited research on understanding repatriation of returnee government scholars to their home countries that are emerging transition economies, who have work experience in host countries that are more developed and culturally quite different. Finally, despite the model having some limitations in capturing all aspects of motives/reasons for re-expatriation, it had a relatively strong explanatory power.

Hence, by focusing on the factors affecting the intention of returnee government scholars from an emerging transition economy, Vietnam, this research provides new insights into this context and phase of international mobility as well as the effectiveness of organisational support practices in helping returnees re-enter. In so doing, our study plays a role in filling the more general research gap of a better understanding of the social, emotional and psychological challenges that drive the behaviour of returnees when they return to their home countries. In the next section, we outline the context of the study, including defining key terms, namely, ‘Overseas Vietnamese’, and the focus of our study, government or state-sponsored returnee scholars, and state-led ‘diaspora strategies’.

**Context/ Background**

**Vietnamese returnees**

Overseas Vietnamese refer to Vietnamese people who are living outside Vietnam as a diaspora (Pham 2010). As at 2009, there were 3.7 million people who were born in Vietnam and who subsequently live outside Vietnam, residing in over 100 countries with concentrations in the U.S, France, Australia and Canada (Pham 2010). This includes
Vietnamese overseas students who have gone abroad to study, mostly in developed countries, since the 1986 Renovation ‘Doi moi’ (Tran et al. 2014). Although most are self-funded students (Gribble 2011), there is a significant number who are sponsored by the Vietnamese government, universities and foreign NGOs that oblige them to return home after their studies and/or work to meet the demand for well educated, experienced, trained personnel (Tran et al. 2014) who are vital for Vietnam’s socio-economic development (Gribble 2011).

Thus the research was conducted in Vietnam for two main reasons. First, Vietnam has seen an increase in the number of returnees who are valuable talent for Vietnam (Le, 2014). Second, although the Vietnamese government has recently implemented some policies to attract and retain skilled overseas Vietnamese, the effectiveness of these policies is still equivocal (Gribble, 2011; Pham, 2010). Therefore, it will be critical for the Vietnamese government to understand the reasons why returnees intend to re-expatriate. This will help it put in place appropriate policies to help returnees settle and retain them in Vietnam.

**Literature Review**

*State-led Diaspora Strategies*

State-led ‘diaspora strategies’ are initiatives by governments aimed at mobilising their own citizens, high-skilled, elite emigrants, who are living, working or studying abroad, to contribute to the national interest of their ‘home’ country (Hickey et al. 2015) and fall into two categories. The first approach is characterised largely by countries like China and Taiwan which have strong government policy initiatives that have successfully attracted talented returnees through creating good work environments in special zones or parks. For example, both Taiwan and China have built technology incubators and accelerators in their development zones as special centres for attracting returnee scholars and scientists from
overseas (Gribble 2011; Zweig 2006). However, Tharenou and Seet (2014) speculate that about a half of the Chinese returnees have left again.

The second approach focuses on nurturing the best talent within the home country by sending selected scholars to top institutions in developed nations so as to attain the best education and then return to their home country to key positions in the administrative and technocratic ‘elite’ to contribute to economic and social development (Barr 2006). This approach of coupling modernist ideas with bureaucracy was adopted initially by Japan’s Ministry of International Trade and Industry (MITI) (Johnson 1982) and refined by Singapore where the best students are sent overseas and ‘bonded’ to return home, and are subsequently also paid extremely well and provided with continual professional development (Barr 2016).

Vietnam’s rapid economic growth and increased foreign direct investment (FDI) inflow into Vietnam has resulted in a growing demand for highly skilled, networked and entrepreneurial individuals (Thanhnien News 2013). However, Vietnam’s education system has not kept pace with its economic development to provide sufficient high-quality human capital to meet labour demand (Thanhnien News 2013). These factors have led to Vietnam adopting a combination of both strategies outlined above to attract highly-skilled migrants back home (as per the China model), but also sponsoring individuals with high potential overseas to study and gain international experience and advanced knowledge and skills in more developed countries (as per the Singapore model) (Le 2014).

For example, in March 2004, Vietnam’s Communist Party enacted Resolution 36 on Overseas Vietnamese. Its objective was to persuade Vietnamese abroad to come back to support development in every sector. Specific policies included Decree No.90/2006/ND-CP which allows Vietnamese who are overseas residents to have the right to own a house in Vietnam (The Vietnamese Government 2006). The Vietnamese Government also announced
visa exemptions for these Overseas Vietnamese who are allowed to stay up to 90 days in Vietnam without need for a visa (The Vietnamese Government 2007). Since 1 July 2009, Overseas Vietnamese are allowed to have dual citizenships, meaning they do not need to renounce their Vietnamese citizenship (Vietnamese National Assembly 2008). However, the effectiveness of these policies is uncertain and the procedures to implement these policies cumbersome (Nguyen 2014). While Resolution 36 has had a positive impact on remittances to Vietnam and FDI from Overseas Vietnamese, it has been less successful in luring academics back (Pham 2013).

The second approach of selecting and developing the best of local talent is a relatively new phenomena in Vietnam. In December 2012, the Vietnamese government launched a wide-ranging review - including higher education institutions and the ministries of education and training, finance, foreign affairs, public securities, and science and technology - that aimed to address some of the concerns of its returnees and thus retain them (Pham 2013). Concerns include red tape; lack of autonomy, skill utilisation and recognition; low salary; and unsatisfactory working environments (e.g. poor research facilities, libraries and research environments (Le 2014). These factors are important to managing the re-entry process, and a central factor in determining whether they stay or leave, as discussed below.

*Managing Returnees' Re-Entry*

In the re-entry process, returnees overcome cultural and other challenges in re-adjusting back to life and work in their home countries after a period spent abroad in their host country (Szkudlarek 2010) following the repatriation phase (Black and Gregersen 1999). Despite recognition of the importance of management of the re-entry process to the returnees stay/go decision (Shen and Hall 2009), most research has focused on the initial going abroad or expatriation phase, and ‘the issue of returning home remained largely neglected within the
academic community as well as among practitioners managing the cross-border mobility’ (Szkudlarek 2010, p. 2).

Among research on re-entry, most studies have been based around corporate repatriates and their spouse/ partners, missionaries, Peace Corps volunteers, Third Culture Kids, returning migrants and students (Szkudlarek 2010). In reviewing why returnees re-expatriate, Tharenou and Seet (2014) argue that negative reactions (e.g. unmet expectation, reverse culture shock, poor cross-cultural readjustment and cultural identity shifts) in particular, prompt returnees to re-expatriate.

In the context of state-led diaspora strategies, returnee government scholars are a special type of returnee student in terms of returnee/ migration research. In spite of this, most of the research has focused on returnee students that have returned to their home countries under their own volition and the results of investigations into their readjustment patterns are inconsistent (Szkudlarek 2010).

This lack of empirical research may be a consequence of difficulties associated with access to returnee government assignees and scholars relative to those who have returned on their own accord (Ho et al. 2016) which is related to the bureaucratic and impersonal nature of the workplace in Vietnam’s public service that is characterised by high power distance (Hoang et al. 2017; Nguyen et al. 2017). In addition, public sector managers in Vietnam may not wish for research to show that they do not have sufficient managerial skills to cope with complexities related to the management of employees (Thang et al. 2007). With the changes to the management of Vietnamese public servants highlighted earlier, it is important that research be conducted to provide evidence on the effects of changes on the re-entry experiences of returnee government scholars (Ho et al. 2016).
Hypotheses Development

Home country embeddedness

In explaining repatriation intentions, Tharenou and Caulfield (2010) built on Mitchell et al. (2001)’s job embeddedness theory to develop the new construct of home/host country embeddedness. Home/host-country embeddedness refers to positive attitudes toward the returnees’ community and career in their home/host country and includes two dimensions: community embeddedness and career embeddedness (Lo et al. 2012; Tharenou and Caulfield 2010). This concept suggests that leaving a job bears similarities to leaving a country as expatriates have less intention to leave since they have become embedded in their host country, career and community.

Career embeddedness proposes that expatriates will make substantial career sacrifices, including career opportunities, links with their colleagues and institutions, and fit with their careers if they repatriate. Community embeddedness posits that if expatriates repatriate, they will make many sacrifices, such as social lives and ties, links with family and friends and their fit with their community in the host country.

Research examining the relationship between the theories of home/host country embeddedness with the intention to go across borders into another country is very limited. Tharenou and Caulfield (2010) is an exception, and in their study of the repatriation of 546 Australians, they find that both career and community embeddedness (two dimensions of host country embeddedness) are significantly related to the intention to repatriate. Lo et al. (2012) use these concepts (home country embeddedness and host country embeddedness) to examine expatriates’ intentions to leave their current organisation rather than intentions to repatriate.

In terms of applying community embeddedness to returnee research, returnees become embedded in their communities in their home country when they have strong links with their
family, relatives and friends (Shaffer et al. 2012). Additionally, they may remain at home in order to care for their parents, children and elderly relatives. They may find they fit with the lifestyle at home (Monteleone and Torrisi 2011) and the home-country culture (Gill 2005). When returnees have strong links with their family and friends, and they feel they have a strong fit with life at home, they are less likely to re-expatriate (Shaffer et al. 2012).

Therefore,

Hypothesis 1: Community embeddedness is negatively related to intention to re-expatriate.

In terms of career embeddedness among returnees, re-expatriation in the form of leaving their home country means career benefits that returnees gain from repatriation can be translated into sacrifices if they re-expatriate (Tharenou and Caulfield 2010). These sacrifices include good job opportunities (Tung 2007), good salaries relative to salaries abroad (Alberts and Hazen 2005), and professional growth and recognition in their home country (Gill 2010). If re-expatriating, they may also lose good links with their work units and supervisors (Zweig 1997) and their fit with familiar co-workers and working cultures (Gill 2010). Thus,

Hypothesis 2: Career embeddedness is negatively related to intention to re-expatriate.

Cross-cultural readjustment

Cross-cultural readjustment is a positive response (Ward and Searle 1991) and may include not only psychological aspects but also social and cognitive outcomes (Cox 2004). Black (1994) argues that cross-cultural readjustment includes work, general and interaction readjustment. Work readjustment refers to the adjustment of individuals to a job position. General readjustment concerns the overall adjustment of the individual’s general psychological comfort with the home nation environment, including food, housing, climate and living conditions. Interaction readjustment is defined as an individual’s psychological comfort in interpersonal communication and social relations.
While the cross-cultural readjustment constructs in the research by Kim (2001) and Ward and her colleagues (Ward and Kennedy 1993) are solely focused on the adjustment to the non-working environment, the cross-cultural readjustment model developed by Black (1994) is not only associated with the adjustment to interaction and general life, but also the working environment. Some studies (e.g. Vidal et al. 2010) support the view that if repatriates experience better cross-cultural readjustment, they will perform better at work. In spite of this, research on the effect of cross-cultural readjustment on re-expatriation intentions is still lacking. Tharenou and Seet (2014) suggest that poor cross-cultural readjustment may prompt these returnees to intend to re-expatriate. Thus the current study applies the cross-cultural readjustment construct developed by Black and his colleagues to examine the relationship between all three facets of cross-cultural readjustment, including interaction, work and general readjustment, and intention to re-expatriate in the context of Vietnamese returnees.

In terms of returnees’ re-entry experiences/ reactions, poor cross-cultural adjustment is positively associated with intentions to quit a country (Bhaskar-Shrinivas et al. 2005). Returnees may reduce the negative responses to their home country that they may experience on re-entry by re-expatriating (Bhaskar-Shrinivas et al. 2005). Hence,

*Hypothesis 3: All three dimensions of cross-cultural readjustment (Interaction, General and Work readjustments) are negatively related to intention to re-expatriate.*

**Home country satisfaction**

Returnees are pulled back to their home country by career outcomes (e.g. career opportunities and financial outcome) and life outcomes (e.g. friendship and family ties) (Labrianidis and Vogiatzis 2012). If such career and life outcomes meet their expectations, they will have a positive attitude toward their home country (Lidgard 2001), thus they are less likely to re-expatriate. Further, studies (e.g. Ho, Seet and Jones 2016) suggest returnees who highly value
their career will see higher career satisfaction which will have a positive impact on life satisfaction. Therefore,

*Hypothesis 4a: Life satisfaction is negatively related to intention to re-expatriate.*

*Hypothesis 4b: Career satisfaction is negatively related to intention to re-expatriate.*

*Hypothesis 4c: Career satisfaction is positively related to life satisfaction.*

**The mediating roles of readjustment factors and satisfaction factors**

Stronger embeddedness leads returnees to more easily accept uncertainty, thus helping them have a smoother readjustment process. Good readjustment, in turn, enables returnees to experience positive attitudes toward their home country, and thus they are less likely to re-expatriate.

Additionally, if returnees re-adjust well, their social needs and career benefits are more likely to be met and they are more satisfied with their home country. In turn, when returnees are more satisfied with their home country, they will have a positive evaluation about their life and career in their home country and thus are less inclined to re-expatriate. Therefore,

*Hypothesis 5: Community embeddedness (a) and career embeddedness (b) are negatively related to intention to re-expatriate through the mediation of cross-cultural readjustment factors and satisfaction factors.*

*Hypothesis 6: The three dimensions of cross-cultural readjustment are negatively related to the intention to re-expatriate through the mediation of satisfaction factors.*

We have developed a theoretical model developed a theoretical model that helps us to better understand the change management in Re-Entry Process of Returnee Scholars (see Figure 1).
Methods

Sample and procedures

The sample of this study included Vietnamese returnees who had been sponsored by their home/host country governments or organisations to study and/or gain professional experience overseas and had obligations to return as part of their scholarship requirements/conditions. They must have had at least one year of studying or working overseas before returning home.

We conducted both online and paper-based surveys of returnees via the alumni associations of Vietnamese who are overseas graduates from different countries and the human resource departments of government departments and universities. A total of 143 useable surveys were received.

Two-thirds of the sample were between 26 to 35 years old, and on average between 26 to 30 years’ old. Fifty nine were female and most (80%) had lived abroad for one to three years.

Measures

Career embeddedness

This construct was measured by nine items adapted from the career embeddedness construct of Tharenou and Caulfield (2010). Of the nine items, three measure career sacrifices and four measure career fit, and all items were scored on a 7-point Likert scale. Two items measure career links, including tenure with the current employer (a seven-point item) and permanency of the job (a three-point item). The final score of career embeddedness was calculated by averaging the standardised score as the items have different response categories. The Cronbach’s alpha was 0.73.
**Community embeddedness**

This construct was measured by twelve items adapted from the community embeddedness construct of Tharenou and Caulfield (2010). Of the twelve items, three items measure the community sacrifices and three items measure community fit with six items measuring community links (having children (*a three-point item*), having a partner (*a two-point item*), partner’s place of birth (*a two-point item*) and partner’s citizenship (*a three-point item*)). The final score of career embeddedness was calculated by averaging the standardised score as the items have different response categories. The Cronbach’s alpha was 0.74.

**Cross-cultural readjustment**

This study adapted a fourteen-item scale from Black and Gregersen’s (1991b) repatriation adjustment scale to measure cross-cultural readjustment. Four items measure interaction readjustment, three items measure work readjustment and seven items measure general environment readjustment. All of these items were scored on a 7-point Likert scale. The Cronbach’s alphas were 0.86, 0.95 and 0.89 computed for work readjustment, interaction readjustment and general readjustment, respectively.

**Life satisfaction**

For measuring this construct, all five items were adopted from the Satisfaction With Life Scale (SWLS) of Diener et al. (1985) and were scored on a 7-point Likert-type scale. The Cronbach’s alpha was 0.92.
Career satisfaction

For measuring this construct, all five items were adopted from the career satisfaction of Greenhaus et al. (1990) and were scored on a 7-point Likert-type scale. The Cronbach’s alpha was 0.92.

Intention to re-expatriate

This construct was measured by five items adapted from the re-expatriation intention construct of Ho, Seet et al. (2016) which was originally developed from the repatriation intention construct of Tharenou and Caulfield (2010). All five items were scored on a 7-point Likert scale. The Cronbach’s alpha was 0.77.

Control variables

We controlled for time abroad as returnees who had lived abroad for a longer time are more inclined to re-expatriate. We controlled for age as younger returnees have more freedom to focus on their career needs, thus they are more inclined to re-expatriate than older returnees (Ho et al. 2016). We controlled for gender as females have more family constraints and thus they are less likely to re-expatriate than males (Tharenou 2008). We also controlled for tenure in the returnee’s current organisation, as those working for a longer time are less likely to re-expatriate (Tharenou and Caulfield 2010).

Data analysis

We used structural equation modelling (SEM) with path analysis utilising AMOS 20.0 to test our hypotheses. Path analysis is particularly appropriate to estimate the direct and indirect causal effects of observed variables as shown in our hypotheses (Kline 2011).
Results

Measurement Models

To check the measurement models and assess the validity of the constructs used in this study, confirmatory factor analysis (CFA) was performed. We used five common goodness-of-fit indices to assess the model fit, including $\chi^2$/df, comparative fit index (CFI), goodness of fit index (GFI), root mean square error of approximation (RMSEA), and standardised root mean residual (SRMR) (Kline 2011). Results indicated that our hypothesized eight-factor measurement model fits the data well ($\chi^2$/df = 1.4, GFI = .89, CFI = .93, RMSEA = .05, SRMR = .06). This hypothesized model was then compared with possible alternative models and it was found that the hypothesized model was significantly better than the alternative measurement models (i.e. six-factor model when three readjustment measures are combined: $\chi^2$/df = 1.92, GFI = .80, CFI = .84, RMSEA = .08, SRMR = .094 or four-factor model when three readjustment measures are combined, two embeddedness measures are combined and two satisfaction measures are combined: $\chi^2$/df = 2.27, GFI = .75, CFI = .78, RMSEA = .094, SRMR = .104).

The CFA also provided support for convergent and discriminant validity of all constructs. The standardised factor loadings for all constructs were greater than .5 and were significant (p<.01). Composite reliability (CR) values for all constructs exceeded the minimum requirement (.6), the Cronbach’s alpha values exceeded .70, and the Average Variance Extracted (AVE) values all exceeded .50. Additionally, the results support the discriminant validity of all constructs since all AVE values were greater than the squared correlation estimate.

To assess common method bias, we conducted 2 tests as suggested by Podsakoff et al (2003). Firstly, Harman’s one-factor test showed that the one-factor model was highly unsatisfactory.
\(\chi^2/df = 3.67, \ CFI = .53, \ TLI = .50, \ SRMR = .12, \ RMSEA = .13\) suggesting that common method bias was not problematic. Secondly, a latent common method factor test was performed. The fit index for the model with latent common method factor was \(\chi^2(521) = 722.5\). The fit index for the model without latent common method factor was \(\chi^2(524) = 727.8\). The difference in fit index between these two models was not significant (\(\Delta\chi^2 = 5.4, \Delta = 3, \text{n.s.}\)). Further, the common latent factor test presented that no indicator had effects of the common latent factor on their standardized factor loadings of above 0.2 (Chin 1998), suggesting that common method bias was not problematic.

**Test of hypotheses**

The theoretical model provides a reasonable fit to the data (\(\chi^2/df = 1.82; \ GFI = .96; \ CFI = .96; \ SRMR = .057, \ RMSEA = .076\)). In the theoretical model, career and life satisfaction were proposed as partial mediators. We used the chi-square difference test to examine whether a construct was a full or partial mediator. We compared the fit of the theoretical model (referred to as the partially mediated model) with the fit of the fully mediated models (Table 1). The fully mediated models were built by dropping the direct paths of community embeddedness (model 1), career embeddedness (model 2), work readjustment (model 3), interaction readjustment (model 4), general readjustment (model 5) and career satisfaction (model 6) with intention to re-expatriate, respectively.

Results indicated that only model 1 fits worse than the theoretical model with \(\Delta\chi^2 (1) = 3.93, \alpha < .05\). Thus, we used a new model with keeping the direct path from community embeddedness to re-expatriation intentions while dropping the other direct paths to re-expatriation intentions for testing the hypotheses. The new model has the following fit indices: \(\chi^2/df = 1.78; \ GFI = .96; \ CFI = .96; \ SRMR = .058, \ RMSEA = .07\). In this model, the predictors explained 31% of the variance of intention to re-expatriate (\(R^2 = .31\).
To test the direct and indirect effects of factors on re-expatriation intentions, we used bias-corrected bootstrapping with 2000 re-samples. The results of the direct effects are shown in Figure 2. Table 2 shows the test results of mediation effects.

Results from Table 2 and Figure 2 indicated that all embeddedness factors, readjustment factors (except interaction readjustment) and satisfaction factors directly or indirectly affected re-expatriation intentions. It was shown that the process of re-entry process starts with community embeddedness and career embeddedness. While community embeddedness directly ($\beta = -.17, p<.05$) affected re-expatriation intentions (supporting hypothesis 1) and indirectly ($\beta = -.10, p<.05, 95\% CI=[-.03;-.17]$) influenced re-expatriation intentions (supporting hypothesis 5a), career embeddedness only had an indirect effect ($\beta = -.17, p<.01, 95\% CI=[-.08;-.25]$) through the mediations of readjustment factors and satisfaction factors, thus supporting hypothesis 5b but not supporting hypothesis 2. For cross-cultural readjustment factors, general readjustment ($\beta = -.09, p<.01, 95\% CI=[-.03;-.16]$) and work readjustment ($\beta = -.07, p<.05, 95\% CI=[-.02;-.14]$) also had only indirect effects, thus partially supporting hypothesis 6 but not supporting hypothesis 3. Additionally, career satisfaction directly affected life satisfaction ($\beta = .43, p<.01$), supporting hypothesis 4c but only indirectly affected re-expatriation intention via life satisfaction ($\beta = -.15, p<.01, 95\%$
CI=[-.08;-.23]), thus not supporting hypothesis 4b. Lastly, life satisfaction had a direct effect on re-expatriation intention ($\beta = -.35, p<.01$), supporting hypothesis 4a.

We controlled for gender, age, total time abroad and time since returning home. Figure 2 shows that only total time abroad had a significant effect on intention to re-expatriate ($\beta = - .19, p<.01$). This is in line with Tharenou and Caulfield (2010)’s study.

**Discussion and Implications**

**Discussion**

Both career and community embeddedness had a significantly negative impact on intentions to re-expatriate, supporting the theory of home country embeddedness (Tharenou and Caulfield 2010).

The results demonstrate that government sponsored returnees become strongly embedded in the community when they have strong links with their family, relatives and friends in their home country, and fit with the lifestyle and home-country culture. As such, they are less likely to re-expatriate because they will need to make major sacrifices in terms of family and social ties, lifestyle and social activities in their home country. The findings also indicate that being embedded in one’s career in the home country is significantly associated with a weaker intention to re-expatriate. This could be because returnees will lose career opportunities, business opportunities and business relationships in their home country when they re-expatriate (Lo et al. 2012). Additionally, the findings suggest that being embedded in their career means that returnees’ career benefits are being met and they are more satisfied with their career in their home country and are less likely to re-expatriate.

As compared to community embeddedness, career embeddedness has a slightly lower effect on re-expatriation. This suggests that even among the highly talented and possibly ambitious
government returnee scholars, community support and therefore embeddedness in a community is more important in determining intentions to stay/leave their job in Vietnam, for example through close family, partners and/or children, that assist in creating closer community links by developing a more meaningful social life (Hugo 2006), which is even more evident in communitarian Asian cultures (Harvey 2009).

In terms of cross-cultural readjustment factors, work readjustment was found to have a negative effect on intentions to re-expatriate through the mediation of home country satisfaction factors, indicating that poor work readjustment is related to returnees’ negative affective responses to their home country (Black and Gregersen 1991a). Therefore, returnees may reduce sources of these negative affective responses by leaving their country. Similarly, general readjustment also had a significantly negative impact on intentions to re-expatriate.

However, it was unexpected that interaction readjustment did not significantly affect intentions to re-expatriate, although it represents returnees’ psychological comfort in interpersonal communication and social relations with home country nationals (Black and Gregersen 1991a). In theory, returnees with poor interaction readjustment are more inclined to re-expatriate because re-expatriation is a way to eliminate poor interaction readjustment with home country nationals (Bhaskar-Shrinivas et al. 2005). A possible explanation for the relationship not being supported is that interaction readjustment reflects the returnees’ social skills in communicating and behaving appropriately in society (Cox 2004). In other words, returnees who have poor interaction readjustment with home country nationals may also have poor social skills when communicating with host country nationals (Szkudlarek 2010) and hence this does not increase returnees’ intent to re-expatriate.

Finally, the study found that while life satisfaction directly affected intentions to re-expatriate, career satisfaction only had a significantly indirect impact on intentions to re-
expatriate via life satisfaction. The relative difference between life and career satisfaction reinforces the earlier findings about the relative importance of community versus career embeddedness. It also supports the findings of Lounsbury et al. (2004), which point out that life satisfaction – a concept of global life quality – represents an overall outcome of an individual’s career experience.

**Practical implications**

Given the importance of both community and career embeddedness to retaining government scholar returnees, the Vietnamese government can do so by enhancing the three dimensions of embeddedness: 1) *links*, 2) *fit* and 3) *sacrifices*. This is because, as noted above, the main aspects of job embeddedness are the *links* an employee has to other people or the community, how s/he *fits* in the organisation or environment and, thirdly, what the employee *sacrifices* upon leaving the organisation (Mitchell et al. 2001)’s. In terms of *links*, this would include developing activities and programs for both returnees (e.g. networking) and their family members to engage with the broader community, which will further enhance returnees connections to the ‘organizational web’ in a highly communitarian society (Mallol et al. 2007). With respect to the *fit* dimension, for example, public sector managers could better utilise returnees’ skills and knowledge acquired abroad by understanding what they have learned and value, and matching them with appropriate tasks and projects (Lee et al. 2004). As for the sacrifices dimension, the Vietnamese government needs to continue its reforms in terms of better pay and work conditions, which have been found to be effective in other transition economies with large state sectors and significant state-owned enterprises (Kim et al. 2010), thereby increasing the feeling among returnees that they will be making huge sacrifices and incurring significant opportunity costs if they were to re-expatriate.
One significance of this study relates to recent immigration policy changes in developed economies, in particular changes in work visa policies in the United Kingdom (UK), USA, and most recently in Australia. In the USA, this has taken the form of the ‘Border Security, Economic Opportunity, and Immigration Modernization Act’ (Senate Bill 744) (Bowman and Bair 2017; US Senate 2013). In the UK, this has taken the form of 2010 election pledges by the Conservatives to introduce an annual immigration cap to bring net migration down to ‘tens of thousands’ during the course of the next parliament. This has been further exacerbated by the Brexit referendum and the new UK Prime Minister, Theresa May, who has strongly advocated reductions in the general level of immigration (Gumbrell-McCormick and Hyman 2017). In Australia, the Turnbull government has stopped the 457 temporary migrant worker visa program and replaced it with more stringent temporary skills shortage visas (Wright et al. 2017). A likely impact of these changes by developed economies to restrict migration will be to see more people from emerging economies returning to their home countries. As shown in the model in Figure 3, even if Vietnamese returnees re-expatriate to developed economies, they may be forced to go back as part of a highly dynamic circular migration or brain circulation cycle (Friesen and Collins 2016; Saxenian 2005; Vertovec 2013).

Limitations and Further Research

This study is subject to some limitations. First, it was based on cross-sectional data to examine an intention to re-expatriate, rather than actual re-expatriation, and future research should be longitudinal in order to examine whether returnees actually re-expatriate.

Second, this study focused on home country embeddedness. As the original construct
involved both home and host country embeddedness, and government returnee scholars have spent a significant time abroad in their host countries, future research should examine whether pull forces from the host country could further influence their intention to re-expatriate. Similarly, we did not incorporate the effect of living with relatives while studying abroad. This could be a further factor that influences decisions of returnees since research indicates that social factors (including being close to family and friends) impacts the choice between remaining in the host country upon graduation or returning home (Han et al. 2015).

Third, future research could compare returnee government scholars with professionals in different occupations in the private sector who may have higher international mobility options (e.g. accountants and financial professionals) as this may allow us to see if the factors behind the intention to stay/leave differ between different occupations (Benson and Pattie 2008).

Fourth, despite the strong explanatory power of the model, our study was subject to limitations as a result of the sample size of returnees with overseas work experience (N = 143 government scholar returnees). It also had limitations in capturing all aspects of motives and reasons for re-expatriation and there will be a need for further research into these factors, some of which (e.g. career opportunities, development and progression) can be better analysed using longitudinal studies.

Finally, the study is limited to one country, Vietnam. As emerging economies differ widely, the generalisability of the research may be limited and research needs to be conducted in other emerging transition economies, to better understand the factors that explain returnees’ intention to re-expatriate, and the extent to which they are similar, or different.
Concluding remarks

This study investigated the extent to which embeddedness and readjustment in the re-entry process affect government returnee scholars in an emerging transition economy in terms of their overall life and work satisfaction and subsequent decisions to stay/leave their home country. Our research focused on a group of people in the global mobility process that has been under-studied, namely, government or state-sponsored scholars. In terms of theory, it extends the migration/returnee research by applying embeddedness theory to develop and test a theory-based, psychologically-explained model that aims to predict re-entry satisfaction and hence stay/leave decisions among talented government scholars. The study also addresses a gap in the limited research on understanding repatriation of returnee government scholars who have working experience in host countries that are more developed and culturally quite different to their home countries that are emerging transition economies (Zhang et al. 2012). Finally, our research provides initial evidence on the Vietnamese government’s initiatives at better supporting returnee scholars in their re-entry process. Through better facilities and work environments and reducing bureaucracy in work as well as tackling skill under-utilisation, other emerging economy governments may be able to learn from the Vietnamese experience and develop better state-led diaspora strategies, in particular, through better managing the readjustment process of talented returnees. This could lead to positive outcomes in retaining highly valuable and skilled individuals as part of their overall public sector reforms for the future development of these countries.

Acknowledgement

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FIGURES AND TABLES

Figure 1. Theoretical model of managing the changes in re-entry process of returnee scholars

Note: Hypotheses 5 and 6 about mediation were not included in this figure.
Figure 2: Completely standardized structural coefficients for the model

Note: *p<.05; **p<.01, non-significant paths were omitted.
Figure 3. Expatriation-Repatriation-Re-Expatriation-Circular Migration

1. Expatriation/Brain Drain (outflows)

2. Repatriation/Reverse Brain Drain (inflows)

3. Re-Expatriation (dynamic flows)

4. Circular migration/Brain Circulation

Adapted from Ho et al. (2016)
### Table 1: Model fit comparisons

<table>
<thead>
<tr>
<th>Models</th>
<th>$\chi^2$/df</th>
<th>GFI</th>
<th>CFI</th>
<th>RMSEA</th>
<th>SRMR</th>
<th>$\Delta\chi^2$ ($\Delta$df)</th>
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<tbody>
<tr>
<td>Theoretical model</td>
<td>1.82</td>
<td>.96</td>
<td>.96</td>
<td>.076</td>
<td>.057</td>
<td></td>
</tr>
<tr>
<td>Model 1: Career and life satisfaction fully mediate: community embeddedness $\rightarrow$ Repatriation intention</td>
<td>1.92</td>
<td>.96</td>
<td>.95</td>
<td>.08</td>
<td>.059</td>
<td>3.93(1)*</td>
</tr>
<tr>
<td>Model 2: Career and life satisfaction fully mediate: career embeddedness $\rightarrow$ Repatriation intention</td>
<td>1.87</td>
<td>.96</td>
<td>.96</td>
<td>.078</td>
<td>.058</td>
<td>2.93(1)ns</td>
</tr>
<tr>
<td>Model 3: Career and life satisfaction fully mediate: work readjustment $\rightarrow$ Repatriation intention</td>
<td>1.73</td>
<td>.96</td>
<td>.96</td>
<td>.072</td>
<td>.057</td>
<td>0(1)ns</td>
</tr>
<tr>
<td>Model 4: Career and life satisfaction fully mediate: interaction readjustment $\rightarrow$ Repatriation intention</td>
<td>1.84</td>
<td>.96</td>
<td>.96</td>
<td>.077</td>
<td>.057</td>
<td>2.21(1)ns</td>
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<tr>
<td>Model 5: Career and life satisfaction fully mediate: general readjustment $\rightarrow$ Repatriation intention</td>
<td>1.74</td>
<td>.96</td>
<td>.96</td>
<td>.072</td>
<td>.057</td>
<td>0(1)ns</td>
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<tr>
<td>Model 6: Life satisfaction fully mediate: career satisfaction $\rightarrow$ Repatriation intention</td>
<td>1.85</td>
<td>.96</td>
<td>.96</td>
<td>.077</td>
<td>.058</td>
<td>2.4(1)ns</td>
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</table>

ns: non-significant at $p<.05$; *$p<.05$; **$p<.01$.  

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Table 2: The test results of mediation effects

<table>
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<tr>
<th>Factors</th>
<th>Standardized direct effect</th>
<th>Standardized indirect effect</th>
<th>95% Confidence interval for mediation effects</th>
</tr>
</thead>
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<tr>
<td><strong>EMBEDDEDNESS FACTORS</strong></td>
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<td></td>
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<tr>
<td>Community embeddedness</td>
<td>-.17*</td>
<td>-.10*</td>
<td>(.03; .17)</td>
</tr>
<tr>
<td>Career embeddedness</td>
<td>Ns</td>
<td>-.17**</td>
<td>(.08; .25)</td>
</tr>
<tr>
<td><strong>READJUSTMENT FACTORS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General readjustment</td>
<td>Ns</td>
<td>-.09**</td>
<td>(.03; .16)</td>
</tr>
<tr>
<td>Work readjustment</td>
<td>Ns</td>
<td>-.07*</td>
<td>(.02; .14)</td>
</tr>
<tr>
<td>Interaction readjustment</td>
<td>Ns</td>
<td>-.05**</td>
<td>(.14; .02)</td>
</tr>
<tr>
<td><strong>SATISFACTION FACTORS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Career satisfaction</td>
<td>Ns</td>
<td>-.15**</td>
<td>(.08; .23)</td>
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<tr>
<td>Life satisfaction</td>
<td>-0.35**</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

Note: N/A: not given; ns: non-significant at p<.05; *p<.05; **p<.01.