



# Perceived career opportunities from globalization: globalization capabilities and attitudes towards women in Iran and the US

William Newburry<sup>1</sup>,  
Liuba Y Belkin<sup>2</sup> and  
Paradis Ansari<sup>3</sup>

<sup>1</sup>Department of Management and International Business, Florida International University, Miami, USA; <sup>2</sup>Department of Management, College of Business and Economics, Lehigh University, Bethlehem, USA; <sup>3</sup>Ortho-McNeil Neurologics, Titusville, USA

**Correspondence:**

William Newburry, Department of Management and International Business, Florida International University, c/o 114 Valley Avenue, Highlands, NJ 07732, USA.

Tel: +1 973 353 5168;

Fax: +1 973 353 1664;

E-mail: newburry@fiu.edu

**Abstract**

As competition for human capital intensifies, understanding how employees perceive their fit in a company can assist companies in harnessing the knowledge and skills needed to achieve competitive advantage. Building on the person–organization fit theoretical framework, we suggest that individual employee perceptions of globalization-related career opportunities represent a fit between individual and company capabilities and values. We find both similarities and differences between the relationships of individual- and company-level globalization capabilities and attitudes towards women (an important capability source) and globalization-related career perceptions within samples of 96 Iranian and 210 US employees.

*Journal of International Business Studies* (2008) 39, 814–832.

doi:10.1057/palgrave.jibs.8400335

**Keywords:** career; globalization; women; gender; Iran; US

## INTRODUCTION

Chatman (1989: 339) defined person–organization fit as “congruence between the norms and values of organizations and values of persons.” Organizations vary in their cultures, goals and preferences for individual abilities, and when individual abilities and values match organizational demands, person–organization fit occurs (Chatman, 1989). Employee fit within their employing organizations influences many individual and organizational outcomes, such as job satisfaction, organizational commitment, attrition, individual performance, and, ultimately, organizational efficiency and performance (Erdogan & Bauer, 2005; Kristof, 1996). However, little research addresses factors influencing employee perceptions of how their organizational fit changes as their companies become more global, or how fit components vary between cultures. To address this gap, we examine perceived employee fit, defined as “the judgment that a person fits well in an organization” (Kristof, 1996: 11), across two distinct cultural environments. We measure this fit using employee perceptions regarding whether their careers would potentially benefit from the globalization of their firms. This fit conceptualization encompasses both general career development and specific globalization benefits (e.g., travel opportunities). We predict employee fit based

Received: 17 January 2005

Revised: 14 March 2007

Accepted: 26 March 2007

Online publication date: 22 November 2007



on perceptions of company and individual globalization capabilities and appropriate women's roles.

Local managers and employees do not necessarily accept or welcome globalization-related changes, as they commonly perceive themselves as "spectators" in these processes (Nilakant, 1991). Therefore a better understanding of how globalization affects employee career perceptions can help both employees and their employers adequately adjust to these changes. For employees, a better understanding of factors contributing to perceived career opportunities can help them take a more active role in developing their own capabilities and/or searching for a firm that provides a better employment fit. For firms, knowing what organizational and employee capabilities and values are associated with perceived career opportunities can assist in identifying and maintaining key employees. As competition for scarce human capital intensifies (e.g., Bartlett & Ghoshal, 2002), understanding employee fit can help companies in harnessing the knowledge, skills and experiences needed to compete effectively (Hitt, Bierman, Shimizu, & Kochhar, 2001).

Many factors potentially influence employee perceptions regarding globalization's impact on their careers. Some directly concern company and employee capabilities (e.g., locally adapting products or speaking languages), while others concern meeting societal expectations (e.g., regarding women's roles). Proponents of person-organization fit (e.g., Chatman, 1989) emphasize that individual employee attitudes and behaviors at work result from reciprocal relationships between individuals and organizations. For example, an employee with Spanish language skills may thrive in a company doing business in Spain, while also increasing the company's ability to compete in the Spanish market. Recognizing this reciprocal relationship, we aim to extend the person-organization fit literature by demonstrating how different levels of globalization capabilities (i.e., individual or company) become influential in different societal environments, allowing us to better understand how fit varies across cultures.

Along with globalization capabilities, we examine individual views of women's roles in organizations as a major differentiating factor between countries in terms of fully harnessing companies' potential employee capabilities. While other societal-level variables may also impact career perceptions, anthropologists and psychologists regard gender as "one of the most fundamental dualities in human existence" (Emrich, Denmark, & Den Hartog, 2004:

348). Gender and diversity are important issues not only for the person-organization fit literature, but also draw significant interest from managers and employees. For example, Ng and Burke (2005) found that diversity management was important to applicants considering employment offers and evaluating company fit. We aim to study how the relationships between individual gender-based values and associated company values change as companies become more global, thus adding to the perceived fit construct by addressing the impacts of gender roles across cultures.

Women's workforce participation adds capabilities to companies, making this factor a logical fit with other capability-related variables. Studies of women leaders suggest multiple work-related behaviors that differentiate female leaders from their male colleagues and help them succeed as managers. Among these are a focus on processes and relationships with employees, a tendency to establish open communication flow (both by providing information and by listening), strong abilities in motivating people, and a willingness to share power (e.g., Helgesen, 1990; Rosener, 1995; Sharpe, 2000). These are "exactly those skills needed to succeed in the global Information Age, where teamwork and partnering are so important" (Kanter, quoted in Sharpe, 2000: 76). Women's interactive leadership style can benefit firms as diversity and networking increase, along with demands for flatter organizations and team-based management (Kanter, 1978; Oakley, 2000). Adler (1999) advised that, as global competition intensifies, companies cannot continue patterns of male-dominated leadership, since women's skills are needed to compete effectively. Thus, women's status may indicate a company's ability to harness skills that complement company and individual globalization capabilities, creating a complementary person-organization fit (Kristof, 1996). Employees may likewise need to be accepting of women managers for these capabilities to be fully integrated into a company.

We examine the above employee-organization fit issues using Iran and the US as our research sites, for several reasons. First, local perceptions regarding globalization are important both in countries that are relatively open with strong global ties (e.g., the US) and in those where such ties are often restricted (e.g., Iran; Namazie & Frame, 2007). However, utilization of globalization capabilities in these settings may differ significantly owing to societal characteristics that either restrict or encourage their usage. Thus, our settings allow us to test how

employee–organization fit perceptions vary across cultures. Examining countries at extreme positions could provide a foundation for future studies of countries between these anchor points on a continuum.

Second, owing to pronounced differences from the West, Iran may be an important context for generalizability testing of relationships between attitudes toward women and success in a globalizing world, thus providing a second opportunity to test how person–organization fit perceptions vary across cultures. Estimates that 10–20% of women aged 15 or older are in the labor force in the Middle East and Northern Africa (MENA) region (the lowest level in the world: Ashford, 2005; *The Economist*, 2003) suggest the presence of a glass ceiling – a “transparent barrier that keeps women from rising above a certain level in corporations” (Powell & Butterfield, 1994: 68). While the notion of female unsuitability for managerial positions also persists in the US to some extent (Lee & James, 2007), with US females lagging behind males in career advancements (Brett & Stroh, 1999), beliefs about women’s societal roles may be amplified in MENA countries by strict Islamic traditions, increasing aversion to working women, and prohibitions placed on them from holding higher status (managerial) positions (Javidan & Dastmalchian, 2003; Metcalfe, 2007). Thus, “women’s rights are a key aspect of understanding the relationships of globalization, Islam and HRM processes in the Middle East” (Metcalfe, 2007: 54). Comparing how globalization capabilities and attitudes toward women in Iran and the US relate to globalization-related career opportunity perceptions may reveal societal differences that hinder or promote the incorporation of women’s capabilities into overall company capabilities.

Third, the MENA region, despite its strategic importance, remains relatively unstudied by business scholars (Robinson, Al-Khatib, Al-Habib, & Lanoue, 2001; Scandura & Dorfman, 2004), particularly regarding employment issues. While differing significantly in religion (Shia vs Sunni Muslim) and language (Persian vs Arabic), Iran is similar to many other MENA countries in terms of macroeconomic stability, structural reforms and economic growth rates (Nabil & Véganzonès-Varoudakis, 2004). For example, Shukri (1999) found that Iran has been grouped with mixed oil economies (Algeria, Tunisia, Syria, Iraq and Egypt) and oil industrializers (Iraq, Algeria and Saudi Arabia). The societal position of Iranian women also appears similar to other MENA countries (e.g., Bahramitash, 2004; Metcalfe, 2007),

and Iran clusters with other Muslim-dominated MENA countries on the cultural dimensions of gender egalitarianism (all relatively low, except Qatar), in-group collectivism (all high), and societal institutional collectivism (low to mid-range) (House, Hanges, Javidan, Dorfman, & Gupta, 2004) – dimensions later used in our theory development. Thus, Iran appears to be a good starting point for filling the gap in MENA-related research.

## HYPOTHESES AND THEORETICAL DEVELOPMENT

In contrast to expatriates, who generally choose to work overseas, local employees may have more diverse attitudes towards globalization, which can leave them particularly vulnerable when local employee skill sets do not match the career requirements of a global world (Adler & Bartholomew, 1992). While much of the person–organization fit literature emphasizes recruiting employees to match the organization (e.g., Cable & Judge, 1996), little work examines impacts on fit when organizational changes, such as becoming more global, occur. Using the person–organization fit theoretical framework, in the following sections we develop hypotheses predicting employee perceptions of globalization-related career opportunities based upon globalization capabilities, perceptions of women, and relationships between these areas.

As a clarification point, our hypotheses are developed based on the current states of the Iranian and US workforces. However, while the Iranian workforce is predominantly male, our hypotheses may also generalize to perceptions of female employees, considering findings that both genders prefer leaders with masculine traits (Kent & Moss, 1994; Powell, Butterfield, & Parent, 2002).

### Globalization Capabilities

**Company globalization capabilities.** The mindsets of people involved in globalization processes are important in influencing globalization success (Gupta & Govindarajan, 2002). Consistent with Murtha, Lenway, and Bagozzi (1998), we refer to individuals possessing positive attitudes towards a company’s global capabilities as possessing a “global mindset”. Within this study, companies’ global capabilities include items such as sharing best practices between company offices to benefit local clients, and adapting existing company products to local market needs (see the Measurement section for a full list). Many global mindset studies



(e.g., Kobrin, 1994; Perlmutter, 1969) are not focused on company factors that influence global mindsets, but instead center on external environmental factors: for example, by demonstrating one's openness to diverse markets and cultures. However, as we examine perceived employee–organization fit, focusing on employee perceptions of company capabilities to thrive in a globalizing world is consistent with our theory.

Devinney, Midgley, and Venaik (2000) argued that managerial beliefs and philosophies affect organizational orientation and future company performance. Similarly, as companies represent the “collective minds” of their employees, employee beliefs and attitudes regarding company globalization capabilities (such as those mentioned above) may influence employee perceptions regarding whether these capabilities might increase their own future career opportunities. This alignment may signal employee openness towards globalization-related changes, suggesting an employee–organization fit. Further, employees in firms with strong globalization capabilities may view their companies as “winners” that are more likely to survive in global competition than locally oriented firms. Indeed, empirical evidence suggests that multinationality increases firm performance (e.g., Contractor, Kundu, & Hsu, 2003). While some employees may feel threatened by a company's globalization capabilities as 3.4 million US jobs are projected to move offshore by 2015, overall “the domestic employment costs of offshoring are probably small in magnitude” (Harrison & McMillan, 2006: 6). Thus, we expect that company globalization capabilities will positively impact perceived career opportunities from globalization for most US employees.

In countries such as Iran, with governments that both purport anti-Western views and have greater control over businesses (Namazie & Frame, 2007), the impact of company globalization capabilities on perceived employee fit in terms of globalization-related career opportunities is less certain. However, even in this setting, positive globalization-related career opportunity perceptions may develop. Understanding societal-level constructs can be an important predictor of trends and patterns in a country or region (Oyserman & Uskul, in press). Societal collectivism, “the degree to which institutional practices at the societal level encourage and reward collective action” (House et al., 2004: 463), is relatively low in Iran (Dastmalchian, Javidan, & Alam, 2001), thus limiting the influence of government pressure on employee perceptions about

globalization. Additionally, the percentage of Iranian companies currently involved in international trade appears relatively small, causing companies with capabilities to compete on the international arena to have strong signaling power for individual employees (Namazie & Frame, 2007; Newbury, Gardberg, & Belkin, 2006). Such companies may be recognized as providing greater opportunities for individual career advancement, and their employees may perceive career benefits from globalization (Namazie & Frame, 2007). Thus, we suggest:

**Hypothesis 1:** Employee perceptions of the global capabilities of their companies in (a) Iran and (b) the US will be positively related to perceived career opportunities stemming from the globalization of their companies.

**Individual intercultural competencies.** Individual intercultural competencies (e.g., capabilities that are important in intercultural interactions; Graf, 2004) might also influence perceptions of globalization-related career opportunities. Gupta and Govindarajan (2002) advised that global mindset development is driven by four factors: curiosity about the world, current mindset articulation, exposure to diversity and novelty, and cultivation of knowledge about cultures and markets. These factors suggest multiple competencies that may influence perceived employee fit in global companies. First, communication skills are a basic capability required from employees in intercultural environments. Although language has multiple layers and meanings that vary across cultures (Scandura & Dorfman, 2004), an ability to speak multiple languages is an important communication skill, especially since speaking languages implies some understanding of underlying cultures (Schaffer & Riordan, 2003). Additionally, higher education can indicate intercultural competencies by signifying that a person values interesting and challenging work environments (Trank, Rynes, & Bretz, 2002), such as those that global environments might provide (Newbury et al., 2006). Similarly, international travel and experiences living abroad could signal that an employee is familiar with other cultures (Oddou, Mendenhall, & Ritchie, 2000). Abilities to adapt to and overcome cultural differences are important factors for successful global careers (Brewster, 1991). Consequently, local employees in the US with intercultural competencies may possess a greater fit with global companies than employees without

such competencies, and thus improve their chances of success.

While the above relationship seems logical in the US context, a similar perceived fit is less certain in Iran. First, with fewer companies involved in international trade, there may be fewer opportunities to utilize intercultural capabilities. Second, government controls in many industries may restrict the actions of individuals working on international accounts (Namazie & Frame, 2007), limiting opportunities for individuals with globalization skills to benefit from those skills. Third, employee evaluations by their supervisors in Iran are less transparent, more likely to be based on relationships, and less likely to be based on individual abilities than in the US (Namazie & Frame, 2007), suggesting that even if individual competencies can be used, the connection between employee competencies and career advancement is anything but certain. For the above reasons, persons with intercultural competencies in Iran may not necessarily perceive strong personal career benefits from company globalization. Thus, we hypothesize regarding the US case only, as follows:

**Hypothesis 2:** Employee intercultural competencies in the US will be positively related to perceived career opportunities stemming from the globalization of their companies.

**Mediating effect of company globalization capabilities.** Employees that possess some or all of the elements that embody intercultural competencies discussed above may contribute to the overall capabilities of their companies. Individual and organizational similarity promotes transfer and retention of knowledge among individuals and organizations (Darr & Kurtzberg, 2000), thus allowing individual competencies to be used in building company capabilities. One component of intercultural competencies, the ability to speak the same languages as your business counterparts, narrows possible misunderstandings among people (Schaffer & Riordan, 2003). In addition, it reduces distrust at both the individual and organizational levels, which reinforces knowledge exchange and retention within organizations (Levin & Cross, 2004). Building on this argument, individual intercultural competencies may increase a company's overall globalization capabilities by demonstrating that the company possesses competitive human resources that strengthen its ability to successfully operate globally (Bartlett & Ghoshal, 2002). Accord-

ingly, the relationship between intercultural competencies and perceived career opportunities from globalization may be mediated in the US by company globalization capabilities. However, in Iran, where we previously suggested that individual intercultural competencies might not directly impact employee career perceptions, this mediating relationship may not exist owing to limited opportunities for individual intercultural competencies to contribute to overall company capabilities. Thus, we hypothesize:

**Hypothesis 3:** Company globalization capabilities will mediate the relationship between individual intercultural competencies in the US and employee perceptions regarding career opportunities stemming from the globalization of their companies.

### Perceptions of Women

While the previous hypotheses examined globalization capabilities, this section addresses perceptions of women, in terms of managerial power and acceptance of women. Women bring additional capabilities to companies, therefore complementing other capability-related variables. Therefore, familiarity with individual perceptions about women in work settings is important for understanding globalization in the Middle East (Metcalf, 2007).

**Women's managerial power.** Ragins and Sundstrom (1990: 273) defined power as "influence by one person over others". While power originates from many sources, we emphasize power through managerial position (*vs* power through interpersonal relationships or individual characteristics). Consistent with Ragins and Sundstrom (1990), we focus on perceived power within organizations. Perceived power is defined herein as a perception that resides in individual cognitive schemas and reflects individual beliefs about a person or group's power status: for example, perceptions about women's relative standing in a society and an organization.

Both organizational structure and individual cognitive schemas influence attitudes towards women in power positions (Israeli & Adler, 1994; Perry, Davis-Blake, & Kulik, 1994). When negative, this influence can result in unfavorable outcomes for women in terms of pay or promotions (e.g., Hultin & Szulkin, 1999). Though still lagging behind male representation, women's advancement is growing at multiple levels, ranging from



political leadership (Adler, 1999) to the overall labor force (Stroh & Reilly, 1999). In an interconnected world driven largely by Western values, accommodating global goals such as women's advancement might indicate that a company is primed for success (Metcalf, 2007). Accordingly, local employees may equate increasing women's power within their organizations with their companies' abilities to operate according to global norms. This can create positive perceptions of a company's success potential, and likewise, opportunities for individuals to benefit from globalization. Extending this logic, companies that support women's advancement might be perceived as demonstrating egalitarianism in staffing. Making staffing decisions based upon merit rather than gender could improve a company's efficiency in tapping into its overall capability base, creating company-wide benefits (Kanter, 1978; Rosener, 1995). These benefits might translate into greater individual career opportunities as well, thus increasing perceived employee fit with a company.

Some opposing rationales to this argument exist, which might be particularly prevalent in Iran. First, given Iranian cultural views about women, harnessing women's capabilities could cause a backlash. Second, women's power may threaten those currently in control (predominantly males), creating negative views of globalization (which might be perceived as promoting women's power). Some researchers have explained individual resentment of women in power through deep psychological processes. Of most relevance here, Gutek (1985) attributes the fear of women in power positions to a failure to adjust traditional values about sex roles developed during childhood, along with experiences working with women. Since Iranians have been raised in a culture with strong gender-based roles and little chance to adapt these viewpoints owing to limited exposure to women in the workforce, they may be less accepting of women in power, thus creating a lower perceived fit with companies where women have greater power. In the US, these opposing rationales might be less influential owing to a more egalitarian upbringing and much greater exposure to women in managerial roles than in Iran. Thus, we hypothesize:

**Hypothesis 4:** Employees perceptions regarding the power of women within (a) Iranian and (b) US businesses will be (a) negatively and (b) positively related to perceived career opportunities stemming from the globalization of their companies.

**Acceptance of women.** Acceptance of women relates to employee acceptance of females in terms of being comfortable with them as either colleagues or supervisors. As such, it involves a much more direct relationship with women than addressed above. Even in Western settings, uncertainties regarding women's workplace roles exist (e.g., Lee & James, 2007). However, as women increasingly accept more prominent company positions, being comfortable with women in the workplace may become a prerequisite for international business success. This may be particularly true in countries such as the US, where labor laws (e.g., Title VII) protect women's rights domestically along with the rights of US citizens working in US companies' overseas subsidiaries. Although psychological acceptance of women as colleagues or supervisors does not necessarily imply recognition of women's capabilities (e.g., management areas where women often excel compared with male colleagues, such as motivating people, communication, listening; Sharpe, 2000), it nevertheless increases the likelihood of such recognition. In particular, accepting women as colleagues or superiors implies evaluation of colleagues and supervisors based on their competencies instead of their gender. Acceptance of women might also indicate employee recognition of the need to bring capabilities associated with women into their own work habits, increasing their ability to compete in a global environment. Accordingly, in Western countries, acceptance of female colleagues might positively relate to the degree to which individuals perceive career benefits from globalization.

Applying the above arguments to Iran is questionable owing to societal beliefs regarding women's roles, since gender inequality is expected and reinforced by strong pressures to adhere to behavioral norms among close peers. In-group collectivism, which is high in Iran, refers to "the degree to which individuals express pride, loyalty, and cohesiveness in their organizations and families" (Javidan & Dastmalchian, 2003: 129). Employees who accept women as colleagues or supervisors may be viewed as having brought women into their in-groups, which will probably conflict with expectations of other in-group members. Similarly, Luthar and Luthar (2002) argued that, in highly collectivist countries, sexually exploitive behaviors at work are more likely to be engaged in by men and tolerated by women because people feel less inclined to question societal behavioral norms. Furthermore, drawing on role theory (Kahn, Wolfe, Quinn,

Snock, & Rosenthal, 1964), which examines whether certain behaviors become either appropriate or inappropriate based upon a person's "role" in an organization, we suggest that being comfortable with women at work may conflict with in-group expectations regarding an employee's organizational role. In the Middle East, these roles often stem from societal and/or Islamic religious values (Dastmalchian et al., 2001; Metcalfe, 2007; Robinson et al., 2001), which have been particularly dominant in Iran since the 1979 Revolution (Namazie & Frame, 2007). In addition, employees with high levels of acceptance towards women at work might be seen in an Islamic setting as lacking characteristics necessary to achieve personal success. These employees may consider themselves outsiders, and thus may have lower attributions regarding potential career opportunities and their fit within more global organizations. Thus, we suggest:

**Hypothesis 5:** Employee acceptance of women at work in (a) Iranian and (b) US companies will be (a) negatively and (b) positively related to perceived career opportunities stemming from the globalization of their companies.

### **Relationships between Globalization Capabilities and Women's Power**

We noted previously that women bring additional capabilities to an organization (Sharpe, 2000). Thus, when women's power increases within a corporation, women may be more likely to utilize these capabilities in the organization (Adler, 1999) and enhance their company's working climate and performance. By hiring employees based on their capabilities (and not on gender), and by taking advantage of these capabilities, a company's overall globalization capabilities may increase. Thus, globalization capabilities may mediate the relationship between women's power and globalization-related career opportunities proposed for the US in Hypothesis 4b. In Iran, while we hypothesized a direct negative effect for women's power in Hypothesis 4a, a similar mediation may nonetheless occur, producing an indirect positive effect from perceived women's power. This mediation may occur since recognition of women's power suggests that women's capabilities are indeed being used. Accordingly, we suggest:

**Hypothesis 6:** In (a) Iran and (b) the US, company globalization capabilities will mediate

the relationship between perceived women's power and employee perceptions regarding career opportunities stemming from the globalization of their companies.

Company globalization capabilities and perceptions regarding women's power may also reinforce each other. When a company has greater globalization capabilities, it may be better able to harness additional capabilities provided by women in power, thus improving company performance beyond that achieved by possessing these two capability sets separately. This may occur because the previously mentioned capabilities where women excel (e.g., motivating people, fostering communication, listening; Sharpe, 2000) are particularly useful when coordinating global activities (Adler, 1999). This increased company success may create greater career opportunities for all employees. In addition, when a company is perceived by individual employees to have both strong globalization capabilities and successful diversity management (e.g., policies fostering women's advancement in the workplace), it will reinforce employee perceptions that a company has "what it takes" to succeed in the global market, and thus will strengthen individual perceptions regarding career opportunities from globalization. Consistent messages will make the effects of each factor stronger. However, given that the direct positive effects of women's power were proposed only for the US, we expect the interaction benefits from a consistent message to occur only in the US context. In Iran, where opposing relationships with perceived career opportunity were hypothesized, no consistent message is expected, and thus no interaction is hypothesized. Accordingly, we suggest:

**Hypothesis 7:** Globalization capabilities and perceived women's power will positively interact to predict perceived career opportunities stemming from the globalization of US companies.

### **EMPIRICAL SETTING**

During summer 2001, the study collaborators developed a questionnaire to examine globalization-related issues in Iran. Professors at US and Iranian universities fluent in Farsi and English translated the questionnaire into Farsi and back-translated it into English. The questionnaire was distributed in Iran in August 2001 by study collaborators who visited each respondent company. To ensure confidentiality, employee responses

were anonymous, and questionnaires were returned to secure locations where the respondents could not be identified. As it is very difficult to access companies in Iran (Namazie & Frame, 2007), company selection was convenience-based in the cities of Tehran and Isfahan. Seventeen companies were contacted, with 15 participating (88%). Of 250 distributed questionnaires, 96 usable questionnaires were returned (38.4%). The companies represented a variety of industries (see industry control variable below), believed typical of those in Iran. All respondents were Iranian citizens; none were expatriates. Ninety-three percent were male, which is consistent with Middle Eastern employment practices, particularly since our sample is not agriculturally based (The Economist, 2003; Shukri, 1999).

An English questionnaire version was administered to executive and part-time MBA students enrolled in an international business course at a major US university between 2002 and 2004. This course was required of all students, which helped avoid selection bias from internationally oriented student participation. Only responses from currently full-time employed US citizens were utilized. Respondents had the option to remain anonymous, and were assured that responses were confidential. Since the questionnaire was administered in a classroom setting, almost all students responded, resulting in a usable sample of 210 questionnaires.

Table 1 presents basic respondent demographic characteristics. Respondents were employed in a mix of companies, which had varying levels of global operations. Distributions and mean scores for both samples indicate that the vast majority of respondents perceived that their companies possessed at least some globalization capabilities, along with perceiving some potential benefit from their companies becoming more global. Significant differences ( $p < 0.05$ ) were found between samples in job satisfaction (Iranians reported higher satisfaction), company success (US respondents viewed their firms as more successful), age (Iranians were older), gender (proportionately more US respondents were female), and company size (US companies were larger). These variables are controlled in study regressions. Non-significant differences were found regarding education, languages spoken, and employment level.

### MEASUREMENT

Table 2 presents variable descriptive statistics and a correlation matrix. Because of several significant correlations, multicollinearity checks were

**Table 1** Respondent overview

Variable	Categories	Iran (%)	US (%)
Age (years)	Under 25	0	3
	25–35	15	34
	36–45	40	<b>46</b>
	46–60	45	13
	Above 60	1	4
Gender	Male	<b>93</b>	<b>69</b>
	Female	7	31
Education	< High school	1	0
	High school	6	0
	Vocational school	10	0
	Some college	9	17
	Bachelors	<b>45</b>	<b>59</b>
	Masters	19	17
	Doctorate	9	7
Languages spoken	One	<b>62</b>	<b>62</b>
	Two	32	24
	Three	6	11
	Four	0	3
Employment level	Administration	18	11
	Lower management	<b>43</b>	<b>38</b>
	Middle management	16	<b>41</b>
	Upper management	24	11

Bold numbers indicate the most frequent category for each variable.

performed for all regression analyses. Item responses were based on a seven-point scale, where 1 = “do not agree” and 7 = “strongly agree”.

Because multiple variables were measured with a single questionnaire, common method bias potentially exists (Podsakoff & Organ, 1986). To assess this, an exploratory factor analysis using varimax rotation was computed for our scale-based variables (career opportunity, globalization capabilities, women’s power, and acceptance of women). For Iran, all items loaded on the expected factor above 0.700 except two (0.550 and 0.590), with no cross-loadings above 0.400. All US items loaded on the expected factor above 0.600, with no cross-loadings above 0.300.

Since we applied our questionnaire across two distinct samples, measurement equivalence was another concern (Riordan & Vandenberg, 1994). To assess this, we used the multigroup analysis feature of LISREL 8.7. First, we reexamined the overall fit of the samples independently for the four scales discussed above, and found good fit. (For Iran, RMSEA=0.079; NNFI=0.92; CFI=0.93. For the US, RMSEA=0.094; NNFI=0.90; CFI=0.91.) While

**Table 2** Correlation matrix for study variables

	Min	Max	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12
1. Career opportunity	3.33	7	5.83	0.81												
	1	7	5.15	1.28												
2. Comp. global capability	3	7	5.58	0.87	0.49**											
	1	7	4.51	1.30	0.13											
3. Women's power	3	7	5.26	0.93	0.30**	0.24*										
	1	7	5.27	1.17	0.28**	0.20*										
4. Intercultural Cap.	0.26	0.89	0.48	0.14	0.22*	0.13	0.08									
	0.25	0.88	0.45	0.11	0.26**	0.12	0.12									
5. Acceptance of women	1	7	5.52	0.99	-0.27**	-0.38**	0.09	0.13								
	1	7	5.96	1.40	0.12	0.10	0.15*	-0.12								
6. Job satisfaction	3	7	5.80	0.98	0.21*	0.37**	0.21*	0.01	-0.07							
	1	7	4.51	1.64	0.11	0.32**	0.27*	0.06	0.16*							
7. Company size	25	800	412	301	0.04	0.10	0.05	-0.20*	-0.27*	0.33**						
	4	700K	48K	83K	0.15*	0.16	0.19**	0.06	-0.03	0.10						
8. Respondent age	1	4	2.32	0.73	-0.02	0.07	-0.05	0.24*	-0.03	0.12	0.20					
	1	4	1.74	0.84	0.01	0.03	-0.10	0.30**	-0.05	-0.05	-0.02					
9. Company success	2	7	5.06	1.18	0.18	0.31**	0.27**	0.11	-0.20	0.37**	0.28**	0.02				
	1	7	5.65	1.39	0.07	0.36**	0.11	0.01	0.19*	0.40**	0.10	0.02				
10. Government-Private	0	1	0.41	0.49	-0.05	-0.17	-0.07	-0.02	-0.01	0.12	0.62**	0.07	0.22*			
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
11. Employment level	1	4	2.46	1.05	-0.15	-0.27**	0.03	-0.41**	-0.03	-0.07	0.15	-0.31**	-0.17	0.00		
	1	4	2.52	0.83	-0.12	-0.02	-0.03	-0.08	-0.05	-0.08	-0.03	0.00	0.01	N/A		
12. Gender	0	1	0.93	0.26	0.07	0.09	0.14	0.08	-0.24*	0.11	0.13	0.29**	0.20	0.07	-0.07	
	0	1	0.69	0.48	0.15*	0.09	0.13	0.18**	-0.06	0.10	0.10	0.04	0.09	N/A	0.01	
13. Women manager	0	1	0.22	0.42	-0.20*	0.02	0.08	-0.18	-0.11	0.00	-0.10	0.04	-0.12	-0.39**	0.15	-0.24*
	0	1	0.74	0.44	-0.10	0.01	-0.01	-0.15*	0.02	-0.10	-0.01	-0.03	-0.06	N/A	0.05	-0.14

Top numbers represent Iranian sample; bottom numbers represent US.

N=96 for Iran; N=210 for US; \*\*p<0.01; \*p<0.05.

the chi-square was significant for both samples ( $\chi^2$ (d.f.)=205.66(129),  $p < 0.001$  for Iran;  $\chi^2$ (d.f.)=364(129),  $p < 0.001$  for US), “inconsistency among indices is common, and having the chi-square as the outlier is particularly common” (Eagle, Miles, & Icenogle, 2001: 13). Next, we examined the invariance of factor loadings between the two samples for the same set of four scales by conducting a chi-square difference test between baseline and full invariance models. This examination suggested that differences in factor loadings between models for the Iran and US samples are not significant (difference in  $\chi^2$ (d.f.)=13.81(14);  $p=0.450$ ; calculated as the difference between individual model chi-squares of  $\chi^2$ (d.f.)=857.85(290) and  $\chi^2$ (d.f.)=844.04(276)).

### Dependent Variable: Career Opportunity

This scale combines items from Newburry (2001) and Murtha et al. (1998). Since information about other cultures is often restricted in Iran, at the suggestion of Iran experts items were added referring to opportunities to travel and learn about different cultures. Other items were added/revised to emphasize the global nature of company operations. These changes helped improve face validity, particularly in Iran. Cronbach alphas were 0.875 (Iran) and 0.847 (US).

The items in this scale are:

If my company were to become more global:

- (1) I will have greater career opportunities.
- (2) I will have greater career opportunities in other company offices around the world.
- (3) I will be able to travel on business globally.
- (4) This makes my company a more attractive workplace than a purely local company.
- (5) I will have opportunities to serve global clients.
- (6) I will have opportunities to learn different cultures.

### Independent Variables

**Globalization capabilities.** This scale combines items from Murtha et al.’s (1998) global integration and local responsiveness scales and Newburry (2000), as adapted based upon advice from Iran experts. Items were asked in terms of importance (“If Iranian (US) companies are to have a stronger global presence, it is important for companies to:”) and a company’s actual practices (reported below). Actual practice responses were used since these were most consistent with our theory. Interestingly, the importance

items loaded on two factors (integration and responsiveness), while the actual practice items loaded on only one – suggesting that respondents recognized the difference between these capabilities, but did not distinguish between their companies’ abilities to achieve them. Cronbach alphas were 0.863 (Iran) and 0.854 (US).

The items in this scale are:

My company’s current resources enable us to:

- (1) share best practices between company offices to benefit local clients;
- (2) access worldwide company resources to respond to local markets;
- (3) adapt existing company products and services to local market needs;
- (4) market company products and services globally;
- (5) develop products and services to be used globally; and
- (6) identify local business opportunities with global potential.

**Individual intercultural competencies.** The variable was a composite of four items theoretically related to individual competencies to handle globalization: number of languages spoken; trips outside Iran (US) over the past 3 years; experience living abroad for greater than 3 months; and education level. Cronbach alphas for these items (standardized) were 0.752 (Iran) and 0.576 (US). Owing to low reliability for the US, we reran analyses eliminating education (the lowest fit) from the composite ( $\alpha=0.591$ ), and using each element separately.

**Women’s power.** While multiple power perceptions measures exist (e.g., Ragins & Sundstrom, 1990), Iranian experts advised us that a more general measure of managerial power would have greater face validity in Iran. Similarly, Scandura, Williams, and Hamilton (2001) found that items measuring perceptions of general political behavior tended to have greater face validity in the Middle East than more specific culturally derived items. Owing to the sensitive nature of women’s roles, devoting too many questions to women’s issues might also inhibit complete and unbiased responses. Moreover, existing power measures we were familiar with examined perceptions of one’s own supervisor rather than general power. Thus, we developed a relatively simple measure of women’s power based on our understanding of existing US-based literature and advice from Iran experts. These experts also

suggested that business in Iran has mimicked the West in terms of what certain concepts mean in the workplace. This assurance, combined with our measurement equivalence test results, gave us confidence that “power” was interpreted similarly across cultures, although other potential measure limitations are discussed later.

Women’s power perceptions were measured using a four-item scale. Cronbach alphas were 0.813 (Iran) and 0.809 (US). The scale items are:

- (1) Within my company, the power of women employees has increased over the past 5 years.
- (2) Within Iran (US) in general, the power of women employees has increased over the past 5 years.
- (3) Within my company, the power of women employees is likely to increase over the next 5 years.
- (4) Within Iran (US) in general, the power of women employees is likely to increase over the next 5 years.

**Acceptance of women.** Similar to women’s power, this scale was developed based upon our understanding of existing US-based literature combined with advice from Iranian business experts. Cronbach alphas were 0.705 (Iran) and 0.832 (US). A supplemental four-item scale that added two items was also developed for a subset of the sample. This scale was highly correlated (0.99) with the original scale. The scale items are:

- (1) I would feel comfortable if my colleague was a woman.
- (2) I would feel comfortable if my manager was a woman.

### Control Variables

The following controls result from noted sample differences. *Job Satisfaction* is based on the item “I am satisfied with my overall current employment situation”. For Iran, a seven-item scale was also developed. However, owing to a 0.80 correlation with the single-item measure, and since interchanging measures did not alter our results, we adopted the simpler measure (see Ganzach, 1998). Regarding overall job satisfaction, single-item measures may have greater construct validity than summated scales (Scarpello & Campbell, 1983). *Company Size* reflects the number of employees. *Respondent Age* was based upon five categories ranging from “under 25” to “above 60”. In Iran,

since little empirical work has examined what factors constitute *Company Success*, a two-item scale asked: “Compared to other Iranian companies, my company is successful in its line of business” and “Compared to non-Iranian companies doing business in Iran, my company is successful in its line of business” (Cronbach  $\alpha=0.838$ ). Rerunning the regressions using each success component separately did not alter our results. As the US is more global, and differences between foreign and local companies are less distinct, respondents were asked only the item, “Compared to other companies, my company is successful in its line of business”. *Gender* was coded “1” for males and “0” for females.

The following controls were also used. *Private-Government* was coded “1” for respondents from private companies and “0” for government-owned companies. Iran experts advised us that, in MENA countries, government-owned companies offer less discrimination and more flexible working hours for women (e.g., Assaad & Arntz, 2005). Private-Government was not included for the US since minimal respondents worked for government-owned companies. *Women Manager* was measured using the item: “Have you ever had a woman manager?” *Industry* differences were controlled using 11 dichotomous variables. Eight were contained in both samples (manufacturing, service, health care, finance, chemical, utility, architecture/construction, education), and three only in the US (computer, non-profit and entertainment). Since the US sample was collected over multiple years, dummy variables account for unknown *Collection Year* effects (compared with the initial year, 2002).

## RESULTS

Tables 3 and 4 present linear regression analyses used to test our Iran and US hypotheses, respectively. Variance inflation factors (VIFs) for all models were well within the threshold of 10.0 (Hair, Anderson, Tatham, & Black, 1998), suggesting multicollinearity was not a problem. For Iran, all VIFs were below 3.5, except for two industry dummies. For the US, VIFs were all below 2.0. Direct effects were centered prior to creating interaction terms (Aiken & West, 1991).

Models 1 (Table 3) and 6 (Table 4) present control regressions for the Iranian and US samples. Models 2 and 7 add our hypothesized direct effects.  $R^2$  for these models were 0.372 ( $p < 0.01$ ) and 0.217 ( $p < 0.01$ ), respectively. For both samples, hypothe-

**Table 3** Career opportunity regression analyses: Iran

	1	2	3	4	5 Global Cap. DV
<i>Hypothesized variables</i>					
Company globalization capability		0.41(0.12)***	0.41(0.12)***		
Intercultural Cap.		0.04(0.11)	0.04(0.11)	0.04(0.11)	0.00(0.10)
Women's power		0.22(0.09)*	0.21(0.09)*	0.27(0.09)**	0.13(0.09) <sup>+</sup>
Acceptance of women		-0.14(0.10)	-0.14(0.10)	-0.24(0.10)**	-0.25(0.09)**
Global capability × women's power			-0.03(0.08)		
<i>Control variables</i>					
Job satisfaction	0.14(0.09)	0.06(0.09)	0.06(0.09)	0.15(0.09) <sup>+</sup>	0.21(0.08)*
Company size	0.09(0.00)	-0.19(0.00)	-0.19(0.00)	-0.09(0.00)	0.24(0.00)
Respondent age	-0.08(0.13)	-0.04(0.12)	-0.04(0.12)	-0.05(0.13)	-0.03(0.12)
Company success	-0.04(0.09)	-0.08(0.09)	-0.08(0.09)	-0.04(0.09)	0.10(0.09)
Government-private	0.04(0.44)	0.15(0.41)	0.16(0.41)	0.07(0.43)	-0.21(0.39)
Employment level	-0.04(0.10)	0.02(0.11)	0.02(0.11)	-0.08(0.11)	-0.23(0.10)*
Gender	0.03(0.36)	-0.01(0.35)	-0.00(0.35)	-0.04(0.36)	-0.09(0.33)
Women manager	0.26(0.25)*	0.17(0.23) <sup>+</sup>	0.18(0.23) <sup>+</sup>	0.20(0.24) <sup>+</sup>	0.07(0.22)
Industry dummies	Mixed	Mixed	Mixed	Mixed	Mixed
R <sup>2</sup>	0.219	0.372	0.372	0.289	0.503
Adj. R <sup>2</sup>	0.095	0.235	0.225	0.145	0.402
R <sup>2</sup> change		0.152**	0.001	0.070	
Model F	1.770 <sup>+</sup>	2.713**	2.536**	2.009*	4.987***

\*\*\*p<0.001; \*\*p<0.01; \*p<0.05; <sup>+</sup>p<0.10.

Regressions present standardized beta coefficients (standard errors in parentheses). N=96.

**Table 4** Career opportunity regression analyses: US

	6	7	8	9	10 Global Cap. DV
<i>Hypothesized variables</i>					
Company globalization capability		0.04 (0.07)	0.01 (0.07)		
Intercultural capability		0.21 (0.12)**	0.20 (0.11)**	0.21 (0.11)**	0.06 (0.12)
Women's power		0.24 (0.09)**	0.23 (0.09)**	0.24 (0.09)**	0.04 (0.09)
Acceptance of women		0.11 (0.07)	0.11 (0.07)	0.11 (0.07)	0.02 (0.08)
Global capability × women's power			0.13 (0.06) <sup>+</sup>		
<i>Control variables</i>					
Job satisfaction	0.05 (0.06)	-0.01 (0.06)	-0.01 (0.06)	-0.01(0.06)	0.15 (0.06)*
Company size	0.13 (0.00) <sup>+</sup>	0.10 (0.00)	0.08 (0.00)	0.10(0.00)	0.09 (0.00)
Respondent age	-0.09 (0.13)	-0.09 (0.13)	-0.07 (0.13)	-0.09(0.13)	0.06 (0.13)
Company success	-0.01 (0.08)	-0.05 (0.08)	-0.05 (0.08)	-0.04(0.08)	0.26 (0.08)***
Employment level	-0.14 (0.12)*	-0.10 (0.11)	-0.10 (0.11)	-0.10(0.11)	-0.00 (0.11)
Gender	0.12 (0.21) <sup>+</sup>	0.07 (0.20)	0.07 (0.20)	0.07(0.20)	0.01(0.21)
Women manager	-0.08 (0.21)	-0.07 (0.20)	-0.07 (0.20)	-0.07(0.20)	0.02(0.21)
Industry dummies	Mixed (NS)	Mixed (NS)	Mixed (NS)	Mixed (NS)	Mixed (NS)
2003	-0.05 (0.24)	0.01 (0.23)	-0.00 (0.23)	0.01 (0.23)	-0.17 (0.24)*
2004	0.17 (0.33) <sup>+</sup>	0.15 (0.31)	0.15 (0.31)	0.14 (0.31)	-0.09 (0.32)
R <sup>2</sup>	0.122	0.217	0.230	0.215	0.273
Adj. R <sup>2</sup>	0.034	0.120	0.130	0.123	0.188
R <sup>2</sup> change		0.095***	0.013 <sup>+</sup>	0.093***	
Model F	1.392	2.238**	2.305***	2.333***	3.204***

\*\*\*p<0.001; \*\*p<0.01; \*p<0.05; <sup>+</sup>p<0.10.

Regressions present standardized beta coefficients (standard errors in parentheses). N=210.

sized variables add significant explanatory power to the control model ( $p < 0.01$  for Iran;  $p < 0.001$  for US).

### Globalization Capabilities

Regarding Hypothesis 1, company globalization capabilities are significant in predicting perceived individual career opportunities in Iran (Model 2,  $p < 0.01$ ), thus supporting Hypothesis 1a. However, the variable is not significant for the US (Model 7). Thus, Hypothesis 1b is not supported. Intercultural capabilities are significant in the US ( $p < 0.01$ ), supporting Hypothesis 2. Because of reliability issues, we recomputed these results removing education from the composite variable and introducing each variable item separately. The alternate composite produced identical results. Also, languages spoken, international travel and foreign living experience were each individually significant, while education was not. As expected, intercultural capabilities are not significant for Iran.

### Perceptions of Women

Perceived women's power is significantly positively associated with perceived career opportunities in both samples ( $p < 0.05$  for Iran;  $p < 0.01$  for US), supporting Hypothesis 4b, but not Hypothesis 4a, which predicted an opposite relationship for Iran. Regarding Hypothesis 5a, acceptance of women is not significant for Iran. However, this variable becomes highly significant in the predicted negative direction when the globalization capabilities variable is removed (Model 4;  $p < 0.01$ ). For the US, acceptance of women is not significant. Thus, Hypothesis 5b is not supported.

### Mediation and Interaction Hypotheses

Models 4 and 5 (Table 3) and Models 9 and 10 (Table 4) test our mediation hypotheses. Hypothesis 3 predicts that, in the US, globalization capabilities mediate the relationship between intercultural competencies and career opportunities. Hypothesis 6a and Hypothesis 6b predict that globalization capabilities mediate the relationship between women's power and career opportunities in Iran and the US. Models 5 and 10 test whether women's power and intercultural competencies directly impact company globalization capabilities – necessary conditions for mediations to occur (Baron & Kenny, 1986). For Iran (Model 5), women's power has a significant impact ( $p < 0.05$ ) on globalization capabilities. For the US (Model 10), neither variable is significant. Thus, only one of our proposed

mediations is potentially significant (women's power, Hypothesis 6a). We next remove globalization capabilities from Model 2. If this causes women's power to increase in significance, a mediation of the women's power–career opportunities relationship exists. Examining Model 4, women's power does increase in significance ( $p < 0.01$ ), thus supporting Hypothesis 6a.

An interaction between globalization capabilities and women's power is marginally significant in the US (Model 8;  $p < 0.10$ ), providing partial support for Hypothesis 7. We also examined this relationship for Iran in Model 3, finding no significant effect (as expected).

### Robustness Tests and Post Hoc Analyses

We conducted multiple robustness and *post hoc* analyses to confirm and expand our findings. First, we reran the US regressions eliminating the three industries not represented in Iran. This reduced sample ( $n=184$ ) produced identical results for the direct effect hypotheses, and an increase in significance ( $p < 0.05$ ) for the globalization capabilities–women's power interaction.

Second, while most industries in our sample did not have enough responses to conduct meaningful industry-level analyses, we were able to analyze finance and health care using added US responses collected between November 2005 and January 2006. These industries present an interesting contrast, as success in finance is traditionally defined in profit terms, while health care encompasses much broader goals such as caring and nurturing. For our finance respondents ( $n=75$ ), acceptance of women was positive and marginally significant ( $p < 0.10$ ). By contrast, for health care ( $n=97$ ), global capabilities ( $p < 0.01$ ), intercultural capabilities ( $p < 0.05$ ), and women's power ( $p < 0.10$ ) were significant. This difference in results suggests that, in a globalizing world, finance employees may need to accept women more. Health care employees may have welcomed women employees already (Metcalf, 2007), making other capabilities appear more important.

Third, we conducted analyses using a separate sample of only non-US citizens working in the US ( $n=112$ ). Within this sample, the vast majority (85%; 44% from India alone) were from developing countries where women are relatively disadvantaged compared with the US. For this sample, our acceptance of women variable was highly significant and positive ( $p < 0.001$ ), suggesting that (similar to the finance industry sample) accepting women is critical for perceived success in a



globalizing world. While it is acknowledged that business-educated women in India may have more opportunities than this result suggests, on the whole, perceptions of women in the workforce in India are similar to many MENA countries. According to the World Economic Forum Global Gender Gap Report 2006 (Hausmann, Tyson, & Zahidi, 2006), India ranked 98 out of 115 countries in terms of women's empowerment worldwide – similar in position to most MENA countries. (The US ranked 22.)

## DISCUSSION AND IMPLICATIONS

Multiple capability types are needed in a globalizing world. Some directly concern business operations, while others concern meeting societal expectations. This paper finds that both globalization capabilities and attitudes towards women influence perceived employee–company fit in terms of employee assessments of whether globalization benefits their careers. Little research has examined globalization's impact on local employee career perceptions (Newbury, 2001). By using an employee–organization fit theoretical lens to predict perceived career benefits from company globalization, we partially fill this gap.

### Globalization Capabilities

Our capability-related results suggest differences between the developments of the Iranian and US economies. In the US, basic company globalization capabilities might be expected, and thus might minimally impact employee perceptions of career benefits from these capabilities. In Iran, company globalization capabilities might be less prevalent, and thus have greater influence on employee perceptions. By contrast, we found that individual-level intercultural competencies were significantly related to employee career perceptions in the US, but not in Iran. Combining these findings suggests that, in the US, individual competencies are much more powerful than company capabilities in influencing employee fit in terms of individual career growth perceptions. Such results for the US sample are possibly due to greater opportunities for employees to excel in the highly individualistic US culture, along with a proportionately higher presence of companies with global operations in which individuals can use these capabilities. In Iran, individual competencies may be less important owing to government restraints on broader company actions (Namazie & Frame, 2007) that limit opportunities for individuals to use intercultural

abilities. Thus, working for companies that can overcome such constraints appears more important to Iranian employees than individual capabilities. In less developed and less open economies, employees may devalue individual competencies in terms of career growth if they perceive that their company, as a whole, lacks important capabilities. These results provide new evidence regarding variations in person–organization fit perceptions across cultures.

In addition, we found no evidence that globalization capabilities mediate the relationship between individual capabilities and perceived career opportunities, suggesting that individual- and company-level capabilities are distinct: that is, one does not necessarily contribute to the other. While these capability types have been examined separately (e.g., Graf, 2004; Murtha et al., 1998), little prior research has examined them together. Although her focus was different, Kristof (1996) hypothesized that different employee fit types might have additive effects. Similarly, the independent nature of our capability types may suggest an additive relationship.

### Perceptions of Women

Women's power concerns a woman's role that does not necessarily involve direct employee contact. Our results suggest that advancements in women's power are associated with creating opportunities for employees in both Iranian and US companies. This may occur because managers realize that participation in a global economy requires companies to increasingly adopt global values to remain legitimate to outside parties. Legitimacy refers to whether companies are accepted or judged as appropriate by social systems in which they are embedded (Deephouse, 1996). Women's advancement may be one such legitimizing issue. Women's advancement also allows organizations to better harness all capabilities of their employees (Adler, 1999), potentially creating a stronger organization, and producing benefits for all. Person–organization fit research differentiates between supplementary fit, when a person possesses characteristics similar to others in their environment, and complementary fit, when a person adds characteristics that are missing in an environment (Kristof, 1996; Muchinsky & Monahan, 1987). While this paper's primary concern is predicting supplementary fit, with an emphasis on meeting societal and local expectations, by bringing new capabilities to MNCs, women can also create a complementary fit.

We reiterate that Iran and the US have low societal-level collectivism. In Iran, this is particularly important, as it may allow managers to recognize benefits of women's advancement without necessarily compromising personal views regarding women's roles. By distinguishing societal and in-group collectivism, we build on past person-organization fit research that examined individualism-collectivism as a single dimension (e.g., Parkes, Bochner, & Schneider, 2001).

Acceptance of women as managers or co-workers addresses a woman's role that involves direct employee contact. The negative results for Iran suggest that, in a male-dominated society, being associated with female workers may be perceived negatively. Since gender inequality is strong in Iran and in-group collectivism is high, employees who are comfortable working with women may perceive themselves as outsiders who do not fit well with company norms: that is, they are violating their expected in-group role (e.g., Kahn et al., 1964). This result occurs despite a positive relationship between general women's power recognition and globalization-related career opportunities. For the US, our basic results suggest that acceptance of women at work is no longer a major differentiating issue. Direct work experience with female co-workers or women managers (Ragins & Sundstrom, 1990) and increased diversity training may have decreased negative attitudes towards working women such that accepting women is generally not a fit issue in US companies. However, our *post hoc* analyses suggest that acceptance of women remains important for foreign workers from developing countries and within male-dominated industries.

For Iran, the combined women-related results suggest a conflict between perceived globalization benefits at the firm or societal level and perceived problems with globalization at the individual level. This could indicate a conflict between external legitimacy and legitimacy among one's peers – or, stated in “fit” terms, between fit with a company's global aspirations and fit with a company's local needs. This may also be indicative of Iran's present state of global advancement, and demonstrate that while the need to accommodate outside values (such as female employment) may be broadly recognized, these values have not transformed personal beliefs regarding appropriate individual behaviors in organizations (e.g., Metcalfe, 2007).

Overall, our study contributes to the literature relating perceptions of women and globalization by

demonstrating differential impacts between roles that involve direct contact with women vs roles that are more distant. By doing so, we also demonstrate how different fit types with respect to gender issues can conflict in certain instances. The results suggest interactions of both societal and in-group collectivism with gender egalitarianism: that is, viewpoints regarding gender (and associated person-organization fit perceptions) become more or less salient depending upon whether gender relates to a societal issue or a more personal issue. Additionally, while the findings suggest that acceptance of women is less critical in the US than in Iran, perceptions regarding women's power are important in both locations. Thus, in both the US and Iran, hiring women may signal that companies are operating according to global standards, along with company commitment to merit-based hiring, fairness and procedural justice – characteristics that allow women's capabilities to be better utilized.

#### **Globalization Capabilities and Women's Power**

Evidence relating globalization capabilities to women's power was found in both Iran and the US, supporting previous works suggesting that these variables are related (e.g., Adler, 1999; Sharpe, 2000), while also building on past work by demonstrating differences across contexts. In Iran, company globalization capabilities mediated the relationship between women's power and career opportunity perceptions. In the US, an interaction occurred between globalization capabilities and women's power. The results support research that found that person-organization fit differs across cultures (e.g., Parkes et al., 2001), while also extending our knowledge regarding differences in the correlates of fit across two distinct environments. Nevertheless, more research is needed to better understand the nature of the relationship between these variables.

#### **Managerial Implications**

From a practical viewpoint, this paper adds to our knowledge of local employee views, as opposed to more generally studied expatriates, and by providing empirical evidence for a difficult to access sample of Iranian respondents (e.g., Namazie & Frame, 2007). The latter contribution is of particular importance, as it provides managers with some understanding of the cultural background and perceptions of employees in this resource-rich, but not well-understood, country. Also, our findings can be generalized to some extent to other MENA



countries and provide a valuable knowledge source regarding local employee perceptions for managers planning to conduct business in this region.

With the increasing globalization of businesses, developing employee global mindsets becomes imperative for managers (Devinney et al., 2000). Thus, company policies centered on cultivating mindsets regarding cultural differences and gender issues may bring dividends both in terms of successful global operations, and in attracting premium talent. As competition for human capital intensifies (e.g., Bartlett & Ghoshal, 2002), understanding employee fit could assist companies in harnessing capabilities needed to stay competitive (Hitt et al., 2001).

For Iranian managers wishing to compete in a global environment, the results suggest a difficult decision process regarding hiring local employees. These managers may perceive a need to hire women to maintain legitimacy with their foreign customers, and to signal to their own employees (both current and potential) that their companies operate according to global norms. However, to ensure support from their mostly male employees, women also need to be perceived as working in culturally accepted areas (Metcalf, 2007). While not directly addressed herein, this tension might be partially alleviated by selectively placing women in positions allowing maximum exposure to international clients, with minimal exposure to domestic male workers. Many MNCs accomplish a similar effect by using an international division structure, which allows overseas operations their own distinct reporting lines. While most Iranian company foreign sales come through exports rather than being produced in foreign subsidiaries, similar separate reporting lines might be achieved through a separate foreign sales office or selective location of female employees within a single plant setting.

### CONCLUSION AND LIMITATIONS

This study examined relationships of globalization capabilities and attitudes towards women with perceptions of globalization-related career opportunities in Iran and the US. Our Iranian results suggest that company globalization capabilities and recognition of growing women's power positively relate to career opportunity perceptions, while acceptance of women at work negatively relates to these same perceptions. US results show that recognizing women's power and individual intercultural competencies positively relate to globalization-related career opportunity perceptions. In

both countries, relationships between globalization capabilities and women's power are found, although the nature of the relationship differs in each context.

This paper contributes to various management and global business literatures, including theories on person-organization fit (e.g., Chatman, 1989), globalization mindsets and capabilities (Gupta and Govindarajan, 2002; Murtha et al., 1998), and human resource management and women studies (Adler, 1999). The study demonstrates differential impacts of company- and individual-level globalization capabilities on individual perceptions in two distinct cultural settings, and supplements previous globalization capabilities research by simultaneously examining the role of women as providers of additional capabilities in organizations. Overall, our results suggest that multiple (and sometimes competing) frames of reference guide individual views regarding globalization. Thus, global and local success requirements may be distinct (Metcalf, 2007), and our results reflect recognition (either conscious or subconscious) by our respondents that such differences exist. In person-organization fit terms, we infer from our findings that multiple levels of fit exist in organizations that are not necessarily congruent.

### Limitations and Future Research

Our factor invariance tests combined with our method of developing measures (i.e., using general measures and consulting Iran experts to supplement US-based literature) give us confidence that our measures are comparable across our samples. Nonetheless, other cross-cultural measurement equivalence tests exist, and future work could examine our measures using different methods, and in other cultures. Regarding our specific measures, we picture individual- and company-level globalization capabilities as reciprocal elements that work in tandem to develop global mindsets. More studies would help us better understand the relative impacts of these influences. More specific measures of women's power and roles could also be developed for cross-cultural use. While respondents were assured of confidentiality, a social desirability bias could impact responses for our women-related variables. Further, as women's participation increases in Iran, they warrant additional study as globalization affects women differently than men (e.g., Gibson, 1995; Napier & Taylor, 2002).

We also realize that our power measure may be potentially problematic. While we anchored our

questionnaire items in terms of general workplace (managerial) power, and our statistical analyses demonstrated measurement equivalence between samples, alternate interpretations of the measure may exist – such as the possibility that increasing women’s power refers to increasing empowerment in general (i.e., for both men and women). Thus, future research might delve more deeply into the meaning of power, and how it varies across settings.

Differences in sample size (96 for Iran vs 210 for the US) might explain differences in statistical significance between the US and Iran for some variables. However, despite a smaller sample, we obtained a number of significant results for Iran that were not found in the larger US sample, suggesting that sample size is not the major determinant of these differences. Given the need to use a convenience-based Iranian sample (Namazie

& Frame, 2007), a bias also potentially exists in company selection. Additionally, this study focuses on one MENA and one Western country: thus future studies are needed to further generalize our findings.

## ACKNOWLEDGEMENTS

The authors thank Maboud Ansari (William Paterson University), Esmat Ansari and Ismail Ansari (University of Isfahan) for assistance in questionnaire development, translation and data gathering. The authors also thank *JIBS* Departmental Editor Terri Scandura, three anonymous reviewers, members of the Rutgers Management & Global Business Department, Danielle Warren (Rutgers), Naomi Gardberg (Baruch), Pooja Thakur (Rutgers), and Terri Kurtzberg (Rutgers) for comments on previous manuscript versions. Please address correspondence to William Newbury.

## REFERENCES

- Adler, N. J. 1999. Global leaders: Women of influence. In G. N. Powell (Ed.), *Handbook of gender & work*: 239–261. Thousand Oaks, CA: Sage.
- Adler, N. J., & Bartholomew, S. 1992. Managing globally competent people. *Academy of Management Executive*, 6(3): 52–65.
- Aiken, L. S., & West, S. G. 1991. *Multiple regression: Testing and interpreting interactions*. Thousand Oaks, CA: Sage.
- Ashford, L. 2005. Taking stock of women’s progress. Population Reference Bureau. <http://www.prb.org/pdf05/TakingStockWomens.pdf>. Accessed 27 March 2007.
- Assaad, R., & Arntz, M. 2005. Constrained geographical mobility and gendered labor market outcomes under structural adjustment: Evidence from Egypt. *World Development*, 33(3): 431–454.
- Bahramitash, R. 2004. Market fundamentalism vs religious fundamentalism: Women’s employment in Iran. *Critique: Critical Middle Eastern Studies*, 13(1): 33–46.
- Baron, R. M., & Kenny, D. A. 1986. The moderator-mediator variable distinction in social psychology research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6): 1173–1182.
- Bartlett, C. A., & Ghoshal, S. 2002. Building competitive advantage through people. *MIT Sloan Management Review*, 43(2): 34–41.
- Brett, J. M., & Stroh, L. K. 1999. Women in management: How far have we come and what needs to be done as we approach 2000? *Journal of Management Inquiry*, 8(4): 392–398.
- Brewster, C. 1991. *The management of expatriates*. London: Kogan Page.
- Cable, D. M., & Judge, T. A. 1996. Person–organization fit, job choice decisions, and organizational entry. *Organizational Behavior and Human Decision Processes*, 67(3): 294–311.
- Chatman, J. A. 1989. Improving interactional organizational research: A model of person–organization fit. *Academy of Management Review*, 14(3): 333–349.
- Contractor, F. J., Kundu, S. K., & Hsu, C. -C. 2003. A three-stage theory of international expansion: The link between multinationality and performance in the service sector. *Journal of International Business Studies*, 34(1): 5–18.
- Darr, E. D., & Kurtzberg, T. 2000. An investigation of partner similarity dimensions on knowledge transfer. *Organizational Behavior and Human Decision Processes*, 82(1): 28–44.
- Dastmalchian, A., Javidan, M., & Alam, K. 2001. Effective leadership and culture in Iran: An empirical study. *Applied Psychology: An International Review*, 50(4): 532–538.
- Deephouse, D. L. 1996. Does isomorphism legitimate? *Academy of Management Journal*, 39(4): 1024–1039.
- Devinney, T. M., Midgley, D. F., & Venaik, S. 2000. The optimal performance of the global firm: Formalizing and extending the integration-responsiveness framework. *Organization Science*, 11(6): 674–695.
- Eagle, B. W., Miles, E. W., & Icenogle, M. L. 2001. Male and female interpretations of bidirectional work-family conflict scales. In C. A. Schriesheim & L. L. Neider (Eds), *Equivalence in measurement: 5–23*. Greenwich, CT: Information Age.
- The Economist* 2003. God’s rule or man’s? A survey of Iran. *Special Section*, 366(8307): 1–16.
- Emrich, C. G., Denmark, F. L., & Den Hartog, D. N. 2004. Cross-cultural differences in gender egalitarianism. In R. J. House, P. J. Hanges, M. Javidan, P. W. Dorfman & V. Gupta (Eds), *Culture, leadership, and organizations: The GLOBE study of 62 societies*: 343–394. Thousand Oaks, CA: Sage.
- Erdogan, B., & Bauer, T.N. 2005. Enhancing career benefits of employee proactive personality: The role of fit with jobs and organizations. *Personnel Psychology*, 58(4): 859–891.
- Ganzach, Y. 1998. Intelligence and job satisfaction. *Academy of Management Journal*, 41(5): 526–539.
- Gibson, C. B. 1995. An investigation of gender differences in leadership across four countries. *Journal of International Business Studies*, 26(2): 255–279.
- Graf, A. 2004. Screening and training inter-cultural competencies: Evaluating the impact of national culture on inter-cultural competencies. *International Journal of Human Resource Management*, 15(6): 1124–1128.
- Gupta, A. K., & Govindarajan, V. 2002. Cultivating a global mindset. *Academy of Management Executive*, 16(1): 116–126.
- Gutek, B. A. 1985. *Sex and the workplace: The impact of sexual behavior and harassment on women, men, and organizations*. San Francisco: Jossey-Bass.



- Hair, J. F., Anderson, R. E., Tatham, R. L., & Black, W. C. 1998. *Multivariate analysis*. Upper Saddle River, NJ: Prentice-Hall.
- Harrison, A. E., & McMillan, M. S. 2006. Dispelling some myths about offshoring. *Academy of Management Perspectives*, 20(4): 6–22.
- Hausmann, R., Tyson, L. D., & Zahidi, S. 2006. The global gender gap report 2006. World Economic Forum, Geneva. <http://www.weforum.org/pdf/gendergap/report2006.pdf>. Accessed 28 March 2007.
- Helgesen, S. 1990. *The female advantage: Women's ways of leadership*. New York: Doubleday.
- Hitt, M. A., Bierman, L., Shimizu, K., & Kochhar, R. 2001. Direct and moderating effects of human capital on strategy and performance in professional service firms: A resource-based perspective. *Academy of Management Journal*, 44(1): 13–28.
- House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. 2004. *Culture, leadership and organizations: The GLOBE study of 62 societies*. Thousand Oaks, CA: Sage.
- Hultin, M., & Szulkin, R. 1999. Wages and unequal access to organizational power: An empirical test of gender discrimination. *Administrative Science Quarterly*, 44(3): 453–472.
- Izraeli, D. N., & Adler, N. J. 1994. Competitive frontiers: Women managers in a global economy. In D. N. Izraeli and N. J. Adler (Eds), *Competitive frontiers: Women managers in a global economy*: 3–21. Cambridge, MA: Blackwell.
- Javidan, M., & Dastmalchian, A. 2003. Culture and leadership in Iran: The land of individual achievers, strong family ties, and powerful elite. *Academy of Management Executive*, 17(4): 127–142.
- Kahn, R., Wolfe, D., Quinn, R., Snock, J., & Rosenthal, R. 1964. *Organizational stress: Studies in role conflict and ambiguity*. New York: Wiley.
- Kanter, R. M. 1978. *Men and women of the corporation*. New York: Basic Books.
- Kent, R. L., & Moss, S. E. 1994. Effects of sex and gender role on leader emergence. *Academy of Management Journal*, 37(5): 1335–1346.
- Kobrin, S. J. 1994. Is there a relationship between a geocentric mind-set and multinational strategy? *Journal of International Business Studies*, 25(3): 493–511.
- Kristof, A. L. 1996. Person–organization fit: An integrative review of its conceptualizations, measurement, and implications. *Personnel Psychology*, 49(1): 1–50.
- Lee, P. M., & James, E. H. 2007. She'-E-Os: Gender effects and investor reactions to the announcements of top executive appointments. *Strategic Management Journal*, 28(3): 227–241.
- Levin, D. Z., & Cross, R. 2004. The strength of weak ties you can trust: The mediating role of trust in effective knowledge transfer. *Management Science*, 50(11): 1477–1490.
- Luthar, V. K., & Luthar, H. K. 2002. Using Hofstede's cultural dimensions to explain sexually harassing behaviours in an international context. *International Journal of Human Resource Management*, 13(2): 268–284.
- Metcalf, B. D. 2007. Gender and human resource management in the Middle East. *International Journal of Human Resource Management*, 18(1): 54–74.
- Muchinsky, P. M., & Monahan, C. J. 1987. What is person–environment congruence? Supplementary vs complementary models of fit. *Journal of Vocational Behavior*, 31(3): 268–277.
- Murtha, T. P., Lenway, S. A., & Bagozzi, R. P. 1998. Global mind-sets and cognitive shift in a complex multinational corporation. *Strategic Management Journal*, 19(2): 97–114.
- Nabil, M. K., & Végazonès-Varoudakis, M. 2004. Reforms and growth in MENA countries: New empirical evidence. World Bank, Washington, DC. <http://go.worldbank.org/75E35X8Z90>. Accessed 27 March 2007.
- Namazie, P., & Frame, P. 2007. Developments in human resource management in Iran. *International Journal of Human Resource Management*, 18(1): 159–171.
- Napier, N. K., & Taylor, S. 2002. Experiences of women professionals abroad: Comparisons across Japan, China and Turkey. *International Journal of Human Resource Management*, 13(5): 837–851.
- Newbury, W. 2000. *Interoffice shared perceptions as a control method in an integrated multinational corporation*, Unpublished Doctoral Dissertation, New York University.
- Newbury, W. 2001. MNC interdependence and local embeddedness influences on perceptions of career benefits from global integration. *Journal of International Business Studies*, 32(3): 497–507.
- Newbury, W., Gardberg, N., & Belkin, L. 2006. Organizational attractiveness is in the eye of the beholder: The interaction of demographic characteristics with foreignness. *Journal of International Business Studies*, 37(5): 666–686.
- Ng, E. S. W., & Burke, R. J. 2005. Person–organization fit and the war for talent: Does diversity management make a difference? *International Journal of Human Resource Management*, 16(7): 1195–1210.
- Nilakant, V. 1991. Dynamics of middle managerial roles: A study in four Indian organizations. *Journal of Managerial Psychology*, 6(1): 17–24.
- Oakley, J. G. 2000. Gender-based barriers to senior management positions: Understanding the scarcity of female CEOs. *Journal of Business Ethics*, 27(4): 321–324.
- Oddou, G., Mendenhall, M., & Ritchie, J. B. 2000. Leveraging travel as a tool for global leadership development. *Human Resource Management Journal*, 39(2/3): 159–172.
- Oyserman, D., & Uskul, A. (in press). Individualism and collectivism: Societal-level processes with implications for individual-level and society-level outcomes. In F. van de Vijver, D. van Hemert & Y. Poortinga (Eds), *Multilevel analysis of individuals and cultures*. Rahway, NJ: Lawrence Erlbaum Associates.
- Parke, L. P., Bochner, S., & Schneider, S. K. 2001. Person–organization fit across cultures: An empirical investigation of individualism and collectivism. *Applied Psychology: An International Review*, 50(1): 81–108.
- Perlmutter, H. 1969. The tortuous evolution of the multinational corporation. *Columbia Journal of World Business*, 4(1): 9–18.
- Perry, L. E., Davis-Blake, A., & Kulik, C. T. 1994. Explaining gender-based selection decisions: A synthesis of contextual and cognitive approaches. *Academy of Management Review*, 19(4): 786–820.
- Podsakoff, P. M., & Organ, D. W. 1986. Self-reports in organization research: Problems and prospects. *Journal of Management*, 12(4): 531–544.
- Powell, G. N., & Butterfield, D. A. 1994. Investigating the “glass ceiling” phenomenon: An empirical study of actual promotions to top management. *Academy of Management Journal*, 37(1): 68–86.
- Powell, G. N., Butterfield, D. A., & Parent, J. D. 2002. Gender and managerial stereotypes: Have the times changed? *Journal of Management*, 28(2): 177–193.
- Ragins, B. R., & Sundstrom, E. 1990. Gender and perceived power in manager–subordinate relations. *Journal of Occupational Psychology*, 63(4): 273–287.
- Riordan, C. M., & Vandenberg, R. J. 1994. A central question in cross-cultural research: Do employees of different cultures interpret work-related measures in an equivalent manner? *Journal of Management*, 20(3): 643–671.
- Robinson, C. J., Al-Khatib, J. A., Al-Habib, M., & Lanoue, D. 2001. Beliefs about work in the Middle East and the convergence vs divergence of values. *Journal of World Business*, 36(3): 223–244.
- Rosener, J. B. 1995. *America's competitive secret: Utilizing women as a management strategy*. New York: Oxford University Press.
- Scandura, T., & Dorfman, P. 2004. Leadership research in an international and cross-cultural context. *The Leadership Quarterly*, 15(2): 277–307.



- Scandura, T., Williams, E., & Hamilton, B. A. 2001. Measuring invariance using confirmatory factor analysis and item response theory. In C. A. Schriesheim & L. L. Neider (Eds), *Equivalence in measurement*: 99–130. Greenwich, CT: Information Age.
- Scarpello, V., & Campbell, J. P. 1983. Job satisfaction: Are all the parts there? *Personnel Psychology*, 36(3): 577–600.
- Schaffer, B. S., & Riordan, C. M. 2003. A review of cross-cultural methodologies for organizational research: A best practices approach. *Organizational Research Methods*, 6(2): 169–215.
- Sharpe, R. 2000. As leaders, women rule. *Business Week*, 20 November (3708): 74–84.
- Shukri, S. J. A. 1999. *Social changes and women in the Middle East: State policy, education, economics and development*. Aldershot: Ashgate.
- Stroh, L. K., & Reilly, A. H. 1999. Gender and careers: Present experiences and emerging trends. In G. N. Powell (Ed.), *Handbook of gender & work*: 307–324. Thousand Oaks, CA: Sage.
- Trank, C. Q., Rynes, S. L., & Bretz Jr., R. D. 2002. Attracting applicants in the war for talent: Differences in work preferences among high achievers. *Journal of Business and Psychology*, 16(3): 331–345.

#### ABOUT THE AUTHORS

**William Newburry** (PhD, NYU, 2000) is an Assistant Professor of Management and International Business at Florida International University. He is a US citizen, having been born in the United States. His research focuses on managing international subsidiaries and local employee globalization

perceptions, and is published in *JIBS*, *Management International Review*, *International Business Review*, the *Journal of World Business* and multiple other journals.

**Liuba Belkin** (PhD, Rutgers, 2007) is an Assistant Professor of Management at Lehigh University. Born in the former Soviet Union, she is currently a US citizen. Her primary research interests include affect and emotion transfer in the electronic communication context, as well as the influence of emotions on interpersonal trust and leadership perceptions. Her published work has appeared in *JIBS*, *Organizational Behavior and Human Decision Processes* and *International Journal of Organizational Analysis*.

**Paradis Ansari** (MBA, Rutgers, 2002) is a professional sales representative with Ortho McNeil Neurologics. She is a US citizen, having been born in the United States, with parents who emigrated from Iran. She previously worked at Johnson & Johnson as a manager for several years before transitioning recently into sales. She currently resides in Atlanta, Georgia, and plans to pursue a PhD in management beginning in 2008.

Accepted by Arie Y Lewin, Editor-in-Chief, 26 March 2007. This paper has been with the authors for two revisions.