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Cultural Contingencies of Resources: (Re)Conceptualizing Domestic Employees in the Context of Globalization

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At a time when the world is increasingly connected, we applaud Lau & Shaffer's (2021) effort to shed novel light on the impact of globalization on domestic employees. Skillfully connecting Berry's (1997) acculturation framework and Hobfoll's (1989) conservation of resource theory, the authors propose a typological model that aims to explain domestic employees' acculturation stress and adaptation approaches in the context of globalization. Despite its merits, we observe two critical theoretical omissions, and interrelated conceptual irregularities in the authors' treatment of domestic employees and their resources, that may threaten the utility of their work. Overlooking theoretically relevant complexity of the phenomenon, the authors treat resources as *exogeneous* to specific cultural features of domestic employees and the globalization agent in question. Such a view fails to capture cultural contingencies of resources, making the model unfortunately incomplete. With the aim of ensuring sound theory building, we discuss the authors' treatment of domestic employees and their resources, and show how addressing them may contribute to stronger theorization.

INITIAL CULTURAL STATE OF DOMESTIC EMPLOYEES

Although at first glance, the concept of domestic employees looks simple and straightforward, it becomes nebulous under further scrutiny. Lau & Shaffer (2021) contrasted domestic employees with global employees and define domestic employees as "those who were born and have continued to reside in the same country". They further commented, on multiple occasions, that domestic employees may "never leave their home countries", assuming a state of cultural *purity* in them. Yet, even without leaving their home country, domestic employees may have had complex cultural background and exposure that would have shaped the initial state of their cultural selves, prior to the specific episode of globalization under study. Take the example of Canada, evoked by Lau & Shaffer. As a country of migrants, Canadian domestic employees may have Mexican, Chinese, French, or

other cultural backgrounds. Even if they have never left Canada, they may have prior

exposure to more than one culture and, accordingly, may have developed requisite sets of

resources and attitudes to approach globalization (as compared to domestic employees with

singular cultural backgrounds). Therefore, clarification of the initial cultural state of domestic

employees is critical for a more complete modelling of their adaptation responses to

acculturation stress. Furthermore, even domestic employees who have the same types of

cultural exposure may hold different attitudes toward foreign cultures and globalization. Take

the example of Romanian domestic employees (Caprar, 2011) cited by Lau & Shaffer. Some

Romanian domestic employees felt like "foreign locals" (Caprar, 2011) though having never

left their countries. It was therefore easier for them to develop an American identity when

working for American MNCs, and to take a positive view toward globalization.

 The foregoing indicates that domestic employees of the same country can possess

diverse initial states in terms of their relationship with multiple cultural entities involved in

globalization, such as home culture (e.g., Romanian), the culture of the globalization agent in

question (e.g., American), and even the global community (e.g., global identity; Arnett,

2002). When they hold positive inclinations toward the culture of the globalization agent or

toward the global community, domestic employees would experience less identity threat

(Molinsky, 2007; Petriglieri, 2011) and can proactively embrace globalization, instead of

feeling forced to respond to the oppressing force of globalization, as depicted in Lau &

Shaffer (2021). The authors' formulation assumes cultural *homogeneity* of domestic

employees and therefore failed to capture the discussed complexities.

 Ignoring the inherent complexity in domestic employees' initial cultural state is not

trivial, and may threaten the validity of conclusions in two ways. First, failing to account for

relevant initial conditions of domestic employees may lead to endogeneity problems

(Antonakis, Bendahan, Jacquart, & Lalive, 2010), such that outcomes (e.g., adaptation

approaches) are largely attributable to an initial state omitted in the model, instead of the

theorized antecedents (Wooldridge, 2005). This obscures the effect of cultural contingencies

on resources (which we will discuss in more detail later) and compromises the soundness and

validity of the theory. Second, Lau and Shaffer's (2021) implicit assumption of cultural

purity and homogeneity depicts an oversimplified picture about domestic employees, so that

the theory may be valid only for a rather limited subset of domestic employees in terms of

how they experience and respond to acculturation stress in the face of globalization. As such,

this threatens the generalizability and ecological validity of the proposed framework.

One promising way to capture the complexity of domestic employees is to explicitly

model their initial *cultural embeddedness*, defined as the extent to which an individual is,

both objectively and subjectively, associated with, hence is enabled and constrained by

specific social and cultural institutions (Hinds, Liu, & Lyon, 2011; Seo & Creed, 2002).

Cultural embeddedness is often shaped by individuals' objective life events and manifests as

subjective psychological appreciation and association with a specific cultural entity. Its

pattern varies in plurality (i.e., the number of cultures one is associated with) and strength

(i.e., how strongly one is embedded in each cultural entity). In our opinion, when studying

globalization and acculturation, it would be fruitful to consider that individuals' relationships

to cultures are "not categorical but rather are partial and plural" (Morris, Chiu, & Liu, 2015:

631), for domestic and global employees alike. Domestic employees can hold rather complex

patterns of cultural embeddedness as a result of their cultural upbringing and exposure at the

initial state of acculturation.

In particular, cultural identity and identification can serve as useful lenses for

modelling cultural embeddedness, thereby capturing the initial cultural state of domestic

employees and more accurately predicting their resources in the face of globalization.

Domestic employees' initial cultural embeddedness may manifest in their degrees of

identification with their home culture vis-à-vis the culture of the globalization agent (e.g., the American MNCs; Caprar, 2011), as well as their degrees of identification with the global community (e.g., global identity; Arnett, 2002). Apart from individuals' ability to hold multiple cultural identities (Chao & Moon, 2005; Ramarajan, 2014), it is shown that domestic employees can develop a global identity (i.e., a sense of belongingness and identification with the global work context) without having worked abroad (Erez, Lisak, Harush, Glikson, Nouri & Shokef, 2013). Domestic employees with different initial cultural states would likely experience acculturation stress in distinct ways in the face of globalization. Therefore, accounting for diversity in domestic employees offers more fruitful theorizing to explain their acculturation and adaptation processes in the context of globalization.

CULTURAL CONTINGENCIES OF RESOURCES

Resources are a key construct of Lau and Shaffer's model. According to the authors, resources moderate the relationship between globalization and acculturation stress as well as the subsequent adaptation approach. Given the critical role of resources in this model, however, it is unfortunate that the authors offer no explanations on why some domestic employees manage to conserve them and some fail to do so. In this regard, the model falls short in its utility to explain and predict (Bacharach, 1989). The authors' treatment of domestic employees and globalization leaves us blind to the relationship between individuals' initial cultural embeddedness and their cultural resources (Swidler, 1986). In our view, this is a missed opportunity, on two interrelated fronts.

First, the model's lack of precision in conceptualizing globalization is problematic for understanding cultural contingencies of resources in the acculturation process. Throughout the paper, the authors frequently shifted levels of analysis in their arguments about globalization, creating confusion about what domestic employees are to acculturate to: (1) an abstract concept of globalization in general (e.g., the box in Figure 1), (2) specific countries

(e.g., USA or China in the examples about USMCA and Uyghurs respectively), or (3)

organizations that expand across borders (e.g., international joint venture and M&A).

Meanwhile, domestic employees' experiences of resource gains or losses, as well as their

adaptation approaches, may partly depend on cultural features of the globalization agent. For

instance, for Algerian domestic workers, the acculturation dynamic would be very different

when the globalization agent is French, Chinese, or Moroccan, due to a mixture of cultural,

historical, and geopolitical factors. Furthermore, one key insight from research on liabilities

(and assets) of foreignness and localness (Kostova & Zaheer, 1999; Edman, 2016; Gyamfi &

Lee, 2019) is that one's assets and liabilities (i.e., resources) relative to cultural others are

highly contextual, depending on the specific cultures involved. It is therefore important to

properly operationalize who or what the globalization agent is, so that the discussion could be

pegged at defined levels of analysis and could account for dynamics stemming from the

globalizing agent's nationality, in relation to the acculturating party.

Second, research has shown how resources can be associated with identities (Caza,

Moss, & Vough, 2018; Creary, Caza, & Roberts, 2015), suggesting that domestic employees'

initial cultural embeddedness may to some extent shape their resource endowment and by

extension, their acculturation stress, facing globalization. Take examples of the resources

proposed by Lau & Shaffer (i.e., social dominance, ethnocentric orientation, social capital,

and absorptive capacity): social dominance may be influenced by the power position of

domestic workers' culture relative to the globalization agent (Gyamfi & Lee, 2019; Paunova,

2017). Ethnocentric orientation can be a function of domestic employees' home country

embeddedness (Thomas, 1996). Similarly, domestic employees' social capital is related to

their specific pattern of cultural embeddedness (Repke & Benet-Martínez, 2018). Their

identity patterns may predict cultural intelligence, indicating their absorptive capacity when

navigating culturally diverse workplaces (Lee, Masuda, Fu, & Reiche, 2018). In sum,

enhancing theoretical precision about domestic employees and globalization offers greater insight into *endowment* of and *change* in domestic employees' resources (in terms of both gain and loss), and their resulting adaptation approaches, in specific globalization contexts.

CONCLUSION

In this dialogue, we point out two critical issues in Lau & Shaffer's (2021) work, emphasizing the theoretical importance of modelling initial cultural states of domestic employees and specifying the globalization agent so as to (1) include theoretically-relevant initial conditions in the model, and (2) enable plausible explanations of cultural contingencies of resources. As Weick (1999: 800; quoting Thorngate, 1976) put it: "In order to increase both generality and accuracy, the complexity of our theories must necessarily be increased". Recognizing the value of parsimony and simplicity in theorizing, we nevertheless believe such a tradeoff necessary, and we encourage more precise theorization about domestic employees' cultural resources. At a time when forces for de-globalization are gaining strength (Witt, 2019), the world is particularly in need of strengthened cross-border collaboration to solve grand challenges of humanity. Scholarly work such as Lau and Shaffer's (2021) is therefore essential, and can be strengthened further through a more nuanced treatment of domestic employees and their resources for acculturation.

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