

The role of international experience and career capital in developing dynamic capabilities in the context of multiunit routines

Abstract

There is little emphasis in the existing research on the possible impact of international experience and career capital in the development of dynamic capabilities (DCs), especially in the context of multiunit routines. To address this gap in the extant literature, this study uses a sample of 413 expatriate managers in multiunit organizations of multinational corporations (MNCs) to examine the role of international experience and career capital in relation to the development of DCs in multiunit routines. The results identify international experience as an important antecedent to the career capital of expatriate managers; further, they emphasize the impact of the knowing-how, knowing-why, and knowing-whom facets of career capital in developing DCs in multiunit routines. The conclusions offer practical references for developing DCs in multiunit routines by leveraging the advantages of expatriate managers' international experience and career capital.

Keywords: International experience, career capital, dynamic capabilities, multiunit

1. Introduction

Due to the globalization of business and markets, many MNCs dispatch a large number of managers to manipulate resources, transfer knowledge, and coordinate complex and cooperative routines in their overseas multiunit organizations. In accordance with past statistics, American MNCs estimated that approximately 150,000 employees work overseas, and Japan estimated that at least 83,000 do the same (Yan, Zhu, & Hall, 2002). Such a high rate of international assignments was accompanied by a very high failure rate. Tung (1982) points out that the international assignment failure rate in the US is between 20-40%, while in other countries it is between 10-20%. Thus, many expatriate managers never complete the intended duration of their assignments (Black, 1988; Ronen, 1989; Andreason & Kinneer, 2005). The reason for the failure is often culture shock, adjustment difficulties, multi-team management complexity, and so on. After all, MNCs expect expatriate managers to achieve corporate objectives, such as opening a new market, transferring skills, or building international management routines, and they rely on them to override dysfunctional features of established rules, and to resource re-allocation processes (Pisano, 1994; Teece, 2007; 2012) for enhancing their organization's dynamic competitive capabilities. However, expatriate managers usually face many different cultural and institutional issues, as well as seek to understand their multinational team members, and settle into unfamiliar new marketplaces and uncertainties within local business chains. The challenge they face is to maximize the potential of team members, social associations, and business opportunities, and to reconfigure the different collaborative forces (Teece, 2007) in order to eliminate difficulties in the various coordinating routines. Tsai (2002) addresses the formal organizational system and informal coordinative relations that play a key role on knowledge transfer and interflow, and Jokinen (2010) argues that expatriate individuals' career capital could be transferred to different contexts to address the problems they face. An expatriate manager is one who has extensive international experience (Daily, Certo, & Dalton, 2000; Gregersen, Morrison, & Black, 1998) and recognizable career capital (Inkson & Myers, 2003; Luthans & Youssef, 2004), and who is able to respond to the turbulence, instability, and complexity of multiunit coordinative routines. Excellent expatriate managers increasingly play a critical and decisive role in the development of dynamic capabilities (DCs) in these complex multiunit organizations.

International experience has been recognized as a vital asset (Carpenter, Sanders, & Gregersen, 2001; Sambharya, 1996); it is an important element of organizational capability (Luo, 2000) and expatriate managers with extensive international experience are considered to be better equipped. They can seize and maintain relationships with host organizational members or partners more effectively, observe local marketplace sentiments, and better obtain more collaborative forces in formal routine processes (Daily, Certo, & Dalton, 2000). However, the development of DCs via expatriate managers is central (Harvey, Novicevic, & Speier, 2000). Expatriate managers with international experience usually deploy the various routines effectively and smoothly because their abilities contribute effectively to providing resource implantation.

Career capital includes the sum of individual motivations, skills, abilities, and career capital, and is becoming an increasingly important asset among business managers, because globalization is the/a key driver for the need to

develop integration, control and coordination, knowledge transfer, and management within the MNC's framework (Suutari & Makela, 2007). Career capital is increasingly viewed as the desired element indicating successful expatriate management because it allows expatriate managers to apply their portable capabilities to the active construction of social networks in order to enhance organizational motivation and trust (Vance, 2005) for the smooth development of DCs.

Innovation routine perspectives on DCs suggest that the DC advantage is socially complex and dependent on investment in managers' capital; thus, it is harder for rivals to duplicate (Barney, 1992; Teece, Pisano, & Shuen, 1997; Teece, 2012), and leads to enviable market positions (Coff, 1999; Henderson & Fredrickson, 1996). Teece (2007, 2012) also says that DCs are managerial level competences, unique to multiunit routines, that determine the organization's ability to seize, integrate, and reconfigure internal and external resources/competences, as well as to address, and possibly shape, rapidly changing business environments. Furthermore, a recent study by Driesch, Costa, and Brettel (2015) pointed out that CEOs' human capital is the core of DCs, and social capital directly impacts the solidarity of DCs. Indeed, for the purpose of continuing growth and success in international markets, multiunit organizations must utilize managerial level DCs effectively to compete in the different international marketplaces.

In today's volatile and unstable international competitive environment, developing multiunit DCs must rely increasingly on expatriate managers to continue to integrate various associative forces, and to overcome various difficulties in achieving sustainable growth of international markets. Thus, the extensive international experience and career capital of expatriate managers ensure effectiveness of information flow, coordination of systems, and administrative/control mechanisms. They are also critical for transferring various routines into DC developments. Existing research seems to ignore this relationship; thus, the present study attempts to address this gap through theoretical and empirical analysis. Following the perspectives of Suutari (2003) and Takeuchi et al. (2005) first, this study defines *international experience* as the skills and professional development that provide long-term career capital for helping managers successfully adjust to, and handle, changing foreign environments and environmental risks in which was measured by past experiences of work and non-work. Second, following Cappellen and Janssens (2005), and Jokinen, Brewster, and Suutari's (2008) perspectives, the study defines *career capital* according to three classes of "knowing" variables for career competencies: knowing-how, knowing-why, and knowing-whom. Third, following the *innovation routine* approach (Doving & Gooderham, 2008; Teece, 2012; Zollo & Winter, 2002), the study defines *DCs* as the processes of multiunit coordinating routines that are patterns of problem-solving through organizational daily cooperation. These DC routines should be measured by the ability and flexibility in organizational strategic capabilities and management capabilities.

2. The influence of international experience on career capital

Defillippi and Arthur (1994) use the knowing-how competency of career capital to reflect job-related knowledge and relevant skills that contribute to an international manager's and an organization's knowledge base, flexibility (Brousseau et al., 1996), portability (Sullivan, 1999), and transferability (Baker & Aldrich, 1996). Expatriate managers in multiunit routines must cope with uncertain and complex work environments characterized by occupational learning, routine coordinating, networking, and relationships with members, partners, and customers. Their international experience can enable these managers to introduce cognitive frameworks or templates to unfamiliar situations or new settings; it generally decreases occupational learning conflicts, and enables the formation of schemata to deal with the complexity of coordinating the various routines of multiunits to enhance job-related knowledge and relevant skills. Previous research has also pointed out that international experience can positively impact new work knowledge development and skills (Bolino, 2007; Benson & Pattie, 2008; Biemann & Braakmann, 2013). Thus, international experience can strengthen the knowledge and skills needed to reduce errors, and offer both managers and MNCs direct opportunities to acquire new skills and knowledge, thereby enhancing the knowing-how competency of their career capital.

Hypothesis 1: International experience will positively affect the knowing-how of career capital of expatriate managers.

The knowing-why competency is characteristic of a proactive personality. Highly proactive individuals clearly identify opportunities and take action, demonstrate initiative, and persevere in the face of setbacks (Bateman & Crant, 1993). In an international environment, the expatriate manager often faces considerable uncertainty about aspects of daily life and work; thus, acquiring international experience is necessary to function effectively in a new setting (Takeuchi et al., 2005). It can modify and improve one's sense of potential, motivation, and interest in different careers (Jokinen, Brewster, & Suutari, 2008). Expatriate managers must motivate their organization's team members to highly cognitive and collective action; hence, they must rely on their proactive personalities and rich international experience to operate the complex coordinating routines associated with multinational businesses. However, international experience has often been cited as an influential motive for individuals to accept international assignments (Feldman & Thomas, 1992; Tung, 1998; Stahl, Miller, & Tung, 2002; Suutari & Brewster, 2003). Therefore, if they are strongly committed to developing their career capital, international experiences clearly influence managers' career identification and aspirations (Jokinen, Brewster, & Suutari, 2008), and offer venues for demonstrating initiative and persevering despite setbacks. They enhance the knowing-why aspect of career capital.

Hypothesis 2: International experience will positively affect the knowing-why of career capital of expatriate managers.

The knowing-whom aspect of career capital reflects career-relevant interactive networks (Thomas & Higgins, 1996). Multiunit routines of MNCs are social networks representing a portfolio of components. Expatriate managers play key roles in connecting environmental and organizational domains, such as knowledge-sharing systems, organizational support practices, and collaborative systems, in order to encourage cooperative resource input, team members' aspirations, and network interaction for settling task complexities. Indeed, expatriate managers with international experience can effectively link various networks in order to acquire support, manage complexities, and ensure excellent performance (Carpenter, Sanders, & Gregersen, 2001). Recent studies (Berthoin-Antal, 2000; Carpenter, Sanders, & Gregersen, 2001; Makela, 2007) indicate that expatriate managers with international experience create a multitude of informal and formal relationships or networks that remain strong and enhance the formation of new career capital, which is of special importance to multiunit organizations' coordinative routine implementation.

Hypothesis 3: International experience will positively affect the knowing-whom of career capital of expatriate managers.

3. Expatriate managers' career capital serving the development of DCs in multiunit routines

Argote (1999) and Eisenhardt and Martin (2000) argue that the development of DCs could more accurately be described in terms of cognitive learning. Expatriate managers in multiunits of MNCs are considered representatives of their parent companies; they engage in corporate missions to coordinate various routines and achieve tasks and goals. Logically, knowing how to interact and learn together with local teams and suppliers in a host country will enable them to reach a joint consensus, and acquire various resources and inputs to complete tasks. In this interactive process, they must know how to release various resources for mutual learning, so that local teams and collaborative partners get a sense of achievement. Special situations associated with coordinating routines of multiunits require expatriate managers to know how (e.g., to acquire new knowledge, to perform new roles, and to practice new career-relevant skills); knowing-how engages organizations in learning and core business practices (Dess & Shaw, 2001), ultimately forming new associations. This new association is an outcome of learning and a type of knowing-how (career capital); it reflects an organization's knowledge base, and is portable (Sullivan, 1999) and transferable (Baker & Aldrich, 1996). DCs develop intrinsically through coordinative routines that facilitate problem solving, improve decision-making, stimulate creative ideas, and help managers to learn effectively and implement the various organizational objectives smoothly. Therefore, the knowing-how aspect of career capital could develop DCs by affecting the conditions necessary for learning to occur.

Hypothesis 4: The knowing-how of career capital of expatriate managers will have a positive influence on the development of DCs.

Rosenbloom (2000) suggests that human leadership may be a *'central element'* in the DCs of an organization; executives strongly influence the development of specific routines in response to changing external environments. DCs are rooted in human capital (Castanias & Helfat, 1991); they are the capabilities of managers to build, integrate, and reconfigure organizational resources and competencies when handling dynamic environments (Adner & Helfat, 2003). In host countries, expatriate managers usually face unfamiliar business environments, complex tasks, and the cross-cultural challenges of team leadership. They must also link individual motivation, identification, and organizational intentions to complete all routines in progress. They must clearly define their role and those of team members who are faced with obstacles in constantly changing work situations. Ideally, they should take their teams through highly proactive and flexible operational routines to equip them to handle all possibilities due to volatility in the competitive environment. Therefore, the role of expatriate managers is important because of their excellent sense of knowing-why (career capital). They enhance team cohesion and local value chain integration, deploy resources efficiently, and reduce the depletion of resources. Conversely, if expatriate managers in multiunit routines lack the knowing-why competency, they are typically less motivated and cognizant of self, and less able to respond to dynamic coordinative routines and changes, ultimately contributing to the overall failure of their MNCs. Therefore, the knowing-why of expatriate managers positively influences DC development in multiunit routines.

Hypothesis 5: The knowing-why of career capital of expatriate managers will have a positive influence on the development of DCs.

The knowing-whom aspect of career capital reflects career-relevant interactive networks, including business networks within organizations (Linehan, 2002; Linehan & Scullion, 2002) and outside communities of practice (DeFillippi & Arthur, 1994, 1996; Thomas & Higgins, 1996). Foreign assignments with multiunit organizations provide inter-unit social networks that may enhance the quality of a manager's social ties by giving her/him routine access to higher hierarchical levels and more contacts with outside companies in the new location. Therefore, expatriate managers develop social networks that can help them solve international predicaments. The knowing-whom aspect of career capabilities reflects tight career relationships proactively formed using various networks to secure current jobs and increase future opportunities; it is a social capital process that targets those persons who may be helpful to one's career development (Jones & DeFillippi, 1996). Dyer and Singh (1998) showed that network ties provide essential information for obtaining resources. Similarly, social networks facilitate an inter-unit resource exchange that promotes innovation (Tsai & Ghoshal, 2000). Nahapiet and Ghoshal (1998), and Griffith and Harvey (2004) confirmed that organizations' capabilities may be enhanced with social relationships that allow them to acquire, integrate, recombine, and release resources developing DCs (Eisenhardt & Martin, 2000). Thus, expatriate managers' valuable social ties benefit the smooth running of multiunit coordinating routines, and their DCs can be adapted to a volatile competitive environment. Therefore, knowing-whom (career capital) has a positive impact on DCs developing in the multiunit routine process.

Hypothesis 6: The knowing-whom of career capital of expatriate managers will have a positive influence on the development of DCs.

4. Methods

4.1 Sample design and data collection

To test the six hypotheses empirically, I conducted a large-scale study by seeking the cooperation of the human resources departments of 236 Taiwanese MNCs, of which 121 agreed to participate. Participating firms represented a wide range of industries, including the electrical engineering, information technology, wholesale and retail, chemicals, metals, energy, and light industries. I acquired the relevant information from HR executives working at the head offices of these MNCs, and subsequently sent questionnaires to 955 expatriate managers. To ensure response confidentiality, the completed questionnaires were returned directly to me. A total of 442 questionnaires were returned, of which 29 were invalid. The 413 valid copies represented a 43% response rate. The sample consisted mostly of expatriate managers who had been with their multiunit organizations for an average of almost 5 years. Thus, the respondents had an in-depth understanding of their multiunit organization's collaborative

operations and managerial routines, and were generally the most qualified people to provide information for this study.

4.2 Measures

International experience. Takeuchi et al. (2005) argued that international experience is a multidimensional concept that could specifically apply to both work and non-work dimensions. Others argue that experience can be recognized via a time component (Goodman et al., 2001; Shaffer, Harrison, & Gilley, 1999). Thus, this study focuses on past experiences because they are more likely to influence current attitudes and behaviors of expatriate managers in multiunit routines. This study was adapted from that of Takeuchi et al. (2005); a total of six variables were used to measure this construct. Two variables for international work experience were assessed. The total number of instances of prior international work experience was counted, and the total length of international work experience was calculated as the sum of months worked on reported international assignments. Four variables for non-work international experience were initially assessed, including the total number and length of prior foreign study experiences, as well as the total number and length of prior foreign travel experiences. Respondents were asked about (1) total number of overseas career assignments, (2) total months worked in overseas assignments, (3) total number of study-abroad courses completed in conjunction with their careers and total number of overseas trips during their careers, (4) total months devoted to study-abroad courses and total months of overseas travel during their careers.

Career capital. The *Knowing-how* of career capital is the content of competency development; Jokinen (2005) described sets of questions for assessing areas by relevant competencies for behavioral and knowledge levels. A total of 10 indices were used to measure the knowing-how competency of career capital (Table 1): the first five questions measured career/job-related skills (Eby, Butts, & Lockwood, 2003); the next two indices were adapted from Jokinen, Brewster, and Suutari (2008) to measure social skills; the last three indices measured organizational knowledge (Jokinen, Brewster, & Suutari, 2008). The ten items produced an intrascale reliability of .919 ($\alpha = .919$). *Knowing-why* relates to career motivation, meaning, and identification (Defillippi & Arthur, 1994); it is associated with an individual's motivational energy to understand and explore different possibilities, and to adapt to changing situations (Arthur, 1994). Therefore, knowing-why was measured through a set of nine questions designed to measure the increase in one's understanding of personal values, work interests, skills, and capabilities (Jokinen, Brewster, & Suutari, 2008). The nine items produced an intrascale reliability of .914 ($\alpha = .914$). Finally, *knowing-whom* is the content of a person's career-relevant interactive network, including his/her linking, building, and maintaining various business networks and communities of practice outside the firm. Therefore, four items were used to measure the development of networking skills and social networks as identified by Jokinen (2005). They collectively produced an intrascale reliability of .892 ($\alpha = .892$).

DCs. Zollo and Winter (2002) argue that a DC is a pattern of collective activity through which the organization systematically generates and modifies its routines in pursuit of improved effectiveness. Therefore, consistent with earlier research (McEvily & Zaheer, 1999; Miller, 1987), this study viewed the acquisition of DCs as a multistage, coordinated routine process. Because expatriate managers in multiunit organizations must overcome many difficulties when combining and exploiting information or resources with social interaction and network ties in order to solve strategic and management problems in coordinated and daily routines, six items were drawn from the previous innovation routine of DC studies (Bierly & Chakrabarti, 1996; Danneels, 2002). The first three items assessed organizational strategic capabilities, such as future competitive flexibility, awareness of new business opportunities or possibilities of threat, and condensation of employees' knowledge through visioning (Table 1). The next three items assessed organizational management capabilities, such as the flexibility to understand the customers' specific needs, to coordinate effectively among departments, and to coordinate with the community to fulfill mutual needs. The intrascale reliability was .921 ($\alpha = .921$).

Table 1 presents the items and each construct. Latent variables in the model were measured using multiple indicators. All measures were assessed using a 7-point interval scale ranging from *strongly disagree* to *strongly agree* (Preston & Colman, 2000).

Table 1 here

4.3 Control variables

Six control variables were included in this study. *Language skills* are important for human communication. Managers with fluent language skills almost always communicate well in foreign countries, and create more social interaction and network linkages for career development (Takeuchi, Yun, & Russel, 2002). Furthermore, *age and education* are both related to perceptions of career success (Eby, Butts, & Lockwood, 2003). Therefore, the study controlled the possible effects of these three variables in the first phase analysis of international experience and career capital.

In addition, Burgers, Hill, and Kim (1993) argued that large units enter into collaborative relationships to acquire resources, learning, and capabilities development more easily than small units. Hence, the author used the number of employees in the multiunit organization as an indicator of unit size. Furthermore, this study controlled for age, that is the length of time the multiunit organization has been operating in the foreign location. Age has long been studied as a factor that relates to business outcomes (Calof, 1994; Dobrev & Carroll, 2003). The study also controlled for industry effects on DCs by using an industry dummy variable, representing the two sub-industries. For the manufacturing industry, the dummy variable was coded as “1,” and for the non-manufacturing industry as “0.” Therefore, in the second phase, this study controlled for the possible effect on DCs of unit size, age, and industry type in the analysis of career capital and DCs developing in multiunit routines.

5. Analysis and results

5.1 Construct validity

Construct validity was determined by examining convergent and discriminant validity (Campbell & Fiske, 1959). The convergent validity of the constructs was determined by examining the factor loadings and t values. Table 1 presents the estimates for each construct, as well as the standardized loadings and t values. The factor loadings on each construct were large (> 0.5) and statistically significant ($t > 1.96$). Discriminant validity was examined by comparing a constrained structural equation model with an unconstrained one (Joreskog, 1971; Anderson & Gerbing, 1988). A significantly lower χ^2 value for the unconstrained model supported the discriminant validity criterion (Bagozzi & Philips, 1982). In all cases, the χ^2 value for the unconstrained model was significantly lower ($p < .05$) than that for the constrained model, and $\Delta\chi^2/\Delta df$ exceeded 3.84 (Diamantopoulos & Siguaw, 2000). Thus, all indicators had satisfactory discriminant validity.

5.2 Structural model fit and model coefficients

In the first phase analysis of international experience and career capital, the overall χ^2 value was 2,062.43, $df = 408$, $p < 0.01$, and the goodness of fit was $0.93 > 0.9$. The comparative fit index (CFI) was $0.99 > 0.9$, the incremental fit index (IFI) was $0.99 > 0.9$, and the root mean square error of approximation (RMSEA) was $0.02 < 0.08$ (MacCallum, Browne, & Sugawara, 1996). Thus, the model had a reasonable fit to the data, given the moderate sample size of 413. In addition, the structural equation model indicated that the overall $\chi^2 = 1,496.75$, $df = 396$, $p < 0.01$, and the goodness of fit was $0.93 > 0.9$. The comparative fit index (CFI) was $0.99 > 0.9$, the incremental fit index (IFI) was $0.99 > 0.9$, and the root mean square error of approximation (RMSEA) was $0.02 < 0.08$ (MacCallum, Browne, & Sugawara, 1996) were all within acceptable ranges. Hence, the model was a reasonable representation of the data.

The results of hypothesis testing in the first phase analysis of international experience and career capital, showed that international experience had a positive influence on knowing-how of career capital ($\gamma_1 = 0.17$, $t = 2.86^*$, H1) and that it (international experience) also had a positive influence on knowing-why of career capital ($\gamma_2 = 0.14$, $t = 2.86^*$, H2). As H3 predicted that international experience had a positive impact on knowing-whom of career capital ($\gamma_3 = 0.12$, $t = 2.83^*$), the results all were positive and statistically significant, and thus the relationships were supported.

In the second phase analysis of career capital and DCs, the overall χ^2 value was 1658.74, $df = 461$, $p < 0.01$, and the comparative fit index (CFI) was $0.99 > 0.9$, the incremental fit index (IFI) was $0.99 > 0.9$, and the root mean square error of approximation (RMSEA) was $0.03 < 0.08$ (MacCallum, Browne, & Sugawara, 1996). Thus,

the model had a reasonable fit to the data, given the moderate sample size of 413. In addition, the structural equation model indicated that the overall $\chi^2 = 2306.20$, $df = 461$, $p < 0.01$, and the comparative fit index (CFI) was $0.99 > 0.9$, the incremental fit index (IFI) was $0.99 > 0.9$, and the root mean square error of approximation (RMSEA) was $0.03 < 0.08$ (MacCallum, Browne, & Sugawara, 1996) were all within acceptable ranges. Hence, the model was a reasonable representation of the data.

The results of hypothesis testing in career capital and DCs in the second phase showed that both the knowing-how of career capital ($\gamma_4 = 0.45$, $t = 8.30^*$, H4) and the knowing-why of career capital ($\gamma_5 = 0.32$, $t = 6.74^*$, H5) had positive influence on DCs developing in multiunit routines. The results were positive and statistically significant, and thus the relationships were supported. H6 predicted that knowing-whom of career capital had a positive influence on DCs developing in multiunit routine ($\gamma_6 = 0.16$, $t = 3.47^*$, H6); however, the coefficient also was statistically significant to show that the relationship was supported.

6. Conclusion and management implications

Expatriate managers in multiunits always face enormous difficulties and challenges in dealing with complex and coordinating routines, and in developing multiunit DCs. Therefore, how expatriate managers use their international experience and career capital to serve multiunit DCs developing rapidly is the key of MNCs international expansion success. This study empirically investigated a sample of 413 expatriate managers to discriminate the roles of international experience and career capital in materializing DCs in multiunit routine. The analysis revealed some significant findings.

Firstly, a multiunit routine is characterized by formal structure, goals, and operating procedures. Shared identities and opportunities for interaction are characterized by structured discourse, coordination, and the sharing of various knowledge and resources. It makes sense that when that routine is faced with unfamiliar situations and new settings it generally decreases these functions. Therefore, managers' extensive international experience can help them develop the comprehensive cognitive templates needed for governance behavior in new settings; further, enhanced learning of skills and knowledge is associated with the development of the knowing-how aspect of career capital needed to overcome uncertainty in the host environment. Managers with extensive international experience who are used to considerable uncertainty in aspects of their daily lives and work can use their leadership experience to bring clarity and direction to organization members also facing uncertainties. Therefore, the international experience of expatriate managers gives them an advantage in building up the knowing-how aspect of their career capital. Next, the typical proactive personality of a manager with extensive international experience is often useful in routine of hierarchical structures of multiunit organizations. Because of their high proactivity and extensive international experience, such individuals can easily modify and improve their sense of potential, motivation, and interest in different new careers. They can also more easily and clearly identify opportunities and take action, demonstrate initiative, and persevere in the face of new routines. Therefore, international experiences clearly influence managers' career identification and aspirations. They know-why they are cooperating in the complexities of multinational cooperative coordinating routines. Final, expatriate managers interviewed for this study were linked with a large number of people through various social networks. These networks played a key role in connecting their environmental and organizational domains. The managers in the present study demonstrated ability to link various communities and social networks to reduce conflicts and waste, strengthen efficiency, and acquire key resources to perform and compete in the marketplace. International experience is clearly an important component of the knowing-whom aspect of building up career capital.

Secondly, DC developing in multiunit routines must be a process by which managers seize, integrate, and reconfigure organizational resources and competencies, and must be a through coordinated routines cooperation. Their knowing-how competency helps them to learn skills and to enhance knowledge interflow; to lead managers to interact well with other team members, to promote cooperative cognition and mutual learning, and achieve consensus for task-driven competencies. Therefore, the knowing-how competency of career capital is a key for the smooth running of coordinating routines and DCs developing. Also, multiunit routine is characterized by a high level of administrative control, dependency, formality, and orchestrated cooperation. These expatriate managers must have a strong motivation for gaining knowing-why competency (career capital) to understand how to build

highly proactive teams and develop collaborative mechanism to meet the challenges of difficult business situations. Knowing-why competencies of career capital can provide a base for resources deployment, which in turn can motivate other partners to share knowledge, to everyone's mutual benefit; thus knowing why becomes a key pipeline to enhance DC competency.

Thirdly, that the knowing-whom competencies of career capital of expatriate managers were a key to DCs upgrading in multiunit routine was an expected outcome. The knowing-whom competency is reflected in career-relevant networks and communities. This study's initial thinking was that these career relationships, networks, and communities could stimulate information sharing and knowledge interflow, and could increase opportunities. In fact, these networks' competencies are useful for organizing DCs development. This is line with Teece (2007, 2012) arguments that was DCs are higher-level managers' unique capabilities special to their field of strategic and managerial key decision-making, by which a manager senses, seizes, and reconfigures dynamic resources, and then creates opportunities and increases competitiveness.

This article contributes to the literature in two important ways; first, it identifies a new pivotal role of career capital in enabling DC development and upgrade, a role that was not fully specified or verified previously; second, it shows that the international experience of expatriate managers is an important antecedent of career capital advantage, and of upgrading DCs in multiunit routines. In addition, the results of this study offer a concrete reference to the practical application that expatriate managers' international experience and career capital influence sustained DC development in multiunit organizations. Extensive international experience of expatriate managers implies that knowledge, new skills, and international viewpoints are highly valued, especially in the high-degree, dynamic, and cooperative routine deployment process of multiunit organizations. Thus, expatriate managers with extensive international experience not only accumulate and develop advantages of personal career capital, but also play strategic and key roles in the deployment of multiunit organizations' DCs. Furthermore, from the organizational viewpoint, organizations should play an active role and provide useful commitment or policies, such as more local learning opportunities, good adjustment conditions, and rewards to reduce expatriate managers' dissatisfaction or frustration. This is especially critical, when these managers perform multiunit routines or return to their home MNC, to avoid a high turnover rate and return failure. Because these expatriate managers with extensive international experience and well-developed career capital means that international learning outcomes, knowledge, and capabilities are core elements in effectively deploying coordinative routines, and developing MNC and multiunit DCs. However, this study thoroughly confirms that the international experience of expatriate managers is an important antecedent of career capital advantage, and career capital can affect the development of DCs. I believe that the results of this study not only contribute to the literature, but also provide a practical reference for developing DCs in the complex and coordinative routines' process of multiunit organizations.

Despite its strengths, this study also has the following limitations. First, it relied on data from individual general managers, chief executive officers, and managing directors of multiunit organizations of MNCs. Participants had extensive and practical management experience in multiunit routines, and they provided information about cooperative and managerial routines with which they were familiar, but their responses were subjective. Second, organizational roles such as offering rewards, providing learning opportunities, and supporting policy influence experience and career capital accumulation, and consequently, the development of DCs. The present study did not control or investigate the organizational roles' impact on the analysis process. Third, differences in national cultural characteristics may make it difficult to understand the nature and purpose of certain practices. Cultural distance can affect several aspects of a firm's organizational strategic and managerial activities, including managers' perceptions, network ties, and interpretation of environmental signals. The present study did not define or control for the impact of cultural distance in multiunit organizations. Finally, this study's samples were taken considering timing and convenience, and only included samples from Taiwanese MNCs.

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Table 1 Parameter estimates: Coefficient loadings of indicators

Item	Estimate	SE	<i>t</i>
<i>Knowing-how of career capital</i>			
1. I seek out opportunities for continuous learning in my career.	0.7	0.06	13.71
2. I have a diversified set of job related skills.	0.7	0.06	14.12
3. I remain current on the trends and development in my profession.	0.7	0.06	14.22
4. I seek out training and development opportunities.	0.7	0.06	14.88
5. I constantly update my job-related skills.	0.7	0.06	15.12
6. I have the ability to make others understood in a multicultural environment.	0.7	0.06	14.74
7. I can lead and participate effectively in multicultural teams.	0.7	0.06	14.22
8. I understand the strategic roles of different units of the international organisation.	0.6	0.06	13.45
9. I understand the key organisational processes, systems, procedures, and methods.	0.6	0.06	13.41
10. I know how to link activities and capabilities globally.	0.7	0.06	13.41
<i>Knowing-why of career capital</i>			
1. Recognising your own strengths and weaknesses, needs, and motives.	0.7	0.05	16.77
2. Understanding of what other people think about you.	0.6	0.06	13.44
3. Recognising the effect of your own cultural background on your thinking and behaviour.	0.6	0.05	14.73
4. Acknowledging your personal values and beliefs.	0.7	0.05	17.64
5. Setting goals for personal development.	0.8	0.05	18.94
6. Activity in enhancing own skills and competencies.	0.8	0.05	18.35
7. Desire to know more than the superficial and beyond what is required for task accomplishment.	0.7	0.06	15.24
8. Confidence with your own capabilities.	0.8	0.05	18.54
9. Positive approach towards work-related challenges.	0.7	0.05	18.54
<i>Knowing-whom of career capital</i>			
1. Ability to link resources and activities internationally.	0.8	0.10	13.59
2. Ability to build inter-organisational networks and teams across boundaries.	0.9	0.11	13.99
3. Ability to build and maintain the external networks.	0.8	0.10	13.31
4. Knowledge of people with influential power within organisation.	0.6	0.11	13.31
<i>Dynamic capabilities</i>			
1. Organization has future competitive flexibility in the industry.	0.8	0.05	20.91
2. Organization has the ability to quickly become aware of new business opportunities or possible threats.	0.8	0.05	20.91
3. Organization has the ability to condense employees' knowledge by visioning.	0.8	0.04	20.99
4. Organization has the flexibility to understand the specific needs of customers.	0.8	0.04	20.96
5. Organization has the flexibility to communicate and coordinate effectively among departments.	0.7	0.05	18.12
6. Organization coordinates with the community to fulfill mutual needs.	0.7	0.05	16.84