# Organizational culture in the light of Central and Eastern European cultural similarities and differences

## ÁKOS JARJABKA1

This paper will discuss the research done by GLOBE, Hofstede, Trompenaars and Hampden-Turner which provides comparative methods in analyzing cultures recognized world-wide. With these methods we can get a clearer picture of the relative similarity and differences of organizational culture in 11 Central and Eastern European countries (Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Poland, Romania, Russia, Serbia, Slovakia and Slovenia) which allows us to better understand why HRM methods differ from nation to nation. The results of these analyses made it possible to define the similarities and differences among these countries, paying close attention to Hungarian organizational cultures. Although there are similar cultural elements in Central and Eastern European countries, there isn't a single "best" method which would work for each country. It is important to develop a differentiated management method for each culture for the organizations intending to work in the region.

**Keywords:** culture, national culture, organizational culture, Central Eastern Europe, cultural comparative methods.

JEL codes: M14, M16.

#### Introduction

In today's economy, cross-cultural management faces new challenges set by the new business environment. Changes have led to changing organizational structures, to the reinterpretation of leadership and employee roles, to new ways of thinking and acting, new policies and practices, new technologies and new job requirements. One of the factors influencing the functions of management and having relevance to this paper is globalization; which has affected every aspect of cross-cultural management.

<sup>&</sup>lt;sup>1</sup> PhD, associate professor, University of Pécs, Faculty of Business and Economics, Department of Business and Management, e-mail: akos@ktk.pte.hu.

Published: Hungarian Economists' Society from Romania and Department of Economics and Business Administration in Hungarian Language at Babeş–Bolyai University
ISSN: 1582-1986 www.econ.ubbclui.ro/kozgazdaszforum

The recognition of human resource management as a key source of competitive advantage makes human resource professionals more important (Marquardt and Berger 2003; Sheehan et al. 2006). Strategic Human Resource Management is an unavoidable factor of developing a more sophisticated HR strategy. It also has to be mentioned that employees of an organization are at the same time members of the society and part of a national culture, and so, in their organizational environment, they use the behavioural patterns gained through factors affecting the organization from outside (Karoliny et al. 2004). There are also other factors which shape the behaviour of the employees from inside of the organization. This complex issue came into the focus of empirical studies when multinational organizations discovered that there are cultural differences between their subsidiaries. These differences, however, could not always be quantified: they were considered to be the effect of the social, market, legal, or geographical environment. However, these factors did not explain satisfactorily the cultural differences between parent companies and subsidiaries, or between subsidiaries.

Probably the most important and most discussed theoretical framework in comparative cultural studies is provided by Hofstede (1980, 1991, 1998, 2001). In order to identify the elements of the social norm system of national cultures and to develop organizational cultural dimensions, Hofstede developed a survey method which was implemented worldwide. Besides Hofstede's cultural comparative model, the GLOBE (Global Leadership and Organizational Behaviour Effectiveness) research model has been published (House 1998), which studies the influence of culture on collective expectations with respect to leaders (House et al. 2004; Bakacsi 2013), challenging Hofstede's model. Both Hofstede and the GLOBE research had initiated further crosscultural research (Gerhart 2008; Peterson 2007; Szkudlarek 2009) and also had an impact on research on a variety of issues such as leadership (Muczyk and Holt 2008; Jepson 2009). The European Value Study (EVS) focusing on fundamental values in Western societies was initiated at the end of the 1970s and it helps us compare the national cultural characteristics of European countries (Borgulya and Hahn 2008).

The aim of this paper is to highlight a number of cultural issues, insights and findings which can have significant implications for the management of human resources in Central and Eastern Europe. The paper analyses the features of different cultures based on relevant literature and the best known surveys in this field.

From the different approaches of 'cross-cultural comparison' we will discuss comparative methods based on the GLOBE research, Hofstede, Trompenaars and Hampden-Turner. With these world-wide accepted methods we get a clearer picture of the relative similarities and differences of organizational cultures in 11 Central and Eastern European countries (Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Poland, Romania, Russia, Serbia, Slovakia and Slovenia).

# Organizational culture and the Central and Eastern European cultural area

Organizational culture is a system of norms, rules, habits, values; defined, accepted or rejected by the members of an organization, which is apparent in their behaviour and reactions (Deal and Kennedy 1982, 2000; Schein 1992; Kotter and Heskett 1992; Heidrich 2000). Members of the organization accept, transmit, and follow these behavioural norms as the preferred method of thinking, they also provide it as a base for their colleagues' actions as a sort of unwritten code (Darlington 1996; Denison 1996). Organizational culture is deeply embedded in the organization, influencing each level of the organization (Handy 1985). It is slow to change but at the same time its proper use can free numerous hidden reserves if the leaders realize the fact that the traits of organizational behaviour are predominantly determined by national cultural standards (Hofstede 1980, 1991; Jarjabka 2003).

Europe, as a unique socio-economic culture block (Poór et al. 2011) can be divided into cultural segments, which are not homogeneous; however, similarities between them can be found (House et al. 2004; Borgulya and Barakonyi 2004). Although Central and Eastern European countries' culture is not uniform, Western European authors (Hampden-Turner and Trompenaars 2000) tend to refer to them as the "ex-socialist"

block" or "countries on the other side of the Elbe" when talking about the "post-socialist" region (Derjanecz 2000). This part of Europe is home to many small nations who share the same historical experience of threats and uncertainty to which they reacted with survival strategies, and ideologies with illusions. Nations living in the region all had their own days of glory and because of this each country has two 'borders': the border of the former empire and the current border of the country. These borders intersect each other as conquests took place at the expense of other nations. As a result, nations' offenses against each other piled up and surprisingly are still apparent in today's societies, thus business partners arriving from countries outside Europe have a hard time understanding the historical sensitivity, which can lead to irrational behaviour and deals (Csepeli and Prónai 2002).

There have been polemic ideas on how to categorize countries in this region. If we place more emphasis on "Central" from the phrase "Central and Eastern Europe" then we leave out countries on the western border of the former Soviet Union. If we place emphasis on "Eastern" then we included countries that used to be part of the Soviet Union. We can also distinguish the southern part of the region which we collectively call "The Balkans". In our study we use the term "Central and Eastern European countries" (CEE) based on the categorization of the CRANET Research (Karoliny et al. 2010).

While nations living in this region had different roots, living more than a thousand years in the same region has led to similar historical backgrounds and today sharing similar socio-economic problems has brought their cultures somewhat closer together. The most recent event experienced together, which still has an impact on their present situations, was the political and social change between 1989-90 (Tankó 2004). In this paper we will describe the differences of these unique cultures as well as their connections to each other by evaluating the results of the most comprehensive and popular organizational culture researches.

#### Results of the GLOBE research

The GLOBE (Global Leadership and Organizational Behavior Effectiveness) research looked at nine cultural characteristics (House 1998), and examined organizational and national culture in over 60 countries worldwide.

Uncertainty Avoidance describes the degree to which nationals, as well as employees prefer transparent and regulated situations opposed to ad hoc and temporary solutions. Cultures with a high degree of uncertainty avoidance such as Switzerland, Sweden and Germany, prefer stability and order. On the other hand, in the countries with the highest tolerance for uncertainty such as Hungary and Russia (Bakacsi and Takács 1998) employees adapt faster to the constantly changing rules because it's a part of their life. Although Hungarian managers can make right decisions, they often do not want to take responsibility for them (Baksa 2004).

Future Orientation describes in what time constraints the diverse cultures plan their futures, and how important it is to them to orient toward the future. Switzerland and the Netherlands exhibit futureoriented behaviour; they have long term plans and goals as opposed to Poland, Hungary and Russia, where sudden decisions and ad hoc solutions are preferred. International empirical research STRATOS (Strategic Orientation of Small and Medium Sized Enterprises) conducted in Hungary showed that Hungarian small and middle sized enterprises don't plan for the future; however they show a high degree of commitment to change (Barakonyi 1995). This observation is supported by research done by IBM and GKIeNET which states that 84% of Hungarian employees would not attend courses or school even if it would help them get a better job (Bodnár 2007). When examining uncertainty avoidance and future orientation together, we can say that tolerating environmental uncertainty and exhibiting short term approach to time is often characteristic of former socialist countries.

Power Distance index shows the degree of inequality among the population and within the organization that is considered normal and acceptable to the national economy. Small power distance is found in the Netherlands and Denmark, where people prefer participative and democratic leadership style, whereas in high power distance countries such as Spain or Russia upper management doesn't involve middle management in the decision making process, which causes a gradual decline in overtaking initiatives or responsibility, and the appearance of decision making problems (Holtbrügge 1996). According to the GLOBE research Hungary also belongs to countries with higher power distance; however, Hungarians seem to prefer lower power distance situations (Bakacsi and Takács 1998).

The dimension *Individualism – Collectivism* examines if organizations prefer individual work or group work. Individualist cultures, such as Greek, German, Italian and Hungarian prefer autonomy and independence while in collectivist cultures such as Swedish and Danish, sustaining group work and group harmony is valued. In Bulgaria traditionally collectivist values are common, but individualism is gaining ground (Kovacheva et al. 2005). Finally Slovaks are strongly individualists and performance oriented compared to Hungarians (MOL 2003).

In-Group Collectivism shows how proud a nation or group members are that they belong to a certain micro-group, for example a family. Ingroup collectivism is very common in Iran, India, Egypt and China; and it is found more characteristic of countries such as Hungary and other post-socialist countries. In cultures with low values of collectivism, such as Denmark and Sweden, group loyalty is viewed differently because acquainted people do not expect preferential treatment.

Humane orientation shows the degree to which a community urges empathy and tolerance towards each other, and shows little preference towards competitive and objective behaviour. Strong humane orientation can be found in Ireland, while very weak humane orientation can be found in Germany, Spain and France. In Hungary, one of the lowest values of cultural dimensions was measured for humane orientation (Bakacsi and Takács 1998).

Performance orientation measures to which extent a community expects, motivates and rewards reaching goals. The most performance

oriented countries include Singapore and the USA, while the other end is led by Russia, Greece, Italy and the former socialist countries where it is not traditional to measure performance and to give feedback about results. In Hungarian national culture this degree is low, but higher regarding organizational culture which shows that employees expect more.

Gender Egalitarianism shows the degree to which a culture accepts the differences between genders. According to the GLOBE research Sweden, Denmark, Hungary, Poland and Slovenia differentiate gender roles the least, which shows that these cultures are the most accepting towards female's roles. On the other hand in Korea, Egypt, India and China a large degree of differences among genders is acceptable.

Assertiveness describes to what extent the society accepts confrontational behaviour in contrast to moderate and nurturing behaviour. Members of the organizations in assertive countries such as Germany, Austria, USA and Spain are often very competitive, but they respect the winner. Countries such as Sweden and Switzerland, however, show no assertive behaviour at all. Hungarian employees reject tough and aggressive behaviour but at the same time they prefer assertiveness (Bakacsi and Takács 1998).

The GLOBE research compiled different cultural clusters; the so-called Eastern European cluster was formed of Albania, Hungary, Georgia, Kazakhstan, Poland, Russia and Slovenia (Bakacsi et al. 2002), with high power distance and strong in-group collectivism. However, other researches didn't support this similarity between Hungary, Georgia and Kazakhstan (Cseh et al. 2004).

#### Hofstede's model

The Hofstede Model, with which over 80 countries were examined, uses – on the basis of national culture – five cultural dimensions to differentiate four different organizational cultures (Hofstede 1980, 1991, 1998), which are accomplished by two further dimensions (Hofstede et al., 2008).

Power Distance Index (PDI) measures both on national and organizational level how much hierarchy is present in the society and

organizations as well as shows the accepted methods of practicing power within the society's institutions and organizations.

Uncertainty Avoidance Index (UAI) shows the degree to which the society accepts change and the unexpected, and the fear of the new.

Masculinity-Femininity Index (MAS) measures to what degree a national or organizational culture prefers differences relating to gender roles and values.

*Individualism-Collectivism index (IDV or IND)* examines a nation's or organization's individualistic and collectivist behaviours.

Long term orientation index (LTO or CDI) describes the time orientation typical of a society and culture, also called as Confucian Dynamics.

Indulgence versus restraint (IVR): Indulgence stands for a society which allows relatively free gratification of some desires and feelings, especially those that have to do with leisure, merrymaking with friends, spending, consumption and sex. Its opposite pole, restraint, stands for a society which controls such gratification, and where people feel less able to enjoy their lives (Hofstede 2010).

Monumentalism (MON): Monumentalism stands for a society which rewards people who are, metaphorically speaking, like monuments: proud and unchangeable. Its opposite pole, self-effacement, stands for a society which rewards humility and flexibility (Hostede et al. 2008).

The international research background of the latter two indices is insignificant, so they are not included in this study as a tool of cultural comparison.

In accordance with the first five cultural dimensions mentioned above, employees of organizations operating in a national setting developed a sort of organizational picture which influences how members of a culture utilize HRM methods, production and process types and which types of behaviour they prefer or reject. Hofstede differentiates the following nation-based organizational cultures (Hofstede 1980, 2001):

Market (low PDI and UAI): members of this group include the USA,

the UK, Australia and the Scandinavian countries such as Norway and Denmark. They prefer autonomy, coordination and competitiveness.

Well-Oiled Machine (low PDI and high UAI): German cultures belong to this group (Austria, Germany Switzerland). Organizations in these countries believe in planning, organized processes and bureaucracy. Two other countries which belong to this group because of German influence are Hungary and the Czech Republic.

Family (High PDI and low UAI): China is one of the main representatives of this group. The high score in PDI dimension means that the Chinese society accepts that there are inequalities amongst people. The formal authority and sanctions influence individuals and people are optimistic in general about their capacity for leadership and initiative. The low score in UAI represents that the Chinese are comfortable with uncertainty; their language is full of equivocal meanings that can be difficult for foreign people to follow. Chinese can be considered an adaptable and entrepreneurial nation (The Hofstede Centre 2009). Furthermore, South Eastern Asian countries also belong to this group (Singapore, Hong Kong, the Philippines, and Malaysia) as well as India: clans are common in organizations as well as humane orientation, bureaucracy and paternalist behavior both at interpersonal and organizational levels.

Pyramid (High PDI and UAI): Latin cultures belong here (Spain, Portugal, Brazil and Mexico) as well as Islamic countries (Iraq and Saudi Arabia) and Far Eastern countries such as Thailand and Japan. Typical of these countries is a high level of segmentation and strong hierarchy, on which power is based, and this often leads to total bureaucracy and autocratic leadership forms. Central and Eastern European cultures belonging to this group are Albania, Croatia, Serbia, Slovenia, Romania and Poland, as you can see in Table 1.

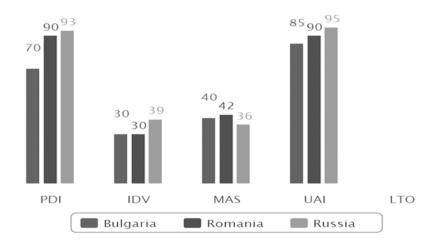
Analyzing the data of the table one by one we can discover the following cultural differences and similarities among Central and Eastern European countries:

1. Bulgarian-Romanian-Russian cultural similarity: the two countries that joined the EU in 2007 exhibit Balkan cultural characteristics and similarities with Russia (see Figure 1).

Table 1. The dimension values for Central and Eastern European countries in Hofstede's model

Country/Dimension	PDI	IDV	MAS	UAI	LTO
Bulgaria	70	30	40	85	-
Croatia	72	33	40	80	-
Czech Republic	57	58	57	74	13
Estonia	40	60	30	60	-
Hungary	46	80	88	82	50
Poland	68	60	64	93	32
Romania	90	30	42	90	-
Russia	93	39	36	95	-
Serbia	86	25	43	92	-
Slovakia	104	52	110	51	38

Source: The Hofstede Centre 2009



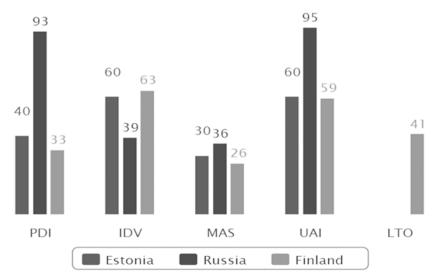
Source: The Hofstede Centre 2009

Figure 1. Comparison of the national-organizational cultural dimension indices of Bulgaria, Romania and Russia

The power distance index is stronger in the Romanian culture compared to the Bulgarians, however, the rest of the indices are completely identical (IDV) or only differ slightly (MAS and UAI). An

even stronger similarity can be found between the Romanian and Russian culture, as the difference among the indices is even smaller than in the previous case (see Table 2), and the similarities among their organizational cultures have been mentioned by other authors as well (Groniewsky 2005). The similarities found among the cultures of these three countries can be explained geographically as well as through their roots tying them to Greek - Eastern Orthodox religion (Taylor 2003).

2. Estonian-Finnish similarity and Estonian-Russian differences (Figure 2). Estonian cultural dimension indices are closer to the Finnish cultural indices than to the Russian ones (Maaja 2004). Their connection to the Scandinavian value system is supported not only by geographical proximity, but also by Hofstede's model: Estonia was placed in the so-called sensitive cultural cluster along with Denmark, Sweden, Norway and Finland (Jarjabka 2003). This culture group exhibits sensitivity both in their national and organizational behaviour

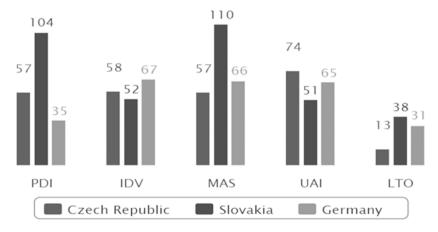


Source: The Hofstede Centre 2009

Figure 2. Comparison of the dimension indices of Estonian, Finnish and Russian culture

and rather low power distance. Despite spending several decades as one country with Russia, despite all attempts of assimilation, and despite the Russian minority residing in the area, not the slightest bit of similarity can be seen among the Russian and Estonian culture. This also shows that it would be pointless to try to deal with all post-socialist countries in the same manner.

3. Czech and Slovak differences: After having been the same country for almost a century, the differences between the Czech and Slovak culture are shocking (see Figure 3). This also disproves the statement that joint nations merge two cultures into one. From the data we can see that the Czech culture is closer to the German and Austrian culture than to the Slovak culture and greatly differs from the Russian culture (Hofstede 2001).

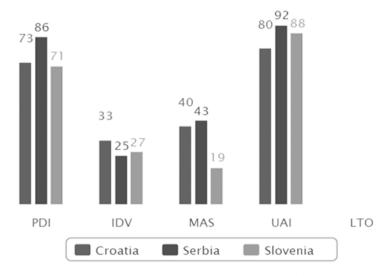


Source: The Hofstede Centre 2009

Figure 3. Comparison of the national and organizational culture dimension indices of the Czech Republic and Slovakia

4. The Croatian-Serbian-Slovenian Cultural Community: A counter example to the Czech and Slovak cultural situation is the situation of the ex-Yugoslavian countries (Figure 4). Here, in all three countries, power distance and uncertainty avoidance are higher than the average,

whereas Serbia shows somewhat higher values than the other countries. It is in the case of masculinity index where we see the greatest differences, because Slovenian national and organizational cultural indices are lower than in the other two countries which have mid-range and almost same level indices. Individualism levels are low in each country which also shows similarity between the cultures (Jarjabka 2009).



Source: The Hofstede Centre 2009

Figure 4. Comparison of the national- organizational cultural dimension indices of Croatia, Serbia and Slovenia

# The model of Trompenaars and Hampden-Turner

The empirical studies of Trompenaars and Hampden-Turner (1998) were carried out in more than 50 countries, and over 15 000 individuals were asked by using quantitative surveys based on case descriptions (Gaál et al. 2009). The results were used to create a seven-dimension national and organizational cultural model. They discovered after more than twenty years of research that cultures are binary contrasts with two opposed ends, and cultures tend to prefer one end of a dimension to

the other, but at the same time the less preferred end is also vital to attaining the preferred dimension. Cultural intelligence requires that we respect both and the movements between them (Hampden-Turner and Trompenaars 2006).

In the following section of the paper we will discuss these dimensions from the perspective of the Central and Eastern European countries.

The dimension *universalism vs. particularism* examines to what extent impersonal rules or personal relationships are important in a culture. Cultures which are the most universal are the Anglo-Saxon and Scandinavian countries, while most particular countries are China, Russia, Indonesia and the Czech Republic. Typical Czech organizational behaviour includes the importance of personal relationships in organizational processes and this is also typical of Bulgaria. In Central and Eastern European culture particularism is more common (Hampden-Turner and Trompenaars 2000) and it can be seen in the selfish way they deal with organizational rules.

The dimension *individualism vs. communitarianism* is similar to the GLOBE's and to Hofstede's definition, but results of this research slightly differ from the before mentioned two researches. Here Central and Eastern European countries are considered to be mid-range to highend individualistic, which is the opposite of Hofstede's results where Russians, Bulgarians, Romanians and Polish are collectivistic (Nasierowski and Mikula 1998). The most group-oriented countries in the world are Japan, Brazil, India and China (Trompenaars and Woolliams 2011).

Neutral societies or organizations keep large distances and exhibit strong self-control. Affective types on the contrary, prefer open confrontation. Countries with neutral culture include Germany and the UK, while Latin cultures rank first among countries with affective culture. A good example of Central and Eastern European behaviour is the Polish culture, where an important behavioural trait is the use of indirect communication tools; which shows a somewhat neutral approach. Communicators in Central and Eastern Europe should be

able to read between the lines, this is why we consider countries in this region to be high context countries (Hall 1965). However, for example in the case of Hungary strong emotional relationships are also common (Hauke 2006).

Specific/Diffuse dimension shows to what degree employees have integrated themselves into the organization. At specific organizations problems are solved in a direct and impersonal manner, while a diffuse approach is slower but involves deeper emotional connections. German and Scandinavian cultures are considered specific cultures in Europe. Hungarian national and organizational culture seems to follow the Germans; however other researches have discovered more diffuse behaviour among Hungarian leaders (Borgulya 2000). The cultures of the other Central and Eastern European countries, Bulgaria, the Czech Republic, Poland and the countries of ex-Yugoslavia are mostly specific. China is considered to be a diffuse culture, since they do not separate their work and personal life. They think that good relationships are very important to be successful in business (Smith 2014).

Source of status in society determines whether the status achieved within the society or organization depends on personal achievements, or age and ascription. Typically in North American countries and organizations status depends on achievements, while in Central and Eastern Europe status is more about ascription; although research indicates that cultures become more achievement oriented as we move from Russian towards Czech culture (Kruzela 1997).

Attitudes towards time show if a culture tends to be future, present or past oriented (Kluckhohn and Strodtbeck 1961). It also defines the sequencing of time and synchronization of time. Discussing time we must mention polychronic and monochronic cultures (Hall and Hall 1989). Hungarian culture tends to be more past oriented and polychronic which can also be said of the Czech, Polish and Russian culture (Derjanecz 2000).

Attitudes towards environment describe internal and external control of the environment. In cultures with internal control, members want to be in control of the environment, while national and

organizational cultures exhibiting external approach prefer to live in harmony with the environment. Hungary and most of Central and Eastern Europe tend to practice external control both in the national and in organizational culture.

Besides the description of national features, Trompenaars and Hampden-Turner analyzed the relationship between employees and the hierarchy within the organization. They developed a model defining four types of national-organizational cultures, among which Hungary is in the same category as Germany (and Estonia as well), situated in the "Eiffel Tower"-segment of the Trompenaars and Hampden-Turner model (Maaja 2004). This group has a hierarchical structure, prefers rules and order. This is supported by the fact that Hungarian managers are considered somewhat problematic and analytic in thinking (Zoltavné Paprika 2001). It is also interesting that in this research, just like in Hofstede's research. Hungary is considered to be similar to the German culture [well oiled machine]. However, the two cultures cannot be considered identical in spite of being in the same categories. This finding is weakened by surveys reaching over a thousand participants though, which state that Germans are more goal oriented, more strategic in thinking and more detail oriented while Hungarians are very operative and autocratic although creative and flexible (Molnár 2004).

#### Conclusion

Heterogeneous survey methods help us better understand upon which factors managers have to focus their attention when dealing with people of different national cultures in the CEE.

The results of the GLOBE research show heterogeneous cultural profiles, and information of diverse quality and depth is provided about the 11 surveyed CEE countries. Regarding some dimensions (for example micro-group collectivism and performance orientation) there are only smaller cultural differences within the CEE, but the country indices in most of the categories highly diversify, consequently the cultural categorization (Eastern European cluster) is disputable.

According to Hofstede's cultural model the surveyed countries of the CEE region belong to two diverse clusters namely to the categories of Well-Oiled Machine and Pyramid. There is a noticeable difference between the judgements of Uncertainty Avoidance based on the GLOBE research model and Hofstede's research model. It is also remarkable that in case of Hungary reverse categories of both Uncertainty Avoidance and Power Distance are concluded from the surveyed values in the GLOBE research model and Hofstede's research model. However, further research into the indices of Long Time Orientation may develop and extend the scope of the latter model.

The different judgements of the analysed cultural characteristics are based on different methodologies of the three cultural models:

- 1. The interpretation of cultural categories is different even in seemingly evident cases where the categories are the same, but their intrinsic contents are different, for example in cases of uncertainty avoidance and individualism vs. collectivism. Consequently the results of researches using different methodologies cannot be compared.
- 2. The number of criteria defining cultural models is also different, so the cultural profiles of countries defined by diverse research methodologies also differ.
- 3. The resulted values are not comparable either, as in some cases the relative difference of the values referring to the surveyed countries is considered, while in other cases the values themselves represent the cultural distances between the countries, furthermore all these are affected by the results of qualitative research in Trompenaars' model.

Comparing the different models for organizational cultures (GLOBE, Hofstede and Trompenaars) for 11 Central and Eastern European countries, we can also state that different overlapping elements of the three models help us articulate implications for crosscultural management, because the results of these research projects made it possible to define similarities and differences among these countries.

The most important observation about Central and Eastern European countries as well as about countries which are members of the EU is that different cultural management methods are needed for managing organizations. Organisational cultures in Central and Eastern Europe cannot be understood based on information regarding only one culture, thus, managers of international organizations should get to know the interlinked, however unique cultures and historic background of the region. There are similar cultural elements but there isn't a single "best" method which would work for each country. It is important to develop a differentiated cultural management method for each culture for the organizations aiming to operate in the region. Finally, it should be considered that despite of the diverse cultural characteristics there is transition in CEE cultures (Bakacsi et al. 2002), which supports co-operation in international management across cultures in this European region. The above situation is complicated by the constant change of CEE cultures even after the economic and social transition, so international management and managers should devote sensitivity and attention to these cultures.

### Acknowledgements

The present scientific contribution is dedicated to the 650<sup>th</sup> anniversary of the foundation of the University of Pécs, Hungary. Special thanks to my colleague, senior lecturer Márta Dévényi PhD, University of Pécs.

#### References

Bakacsi, Gy. 1996. Szervezeti magatartás és vezetés. Budapest: KJK.

Bakacsi, Gy.–Takács, S. 1998. Honnan – Hová? A nemzeti és szervezeti kultúra változásai a kilencvenes évek közepének. *Vezetéstudomány* XXIX(2), 15–22.

Bakacsi, Gy.–Takács, S.–Karácsony, A.–Imrek, V. 2002. Eastern European Cluster: Tradition and Transition. *Journal of World Business* 37(1), 69–80.

Bakacsi, Gy. 2013. A Hofstede-rendszerrel párhuzamos értékkutatások. In: Varga, K. *Fénykör – Értékszociológia, nemzet-stratégia, 2. kiadás,* Budapest: Akadémiai Kiadó, 252–261.

Baksa, R. 2004. Senki sem születik topvezetőnek. *Világgazdaság* 10.09.2004, 8.

Barakonyi, K. 1995. *Magyar vállalati kultúra az ezredfordulón*. Budapesti Közgazdaságtudományi Egyetem.

Bodnár, Á. 2007. *Nem vagyunk hajlandók tanulni vagy utazni egy jobb állásért*, http://www.hwsw.hu/hirek/33067/magyar\_munkaero\_rugalmassag\_mobilitas\_ingazas\_koltozes\_tanulas.html, downloaded: 30.08.2014.

Borgulya, A.–Hahn, J. 2008. Work-related values and attitudes in Central and Eastern Europe. *Journal of East European Mangement Studies* 13(3), 216–238.

Borgulya, I.-né–Barakonyi, K. 2004. *Vállalati kultúra*. Budapest: Nemzeti Tankönyvkiadó.

Borgulya, I.-né 2000. A magyar menedzserek és az interkulturális feladatok. OTKA kutatási jelentés. Pécs: PTE–KTK.

Cseh, M.–Ardichvili, A.–Gasparishvili, A.–Krisztián, B.–Nemeskéri, Zs. 2004. Organizational culture and socio-cultural values: Perceptions of managers and employees in five economies is transitions. *Performance Improvement Quarterly* 17(2), 5–28.

Csepeli, Gy.–Prónai, Cs. 2002. Kultúra és üzleti kommunikáció. *Consultation magazin* 4, http://www.cons.hu/index.php?menu=cikk&id=184, downloaded: 30.08.2014.

Darlington, G. 1996. Culture: A Theoretical Rewiew, In: Joyt, P.–Warner, M (eds.): *Managing Across Cultures: Issues and Perspectives*, London: International Business Press.

Deal, T. E.–Kennedy, A. A. 1982, 2000. *Corporate Cultures: The Rites and Rituals of Corporate Life*. Harmondsworth: Penguin Books.

Denison, D. R. 1996. What is the difference between organizational culture and organizational climate? A native's point of view on a decade of paradigma wars. *Academy of Management Review* 21(3), 619–654.

Derjanecz, Á. 2000. Kelet-nyugati kooperációk Európában: magyar, lengyel, cseh, német és osztrák vállalatok kulturális jellemzői. *Vezetéstudomány* XXXI(11), 19–24.

Gaál, Z.–Szabó, L.–Obermayer-Kovács, N.–Kovács, Z.–Balogh, Á. 2009. Knowledge management and competitiveness through cultural

lens. In: Noszkay, E. (ed.) *The capital of intelligence – the intelligence of capital*. Budapest: Infota, 85–97.

Gerhart, B. 2008. Cross cultural management research: Assumptions, evidence, and suggested directions. *International Journal of Cross Cultural Management* 8(3), 259–274.

Groniewsky, D. 2005. Hatalom: a kulturális különbség meghatározója, *Világgazdaság* 18.03.2005, 7.

Hall, E. T. 1965. The silent language. Greenwich: Fawcett Company.

Hall, E. T.–Hall, M. R. 1989. *Understanding cultural differences*. Yarmouth, ME: Intercultural Press.

Hampden-Turner, Ch.—Trompenaars, F. 2000. *Building cross-cultural competence: How to create wealth from conflicting values?* London: Yale University Press.

Hampden-Turner, Ch.—Trompenaars, F. 2006. Cultural intelligence: Is such a capability credible? *Group and Organization Management* 31(1), 56–63.

Handy, C. 1985. *Understanding Organizations*. London: Penguin Book.

Hauke, A. 2006. Impact of cultural differences on knowledge transfer in British, Hungarian and Polish enterprises. *Eurodiv Paper 4*.

Heidrich, B. 2000. Szervezeti kultúra és interkulturális management. Miskolc: Bíbor Kiadó.

Hofstede, G. 1980. *Culture's consequences: International differences in work related values.* Beverly Hills, CA: Sage Publications.

Hofstede, G. 1991, 2010. *Cultures and organization: Software of the mind*. London: McGraw-Hill.

Hofstede, G. 1998. Attitudes, values and organizational culture: Disentangling the concepts. *Organizational Studies* 19(3), 477–492.

Hofstede, G. 2001. *Cultures consequences, comparing values, behaviors, institutions and organizations across nations.* Thousand Oaks, CA: Sage Publications.

Hofstede, G.–Hofstede, J. G.–Minkov, M.–Vinken, H. 2008. *Values Survey Module 2008 Manual* www.geerthofstede.nl, downloaded: 30.08.2014.

Holtbrügge, D. 1996. Unternehmenskulturelle Anpassungsprobleme in deutsch – russischen Joint Ventures. *Journal of East European Management Studies* 1, 17–27.

House, R. J. 1998. A brief history of GLOBE. *Journal of Managerial Psychology* 13(3/4), 230–240.

House, R. J.-Hanges, P. J.-Javidan, M.-Dorfman, P.W.-Gupta, V. (eds.) 2004. Culture, Leadership, and Organizations: The GLOBE Study of 62 Societies. Thousand Oaks: Sage Publications.

Jarjabka, Á. 2003. A magyar nemzeti – szervezeti kultúra pozíciója a hofstedei modellben. *Marketing & Menedzsment* XXXVII(1), 29–45.

Jarjabka, Á. 2009. Dealing with the global economic crisis by companies and economies. In: *Organizational Culture and the Central-Eastern European Culture – Differences and Similarities. International Scientific Conference*, Belgrade: Megatrend University, 69–78.

Jepson, D. 2009. Studying leadership at cross-country level: A critical analysis. *Leadership* 5(1), 61–80.

Karoliny, M.–Farkas, F.–Poór, J.–László, Gy. 2004. *Emberi erőforrás management kézikönyv*. Budapest: KJK–KERSZÖV.

Karoliny, M.–Farkas, F.–Poór, J. 2010. Sharpening Profile of HRM in Central-Eastern Europe in Reflection of its Developments in Hungary. *Review of International Comparative Management* 11(4), 733–747.

Kluckhohn, C.–Strodtbeck, C. 1961. Culture - A critical review. Cambridge, MA: Harvard University Press.

Kotter, J. P.-Heskett, J. L. 1992. *Corporate Culture and Performance*. New York: The Free Press.

Kovacheva, S.–Lewis, S.–Demireva, N. 2005: Changing work-life expectations and organisational cultures in European workplaces: UK and Bulgaria compared. *Sociological Problems* XXXVII/2005, 62–81.

Kruzela, P. 1997. *Cross-cultural management*. Lund: University of Lund, School of Economics and Management.

Maaja, V. 2004. The impact of organisational culture on attitudes concerning change in post-soviet organizations. *Journal for East European Management Studies* 9(1), 20–39.

Marquardt, M.-Berger, N. O. 2003. The Future: globalization and

new roles for HRD. Advances in Developing Human Resources 5(3), 283–295.

MOL 2003. Vállalati kultúra és terjeszkedés: hogyan működik a Molnál? http://www.mfor.hu/cikkek/Vallalati\_kultura\_es\_terjeszkedes\_hogyan\_mukodik\_a\_Molnal.html, downloaded: 21.08.2003.

Molnár, Zs. 2004. Magyar vezetők nemzetközi karrierje – Döntő személyiségjegyek. *Figyelő* 14-20.10.2004, 38–39.

Muczyk, J. P.-Holt, D. T. 2008. Toward a cultural contingency model of leadership. *Journal of Leadership and Organizational Studies* 14(4), 277–286.

Nasierowski, W.-Mikula, B. 1998. Culture dimensions of Polish managers: Hofstede's indices. *Organizational Studies* 19(3), 495–509.

Peterson, M. F. 2007. The heritage of cross cultural management research. Implications for the Hofstede Chair in cultural diversity. *Cross Cultural Management* 7(3), 359–377.

Poór, J.–Bóday, P.–Kispál-Vitay, Zs. (eds.) 2011. *Trendek és tendenciák a kelet-európai emberierőforrás-menedzsementben*. Budapest: Gondolat.

Schein, E. 1992. Organizational Culture and Leadership: A Dynamic View. San Francisco, CA: Jossey-Bass.

Sheehan, C.-Holland, P.-DeCieri, H. 2006. Current developments in HRM in Australian organizations. *Asia Pacific Journal of Human Resources* 44(2), 132–152.

Smith, C. 2014. The Seven Dimensions of Culture Understanding and Managing Cultural Differences. www.mindtools.com/pages/article/seven-dimensions.htm, downloaded: 05.08.2014.

Szkudlarek, B. 2009. Through western eyes: Insights into the intercultural training field. *Organization Studies* 30(9), 975–986.

Tankó, Z. 2004. A vállalati kultúra vizsgálata az erdélyi tömbmagyarság körében. *Vezetéstudomány* XXXV(2), 3–10.

Taylor, S. J. 2003. *How do Hofstede's dimensions correlate with the world's religions?* http://www.international-business-center.com/international\_newsletter/april\_2003/april\_03\_web.htm#spotlight, downloaded: 04.04.2014.

The Hofstede Centre 2009. www.geert-hofstede.com/hofstede\_dimensions.php, downloaded: 03.02.2009.

Trompenaars, F.-Woolliams, P. 2011. Lost in translation. *Harvard Business Review*, http://hbr.org/2011/04/lost-in-translation/ar/1, downloaded: 10.08.2014.

Trompenaars, F.–Hampden-Turner, C. 1998. Riding the waves of culture – understanding cultural diversity in business ( $2^{nd}$  ed.). London: Nicholas Brealev Publ.

Zoltayné Paprika, Z. 2001. A magyar menedzserek versenyképessége. *Cégvezetés* 2001(január), http://cegvezetes.hu/2001/01/a-magyar-menedzserek-versenykepessege/, downloaded: 05.08.2014.